

OFFICER DECISION RECORD 1 FORM

This form should be used to record Officer Decisions in Excess of £100k (but below the key decision threshold), or where required by Financial, Contract or other Procedure Rules or following formal delegation from Cabinet or a Cabinet Member or a Council Committee.

Decision Reference No: EE21 0229

Economy and Environment

BOX 1

DIRECTORATE: Economy and Environment

DATE: 28 July 2021

Contact Name: Sandra Gough

Tel. No.: 01302 737069

Subject Matter:

Approval to enter into Funding Agreement with Sheffield City Region (SCR) to draw down approved SCR Getting Building Done and Transforming Cities Fund for the delivery of Quality Streets Active Travel and Digital Infrastructure Programme: Doncaster Town Centre.

BOX 2**DECISION TAKEN**

That approval is given to:

- Enter into a Funding Agreement with SCR and draw down the combined Getting Building Fund (GBF) £5.5m and Transforming Cities Fund (TCF) £3.5m which gives a total of £9m grant awarded in respect of the Quality Streets Active Travel and Digital Infrastructure Programme.
- Accept the funding into Doncaster Council's capital programme.
- To award constructions contracts to Eurovia via Midlands Highway Framework (MHA) framework

BOX 3**REASON FOR THE DECISION**

Quality Streets Active Travel and Digital Infrastructure – Doncaster Town Centre will link inspirational design, digital technology infrastructure to provide cohesive and sustainable connectivity. This scheme continues the recent Quality Streets programme and will deliver

highway improvements, cycle lanes, improved public realm supporting and enable investment in urban centre employment and residential development.

Combining Transforming Cities Fund and Getting Building Fund, the scheme will improve the connectivity for cyclists and pedestrians through the urban centre to the station and Civic and Cultural Quarter. Additionally, it will use this opportunity for the installation of high-speed digital infrastructure which will maximise business opportunities in a digital age, going forward.

The opportunity to combine both funds will deliver the preferred scheme to St Sepulchre Gate, Duke Street, Cleveland Street and Wood Street. The works will be carried out in 2 phases commencing with Phase 1: St Sepulchre Gate and Duke Street. Phase 2 will consist of Cleveland Street and Wood Street. The benefits include new segregated cycle lanes, improved and enhanced public realm making the streetscape more attractive for pedestrians, and works to the highway.

On 9 March 2021 Cabinet approved the progression to Funding Agreement stage and the subsequent acceptance of funding (subject to the negotiation of acceptable terms and conditions with the grant sponsor).

The Cabinet report agreed to the:

1. Progression to Funding Agreement stage and the subsequent acceptance of £9m SCR funding (subject to the negotiation of acceptable terms and conditions with the grant sponsor).
2. Delegated negotiating and agreeing the terms of the funding agreement to the Director of Economy & Environment, in consultation with the Mayor and Chief Financial Officer.
3. Delegation in respect of the final design and layout to the Director of Economy & Environment, in consultation with the Mayor and the Portfolio Holder.

On 22 March 2021 SCR Mayoral Combined Authority (MCA) approved the Quality Streets Active Travel and Digital Infrastructure Programme Doncaster Town Centre Full Business Case and agreed to enter into a Funding Agreement.

The Funding Agreement was received from SCR on 23rd June and is in the process of agreement of terms. The funding profile is split into two programmes, Programme 1 is TCF fund with spend to be achieved by March 2023 and Programme 2 is Getting Building fund with spend to be achieved by March 2022.

The Funding Agreement specifies the terms and conditions for the grant funding which are output based. There is 100% grant clawback if the outputs are not achieved by the clawback review date of 30 April 2023. The project outcomes are not subject to clawback, however are subject to the terms and conditions of the Funding Agreement.

Table 1 below outlines the Outputs for each Funding Programme:

Table 1 – Project Outputs by Funding Programme

| Project Outputs | 2021/22 | 2022/23 | TOTAL |
|-------------------------------|---------|---------|---------|
| Funding Programme 1 | | | |
| Public Realm improved (m2) | 0 | 6198 m2 | 6198 m2 |
| Length of Active Travel Route | 0 | 0.55 km | 0.55 km |
| New crossings | 0 | 4 | 4 |
| Funding Programme 2 | | | |
| Public Realm improved (m2) | 9695 m2 | 0 | 9695 m2 |
| Length of Active Travel Route | 0.85 km | 0 | 0.85 km |

Table 2 below outlines the Project Outcomes for each Funding Programme:

Table 2 – Project Outcomes by Funding Programme

| Project Outcomes | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | Total |
|--|----------|----------|------------|----------|----------|------------|----------|------------|
| Funding Programme 1 | | | | | | | | |
| Increased cycling journeys (num) Wood Street | 0 | 0 | 30 | 0 | 0 | 51 | 0 | 81 |
| Increased cycling journeys (num) Cleveland Street | 0 | 0 | 143 | 0 | 0 | 247 | 0 | 390 |
| Increase cycling journeys (num) – Total | 0 | 0 | 173 | 0 | 0 | 298 | 0 | 471 |
| Increased walking journeys (num) – Total | 0 | 0 | 3423 | 0 | 0 | 5306 | 0 | 8729 |
| Funding Programme 2 | | | | | | | | |
| FTEs | 5 | 5 | 60 | 108 | 108 | 57 | 57 | 400 |

There is also a retention of 5% which will be released as follows:

- 2.5% retention will be released upon completion of the project outputs by the completion date of 31 March 2023.
- The remaining 2.5% will be released upon confirmation the project outcomes have been delivered by the final review date of 31 March 2030.

Agreement is required to enter into the Funding Agreement and draw down the grant funding to deliver this capital scheme.

BOX 4

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Option 1 – Do Nothing:

The option of doing nothing, in terms of not signing the Funding Agreement is not recommended. Failure to agree the Funding Agreement with SCR will result in the loss of £9m grant funding and the programme not commencing. The opportunity to improve active travel and visitor experience in the town centre will be lost.

Option 2: Enter into Funding Agreement

If the Council enters into the Funding Agreement with SCR, it will be in a position to claim grant monies to fund the delivery of the scheme in full. These works will facilitate the improvements to the public realm and increase active travel in the area.

The recommended option is Option 2: Enter into Funding Agreement.

Failure to enter into Funding Agreement will not allow Doncaster to progress the scheme delivery and will result in Doncaster not benefiting from potential investment.

BOX 5

LEGAL IMPLICATIONS

Section 1 of the Localism Act 2011 provides the Council with the general power of competency, allowing the Council to do anything which a person is permitted to do. Section 111 of the Local Government Act 1972 gives the Council the power to purchase goods and services.

The Council will enter into legally binding funding agreement which will set out how the monies can be used. The funding agreement contains provisions that require:

- a) the Project Outputs to be achieved by the Completion Date (as defined in the funding agreement);
- b) the Project Outcomes to be achieved by the Final Review Date (as defined in the funding agreement);
- c) that If the grant Funding is used to provide a Subsidy by the Council to a third party the Council must comply with the Subsidy Rules (as defined in the funding agreement)

Failure to comply with such terms (and the general terms of the funding agreement) may lead to claw back of funding.

In addition, the agreement contains provisions for a 5% retention. 2.5% of the retention will be paid to the Council on completion of the Project Outputs by the Completion Date and the remaining 2.5% will be repaid to the Council upon confirmation that the Project Outcomes have been achieved by the Final Review Date.

The report author has advised that the appointment will be made using the Midlands Highways Alliance Framework. Frameworks are arrangements set up in accordance with EU procurement rules, which will allow the Council to purchase the work without the need to run a separate tender. This Council must be named clearly in the official journal of the European Union advert as being one of the contracting authorities calling for competition when setting up the framework and therefore it may access the framework

The Council must adhere to strict compliance with the rules of the framework if this procurement is to be compliant with EU Regulations.

Following contract signature, the project manager should be completely familiar with the contractual terms and the numerous project milestones in order to protect the interests of the Council and enforce any terms as and when necessary.

Where a local authority proposes to make or amend a Traffic Regulation Order under the Road Traffic Regulation Act 1984, the Council is required pursuant to the Local Authorities Traffic Orders (procedure) (England and Wales) Regulations 1996 before making the Order, to consider all objections made to the Order and which have not withdrawn.

Further legal advice and assistance will be provided as the project progresses.

Name: _Phil Crawley _ **Signature:** _____ **Date:** 9th September 2021

Signature of Assistant Director of Legal and Democratic Services (or representative)

BOX 6

FINANCIAL IMPLICATIONS:

This report seeks to:


- Enter into a Funding Agreement with SCR and draw down the combined Getting Building Fund (GBF) £5.5m and Transforming Cities Fund (TCF) £3.5m which gives a total of £9m grant awarded in respect of the Quality Streets Active Travel and Digital Infrastructure Programme.
- Accept the funding into Doncaster Council's Capital Programme, and add relevant scheme(s) to the Capital Programme.
- Delegate agreement of the final design of the scheme to the Director of Economy & Environment, in consultation with the Mayor and the Portfolio holder, which was approved in the Cabinet Report dated 9th March 2021.

Similar funding agreements from the SCR suggest that the main risks for the Council will be in relation to claw back for failure to deliver the works, agreed outcomes and incurring spend in line with how SCR profile the grant. Administration and reporting requirements of SCR funding agreements have also proved to be time consuming, the cost of which cannot normally be recovered from the grant. The Council will need to ensure that sufficient resources are in place to administer the grants.

The funding profile is split into two programmes, Programme 1 is Transforming Cities Fund with spend to be achieved by March 2023 and Programme 2 is Getting Building fund with spend to be achieved by March 2022. The Quality Streets Active Travel and Digital Infrastructure Programme will be monitored through the standard Collaborative Planning (CP) Capital Quarterly Monitoring, with any issues with delivery of the scheme raised at the earliest opportunity and reported to the Capital and Major Projects Board (CAMP). This is especially pertinent given the extremely tight delivery timescales for the grant funding parameters and potential clawback if outputs/outcomes are not achieved. Advice on the financial treatment of the grant retention will need to be sought for year-end accounting purposes.

Should any ineligible spend be identified, or spend exceed the maximum grant allocation, then alternative funding sources would need to be identified to cover this spend.

The future Highways maintenance costs associated with this scheme will be met from existing revenue budgets. The Street Scene elements (planters/planting etc.) will need to be considered once costs are established. If either area is significant in value and cannot be met from existing revenue budgets, then this will need to be reviewed and put forward as a potential budget pressure for the service(s).

Name: Jeanette Inkson **Signature:** 

Date: 12/08/2021

Signature of Chief Financial Officer and Assistant Director of Finance (or representative)

BOX 7

OTHER RELEVANT IMPLICATIONS:

Name: _____ **Signature:** _____ **Date:** _____

Signature of Assistant Director (or representative)

ANY IMPLICATIONS SENT TO DEPARTMENTS SHOULD GENERALLY BE SUBMITTED AT LEAST 5 WORKING DAYS IN ADVANCE TO ENSURE THESE CAN BE GIVEN THE RELEVANT CONSIDERATION.

BOX 8

EQUALITY IMPLICATIONS:

Decision makers must consider the Council's duties under the Public Sector Equality Duty at s149 of the Equality Act 2010. The duty requires the Council, when exercising its functions, to have "due regard" to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the act, and to advance equality of opportunity and foster good

relations between those who share a “protected characteristic” and those who do not share that protected characteristic.

Name: Sandra Gough **Signature:** S Gough **Date:** 29 July 2021

BOX 9

RISK IMPLICATIONS:

To minimise the risk from ongoing Covid measures, Brexit customs issues, Suez canal obstruction in March 2021 resulting in longer transportation times, issues with supply and demand for materials combined with rising costs for transportation, the granite materials and new street lighting for Phase 1 were ordered. The expected delivery dates should allow works to commence with limited impact. Claims must be submitted to SCR to draw down the grant funding, following spend. Failure to approve to enter into the Funding Agreement and draw down grant funding will result in a spend loss of the materials for this phase and to the council. The materials cannot be used for other public realm works as they are bespoke to the scheme.

The funding has very tight delivery timescales and associated risks. The Getting Building Fund grant must be spent by March 2022. To mitigate risk, Phase 1 high cost materials are on order which should minimise delays with the contractor starting on site. Elements of work on phase 2 which can be undertaken up to March 2022 will be completed. An external contractor Eurovia, will deliver Phase 1 and are aware of the tight timescale for delivery.

Transforming Cities Fund must be spent by March 2023 and any risks associated with achieving this will be mitigated.

SCR will be updated should any changes regarding spend be required.

This scheme also includes planting and public realm art. As with all new infrastructure, it will increase the call on routine maintenance budgets. This was identified in the approved Cabinet Report and therefore the Council will need to ensure the sufficient revenue resources are in place to maintain the asset for its lifetime.

Name: Sandra Gough **Signature:** S Gough **Date:** 29 July 2021

BOX 10

CONSULTATION

Quality Streets Active Travel and Digital Infrastructure – Doncaster Town Centre has been developed with approval from Cabinet members.

Consultation was also undertaken with key stakeholders during the concept design stage for the whole scheme. Stakeholder engagement will continue with the development of Phase 2 from concept stage to detailed design stage.

Traffic Regulation Orders will be required as part of the scheme process. The changes to Phase 1: St Sepulchre Gate and Duke Street were formally consulted through the Traffic Regulation Order process and no objections were received. The formal Traffic Regulation Order process will be followed for Phase 2.

The financial implications in the approved Quality Streets Active Travel and Digital Infrastructure Cabinet Report (9th March 2021) advised that:

“any increase in future maintenance costs associated with the schemes should be discussed with the services responsible for future maintenance, so the impact on their existing budgets can be assessed e.g. Highways and public open spaces (street scene). Where the maintenance cannot be funded from exiting budgets, the additional requirement would need to be highlighted as a pressure as part of the future budget setting process”.

The scheme will provide new planters and planting and any maintenance costs are outside the scheme funding. The ongoing maintenance costs have yet to be established, as the planting design is not completed, however these additional costs will have to be incorporated within the relevant service area budget, creating a budget pressure for ongoing delivery. Discussions have been held with the service responsible for future maintenance of the scheme and once maintenance costs are established the service will be advised on these.

Name: Sandra Gough **Signature:** S Gough **Date:** 1st September 2021

**BOX 11
INFORMATION NOT FOR PUBLICATION**

It is in the public's interest to be aware of this decision record under the Freedom of Information Act 2000, therefore this decision will be published in full, redacting only signatures

Name: A J Rowbotham **Signature** A J Rowbotham **Date:** 13 Sept 21

**BOX 12
BACKGROUND PAPERS**

Please confirm if any Background Papers are included with this ODR YES


Cabinet Report – Quality Streets Active Travel and Digital Infrastructure Doncaster Town Centre:



Quality Streets- Active Travel Cabinet Report .pdf

**BOX 13
AUTHORISATION**

Name: Dan Swaine

Signature: 

Date: 13/09/21

Director of Economy & Environment

Does this decision require authorisation by the Chief Financial Officer or other Officer

NO

If yes please authorise below:

Name: _____ **Signature:** _____ **Date:** _____

Chief Executive/Director/Assistant Director of _____

Consultation with Relevant Member(s)

Name: _____ **Signature:** _____ **Date:** _____

Designation _____

(e.g. Mayor, Cabinet Member or Committee Chair/Vice-Chair)

Declaration of Interest YES/NO

If YES please give details below:

PLEASE NOTE THIS FORM WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE IN FULL UNLESS IT CONTAINS EXEMPT OR CONFIDENTIAL INFORMATION.

Once completed a PDF copy of this form and any relevant background papers should be forwarded to Governance Services at Democratic.Services@doncaster.gov.uk who will arrange publication.

It is the responsibility of the decision taker to clearly identify any information that is confidential or exempt and should be redacted before publication.