

24th July 2023

Agenda Item:

REPORT OF THE SERVICE DIRECTOR, INVESTMENT AND GROWTH
TRANSFORMING CITIES FUND TRANCHE 2 PROJECT PROGRAMME

Purpose of the Report

1. To secure approval for a revised project programme following a review of the County Council led public transport and active travel projects being funded by the Transforming Cities Fund (TCF)Tranche 2
2. This is a key decision because it will result in expenditure of £1 million or over and it will have significant effects on two or more electoral divisions.

Information

Programme background

3. In March 2020, the Government announced that Nottingham and Derby had been successful in securing £161 million of grant funding from Tranche 2 of TCF. The TCF fund aims to support sustainable growth in cities, reduce carbon and improve air quality by improving access to jobs, reducing congestion, and improving public transport and other forms of sustainable transport such as cycling and walking.
4. Nottingham City Council led and developed the bid and is designated as the accountable body and lead contact with the Department for Transport (DfT). Although Nottinghamshire County Council was not eligible to bid into this funding stream, several of the proposed public transport and cycling improvement schemes are within, or impact upon, areas of the County Council network. It was agreed that the County Council would lead the delivery of these schemes.
5. The City Council has established a Board to manage the overall TCF programme, including making any changes to the scope of individual programme elements or moving funds between existing approved budgets (subject to final sign off by the DfT). The County Council is represented upon this Board and provides monthly monitoring reports on individual scheme progress.
6. The Nottinghamshire led schemes have been progressed to feasibility or design stage but this has identified delivery constraints on several of the proposals and increased costs across the whole programme since the TCF bid was submitted in 2019.

7. The DfT and Nottingham City Council have confirmed that no additional funding is available to meet the significant increase in predicted costs. This round of TCF funding is also conditional upon the allocated funding being spent within the current financial year 2023/24. The DfT has indicated that committed schemes may be allowed to extend into 2024/25 with exceptionally good justification but this would not be confirmed until later in the year.
8. The identified cost increases and delivery constraints prompted County Council Members to request a review of the programme of TCF proposals within Nottinghamshire to ensure this still offers value for money. This review has been led by the Growth, Infrastructure and Development Group and also considers any alternative proposals that could be delivered within the scope of the available grant funding offer.

Policy Background

9. National policy highlights the importance of sustainable and effective transport infrastructure to connect people and places and support economic growth. The national bus strategy (Bus Back Better) and cycling and walking strategy (Gear Change) set out the Government's vision to improve bus services and encourage cycling and walking over shorter journeys.
10. The Nottinghamshire Plan sets out the Council's ambitions to improve transport connections, protect the environment, reduce carbon, and improve health and wellbeing by making journeys easier, supporting healthier and more sustainable transport options, improving bus services, and expanding our cycling and walking networks. The Council's Local Transport Plan (LTP), Bus Service Improvement Plan (BSIP) and Local Cycling and Walking Improvement Plan (LCWIP) prioritise key schemes which are designed to help deliver these ambitions.
11. Improving access to training and jobs, and moving goods more efficiently, is central to Nottinghamshire's economic recovery and levelling up agenda. The Council's Economic Transition Plan (ETP) looks to maximise opportunities for transport infrastructure improvements within Nottinghamshire and ensure those projects with secured funding are ready for delivery. To help deliver these priorities, the Infrastructure and Transport Programme Delivery team work closely with a range of partners and stakeholders. The TCF funding is an example of working with our partners (Nottingham and Derby City Councils) to deliver various cross-area sustainable transport projects.

Status of the original TCF proposals being led by Nottinghamshire County Council

12. The TCF schemes originally identified to be delivered by the County Council are contained in two separate work packages focused on improving the County's public transport and cycling infrastructure and complimenting similar schemes being delivered by Nottingham City Council.

Public transport proposals (work package 7)

13. In February 2021, the County Council formally accepted grant funding of £7.9 million from Nottingham City Council to cover the cost of delivering the following proposed public transport improvement schemes within Nottinghamshire identified as "Work Package 7". These were:
 - A new Park & Ride site off Leapool Roundabout, Arnold
 - A60 Corridor Bus Priority Improvements (Bestwood and Arnold Bus Lane / A60 Cross Street to Sir John Robinson Way)

- Bus Priority Package - B5010 Nottingham Road – Bramcote
 - Switch on traffic light priority at up to 64 existing SCOOT/MOVA junctions
 - Bus and Ultra Low Emission Vehicles (ULEV) lane on the A612 Colwick Loop Road between Private Road No.1 and Victoria Park Way
14. Subsequent cost estimates for these schemes were significantly higher than originally budgeted due to a combination of more detailed design work, inflationary pressures, and additional utility diversion costs. In April 2022, the Council’s Economic Development and Asset Management Committee (EDAM) approved a revised programme of works to delete Leapool Roundabout Park and Ride from the programme as this was no longer within budget (but safeguard the land for a possible future scheme) and delete the B5010 Nottingham Road Bramcote proposal as this was found to be environmentally unacceptable. The budget from these two schemes was relocated to the remaining schemes.
15. Following feedback from the Council’s Transport and Environment Committee in May 2022, further consultation was carried out with the local County Council members for the A60 bus corridor schemes. This highlighted a range of local issues to be considered but primarily raised concerns as to whether the full benefits of the proposed bus priority measures along the A60 corridor could be achieved without the introduction of the Park & Ride facility.
16. Officers then considered whether the A60 Park and Ride scheme and the A60 bus corridor scheme could be solely delivered from this funding (instead of the other measures). This was not a feasible option, due to the cost increases (and the funding available) and the projected delivery timeframe was outside of the DfT funding deadlines. A further option considered at this time was whether there were other bus infrastructure improvements that could be made along this corridor to enhance the user experience subject to meeting DfT funding requirements. This was not ruled out and has been considered as part of the review of the overall TCF work programme in Nottinghamshire (see option D below).

Cycling infrastructure improvements (work package 4)

17. In June 2021, the City Council allocated up to £7.24m of TCF grant funding from their “Work Package 4” towards constructing high quality cycle routes along three key highway corridors within Nottinghamshire:
- A453 from Mill Hill to Kegworth
 - A612 from Mile End Road to Private Road No.1
 - A6005 from Nottingham City Boundary to Ranson Road, Chilwell
18. All three schemes are identified as priority routes within the D2N2 Local Cycling and Walking Infrastructure Plan (LCWIP). The City Council commissioned Via East Midlands directly to undertake the preliminary feasibility work on these schemes and the proposals have been discussed with each of the local County Council Members. Following approval from the Transport and Environment Committee in February 2022, public consultation on the proposed A6005 route took place earlier this year. However, planned consultation on the A453 and A612 proposals was paused pending the review of the overall TCF work programme in Nottinghamshire.
19. Following the feasibility work undertaken, feedback from local County Council Members and the partial public consultation, the status of these schemes can be summarised as follows:

- **A453 corridor** - the proposed cycle route along the A453 corridor to the county boundary at Kegworth (from where it would continue to East Midlands Airport) would require the construction of a shared use footway along part of the former A453 with traffic signals to enable cyclists to pass safely along the very narrow section of Barton Lane, southwest of Thrumpton. It would only be possible to provide a facility that complies with the Council's current adopted design standards if part of Kegworth Road is made one-way or the County Council acquires additional land for the scheme. This would significantly increase the project timetable and cost.
- **A612** - it is proposed to widen an existing shared use footway into the existing highway verge away from the roadside between Mile End Road and Private Road No.1 that no longer meets current design standards. This would form part of a potential wider strategic footway improvement identified through the development of the D2N2 Local Cycling & Walking Infrastructure Plan. In addition to the TCF funding, the County Council has also secured developer contributions of up to £232,000 towards this scheme which would need to be returned to the developers if not used.
- **A6005** - a cycle route is also proposed from the city boundary to Chilwell comprising sections of new routes as well as upgrades to some existing facilities. Public consultation on the draft proposals undertaken in May 2022 indicate that there is broad public support for the scheme but responses to the consultation also raised several issues with the proposals, including concerns raised by the local County Council members. The issues raised through the consultation include concerns about:
 - i. the identified route, as it is not sufficiently direct (Nottingham City Council has stated there is no feasible alternative route for the scheme)
 - ii. its environmental impacts, due to the need to fell over 30 mature trees along its route to enable its construction
 - iii. its deliverability, feasibility work has identified that some sections of the route will be extremely difficult to deliver (and if these difficulties could be overcome, the scheme is unlikely to be deliverable within the funding timescales)
 - iv. its escalating cost, and
 - v. due to the above, its value for money.

Review of the TCF programme within Nottinghamshire

20. As a result of the unexpected cost increases and delays to programme delivery, Officers have reviewed the overall TCF programme within Nottinghamshire to see if these projects still provide value for money and can be delivered within the required timeframe. This also included an assessment of whether there are suitable alternative projects which could be delivered within the scope of the TCF funding criteria. The options identified are as follows:
- a. **Redirect all available funding to deliver the proposed Leapool Park and Ride scheme and supporting bus priority measures along the A60 corridors.** This option would maximise the benefits of these measures for all road users but would mean none of the proposed cycling improvements in work package 4 could be delivered. It would also require further detailed design work, public consultation, the preparation and submission of a detailed planning application, additional land acquisition and a possible public inquiry. It is not possible for this scheme to be started before 2025/26 at the earliest and would not therefore be approved by the DfT because it falls outside the funding delivery deadline.

- b. **Redirect all or part of funding to deliver the proposed strategic cycle corridors alongside the A453, as far as Ratcliffe on Soar, and along the A612.** Constructing the A453 corridor as far as Ratcliffe on Soar would avoid the need to create a signal controlled one-way system on Kegworth Road but would still require additional land to be acquired to meet the Council's adopted design standards. This would significantly increase costs and could not be delivered within the required timeframe. Detailed design work is ongoing for the A612 footway improvement works which could commence construction by the end of the year if approved. This option removes the proposed A6005 cycling corridor from the programme due to the financial risk, uncertainty, and likelihood this could no longer be delivered within the funding deadline.
 - c. **Implement further traffic signal upgrades to support journey time improvements.** This option would improve journey time reliability for buses and help deliver a key objective within the Council's Bus Service Improvement Plans (BSIP) and Enhanced Partnership agreements between the Council and bus operators. Activating existing, or installing new, software is relatively low cost and could be delivered within the next 6 months in accordance with the DfT funding criteria. This builds on the successful delivery of a number of traffic signal upgrades already in place across Nottinghamshire to improve bus reliability.
 - d. **Explore the option to deliver some localised public transport infrastructure improvement to complement the provisions within the City boundary.** These measures would be consistent with and expand existing integrated transport capital programme measures but would need to satisfy value for money assessment to justify their inclusion. Measures would include the continuation of the Robin Hood network branding at County Council stops within the network, upgrades to real-time displays and other required bus stop infrastructure upgrades to improve the passenger experience.
 - e. **Redirect any underspends to active travel measures.** Officers will consider any other options available to spend the remaining funding on active travel measures across the wider urban conurbation.
 - f. **Return all funding to Nottingham City Council.** This option would mean that Nottinghamshire would not benefit from any of the allocated TCF funding and be unable to deliver any of the proposed public transport and cycling infrastructure improvements set out in the original bid.
21. No other alternatives have been identified which can be delivered within terms of the TCF funding agreement.

Discussion

22. It is no longer considered feasible to deliver all the original TCF programme proposals within Nottinghamshire, due to significantly increased costs, continued uncertainty over future costs, and the need to meet the approaching DfT funding deadline. As the Leapool bus-based Park and Ride and supporting bus priority measures package cannot be delivered within the required funding timeframe, it is proposed to continue to safeguard land for this purpose and seek an alternative future funding source for this proposal.
23. Of the remaining public transport elements from the original bid, subsequent feasibility work has confirmed that the proposed bus and ULEV lane along part of the A612 Colwick Loop Road cannot be progressed due to the excessive cost of the additional retaining structure required to enable carriageway widening / impact on highway capacity. Only the Traffic Light Priority signal upgrades remain in scope and deliverable (Option C above). Implementing

traffic signal upgrades to improve bus journey times can be delivered at low cost early within the next financial year, enhancing coverage in Nottinghamshire. Proceeding with this option would cost approximately £500,000.

24. The localised public transport infrastructure proposals (Option D above) can be delivered within the required funding timeframe and would support the Council's Bus Service Improvement Plans and wider TCF funded public transport improvements across the conurbation. In combination, it is expected that these schemes will show positive value for money but would need to be approved by Nottingham City Council before progressing the scheme.
25. Detailed design work is ongoing for the A612 footway improvement scheme including further investigation of options around traffic management measures to enable impact analysis of the delivery to be taken into consideration noting the scheme should be deliverable within the required funding timeframe, subject to approval from Active Travel England. Although there is public support, the A6005 cycling corridor proposal carries the greatest financial risk and uncertainty due to existing road constraints, environmental impacts, and utility diversion costs. As such, this scheme is no longer likely to represent good value for money. The A453 corridor scheme cannot be delivered within the funding deadline and no longer offers value for money due to the additional costs identified. Redirecting some of the funding allocated to these schemes to support delivery of A612 footway improvement, would enable this to be constructed to the Council's latest adopted design standards and provide a robust financial contingency in case of further inflationary pressures. This option would carry no financial risk as the most expensive schemes would be deleted from the programme and the remaining A612 scheme would be subject to a fixed budget.
26. The option to deliver other active travel measures will require further work, which will be considered over the summer. It is recognised that these measures could be funded through the reallocation of the remainder of any underspends but may be limited in nature by the delivery timeframe unless DfT allows this element to continue into 2025. A further report detailing the available options and recommended spend will be taken to the relevant decision maker once this work has been completed.
27. Nottingham City Council does not have a valid procurement route to commission Via East Midlands to progress the improvements described in paragraph 25 above. This work would therefore need to be commissioned by the County Council within strict funding limits to preclude any potential overspend. Detailed design and updated cost estimates will need to be on a fixed cost basis to ensure there is no financial risk to the Council. As the final breakdown of costs and design impacts for each proposal cannot be confirmed until further feasibility and detailed design work has been carried out, delivery of these cycle measures will need to be subject to the necessary County Council approvals.
28. In the event that any or all of the schemes discussed above no longer represent sufficient value for money, or cannot be delivered, any underspend from the total budget allocation would need to be returned to Nottingham City Council.

Summary

29. In summary, Officers are proposing to continue with the following aspects:

- A612 footway improvement – the design and traffic implication analysis of this scheme subject to total scheme costs not exceeding an allocated budget to be agreed with Nottingham City Council, and consideration and approval of the proposals by Active Travel England.
- Traffic Light Priority - the delivery of traffic signal upgrades
- Public transport infrastructure improvements - the redirection of funds from the public transport priority programme to public transport infrastructure improvements across the conurbation (subject to this meeting value for money assessments by Nottingham City Council). Following approval for the redirection of these funds, this scheme can then be delivered.
- Active travel measures – reviewing other options for any remaining funding to be used.

Next steps

30. Delivering those elements of the TCF programme that are still within scope and budget is considered the most appropriate option as this would enable the County Council to deliver the intended sustainable transport benefits where possible and maintain future funding opportunities. Any proposals supporting improved access to the potential new bridge to be delivered through the TCF programme would still be subject to the necessary County Council Cabinet Member approvals following detailed design and consultation, prior to construction and confirmation of the fixed scheme costs. Final DfT approval will be required for the changes to the programme and Active Travel England approval will also be required for the proposed.
31. If the recommendations in this report are agreed, this will need to be reported back to Nottingham City Council and the TCF Programme Board to submit a formal change request to the DfT.

Other Options Considered

32. The alternative options have all been considered in paragraph 19. Officers are proposing delivery of those elements of the TCF that remain within scope and budget, as opposed to handing back all the TCF programme funding to Nottingham City Council (option F identified). This would mean that none of the proposed public transport or cycling infrastructure improvements could be delivered at this time. Given current and likely future constraints on local authority funding, this would pass up a significant opportunity to invest in local infrastructure to benefit Nottinghamshire residents and businesses. Furthermore, not delivering the proposed improvements could pose a reputational risk to the authority that may jeopardise future funding opportunities. The Government has recently confirmed that future awards of active travel funding will be based on each local authority's previous performance.

Reason/s for Recommendation/s

33. To seek approval to vary the project programme to remove schemes which can no longer be delivered within the funding criteria and secure an agreed procurement route for the cycling improvements in Work Package 4.

Statutory and Policy Implications

34. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

35. There are no financial implications for the County Council. All work is being funded from the TCF monies allocated by Nottingham City Council and any unspent funding will be returned to Nottingham City Council. Any potential for cost overruns and longer-term financial implications have been considered as part of the review and options presented to reduce this issue.

Consultation

36. The proposals included in this report help to deliver the priorities and objectives of the Nottinghamshire Plan 2021-2031 and the Nottinghamshire Local Transport Plan 2011-2026. Consultation on these priorities/objectives was undertaken as part of the development of those documents, including with local members, communities, businesses, and stakeholders.

37. Formal consultation will be undertaken where required (should any schemes require the introduction of a formal Traffic Regulation Order). Non-statutory consultation, or information provision (i.e., informing people that works will take place) will be undertaken with households and businesses immediately adjacent to schemes that fall within the highway boundary such as new crossing facilities, or new footways and cycleways.

Public Sector Equality Duty Implications

38. All proposals/schemes detailed within this report comply with the Public Sector Equality Duty. An equality impact assessment was undertaken on the Nottinghamshire Local Transport Plan 2011/12-2025/26 in March 2011 to ensure that strategy and its capital programmes to deliver it met the duty. A programme-level equality impact assessment of the submitted TCF bid was also undertaken by Nottingham City Council.

Implications for Sustainability and the Environment

39. The proposals in this report help to deliver the key aims of the TCF funding to reduce carbon and improve air quality by improving public transport and other forms of sustainable transport such as cycling and walking.

RECOMMENDATION/S

40. It is recommended that, subject to the provisions set out in paragraphs 27, 32, and 34, the Cabinet Member for Transport and Environment:

1) Approves further design and traffic impact analysis of the proposed A612 footway improvement.

- 2) Approves the delivery of the traffic signal upgrades (Traffic Light Priority).
- 3) Approves the redirection of funds from the public transport priority programme to public transport infrastructure improvements across the conurbation (subject to this meeting value for money assessments by Nottingham City Council) and the subsequent delivery of the scheme.

Joelle Davies, Group Manager for Growth, Infrastructure and Development

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Constitutional Comments (LPW 19.07.2023)

41. The recommendations fall within the remit of the Cabinet Member for Transport and Environment by virtue of their terms of reference.

Financial Comments (GB 28/06/2023)

42. The £7.9m Transforming Cities Fund that was formally accepted in February is already included within the Transport and Environment portfolio capital programme. It is proposed that all works set out in this report will be funded from within Transforming Cities Fund monies allocated by Nottingham City Council. Depending on which option is taken, there may be the requirement to seek approval to vary the capital programme through the usual capital variation processes

Background Papers and Published Documents

- Report to Policy Committee 10 February 2021 – Transforming Cities Fund – Scheme Update and Funding Agreements
- Report to Transport & Environment Committee 9 February 2022 – Cycling Infrastructure Programmes
- Report to Transport & Environment Committee 9 February 2022 – Proposed Pedestrian and Cycle Bridge, West Bridgford
- Report to Economic Development & Asset Management Committee 19 April 2022 – Public Transport Improvements Programme Update
- Report to Transport & Environment Committee 4 May 2022 – Public Transport Improvements Programme Update

Electoral Division(s) and Member(s) Affected

- All Divisions and Members within Broxtowe, Gedling, and Rushcliffe plus the Hucknall wards within Ashfield

Authorisation

Cabinet Member	Signed	Name Councillor Neil Clarke MBE	Date
Corporate/Service Director	Signed	Name	Date