

# **Place and Resources Scrutiny Committee**

## **1 December 2020**

### **Transforming Cities Fund – review of Cabinet decision 5 November 2019**

#### **For Decision**

**Portfolio Holder:** Cllr R Bryan, Highways, Travel and Environment

**Local Councillor(s):** Cllr Michael Parkes, Cllr Cathy Lugg, Cllr Julie Robinson, Cllr Rod Adkins, Cllr Andrew Parry, Cllr Maria Roe, Cllr Janet Dover, Cllr Shane Bartlett, Cllr David Morgan, Cllr Bill Pipe, Cllr Andrew Starr, Cllr Alex Brenton

**Executive Director:** John Sellgren, Executive Director of Place

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**Report Status:** Public

#### **Recommendations:**

**That the Place and Resources Scrutiny Committee support the following actions, in line with the decisions of Cabinet on 5 November 2019 and 5 May 2020:**

- (a) The delivery of the proposed three-year delivery programme in line with the TCF Strategic Outline Business Case, already approved by Cabinet, and guidance set out by the DfT in the Assurance Framework.
- (b) The agreed Governance Framework and the delegation of the authority to the Head of Highways in consultation with the Portfolio Holder for Highways, Travel and the Environment through the TCF Council Governance Board (CGB), for approval of future TCF proposals, detailed programme delivery decisions and the detailed design of each element of the programme.
- (c) Regular TCF update reports going to the CGB and from there to DfT as stipulated within point 8 of the award letter, with consideration of Traffic

Regulation Orders (TROs) associated with the programme being considered in line with current Dorset Council approvals.

- (d) Continued joint working with BCP Council officers and councillors on TCF and other linked transport programmes.

### **Reasons for Recommendations:**

The recommendations ask for continued support of the current programme, delegations, governance and working arrangements as they are achieving the following:

- Maximum flexibility in meeting the strict DfT timeline for delivery over the next three years, with appropriate Dorset Council approvals in place.
- Ensuring that the authority is best placed to progress scheme delivery at the pace required to meet the funding profiles set by the DfT.

### **1. Executive Summary**

- 1.1 A report was submitted to Cabinet in November 2019 outlining the Transforming Cities Fund (TCF) bid proposal and seeking to delegate authority for the submission of a TCF bid to the Department for Transport (DfT). Delegation was agreed at that Cabinet meeting and Dorset Council and BCP Council jointly submitted the Strategic Outline Business Case (SOBC) to DfT on 28th November 2019.
- 1.2 On 11 March 2020 we were informed that we had been awarded the full, low ask. This provides a total of £79 million of external funding which has to be spent over a 4 year period with all delivery expected in years 2 - 4.
- 1.3 In May 2020 Cabinet approved the 3 year delivery programme already set and approved by DfT in the Strategic Outline Business Case. Cabinet also approved delegated authority to deliver the programme and for scrutiny to be provided through the regular updates to the Councillor Governance Board (CGB).
- 1.4 Delivering this amount of infrastructure over a 3 year period is challenging so governance, assurance frameworks, project management and communications strategy have been set up to ensure that the project is delivered within budget and set timescales.
- 1.5 The DfT require an Assurance Framework to be in place and the South East Dorset TCF Assurance Framework sets out the policies, rules and processes to be applied throughout the TCF programme. The framework provides details of roles and responsibilities, policies and procedures,

accounting arrangements, governance, stakeholder and public engagement, programme delivery and financial arrangements.

- 1.6 Part of that governance included the creation of the CGB which includes portfolio holders and key local members from both councils alongside senior officers. To ensure that the project can move forward at a pace which allows the DfT funding profile to be met, it was necessary to delegate authority for TCF related decisions to the CGB.
- 1.7 CGB members from Dorset Council are Cllr Ray Bryan, Cllr Mike Parkes, Cllr Rod Adkins and Jack Wiltshire, Head of Highways.
- 1.8 Detailed decisions at the CGB will be informed by the TCF Assurance Framework.
- 1.9 This delegated authority most importantly relates to decisions on spend within the overall £79 million budget as key scheme elements will frequently exceed a 'key decision' value of £500,000 which would require Cabinet approval were there to be no delegation.
- 1.10 Cabinet supported this high-level 3 year programme in principal and agreed detailed programming organisation and changes to be approved through the CGB. This joint council governance and programme scrutiny is working well. Additional scrutiny of delivery and expenditure is provided by DfT.

## 2. Financial Implications

- 2.1 The South East Dorset area, including parts of Dorset and all of BCP has received confirmation of £79 million to fund a range of projects to improve facilities for walking, cycling and public transport. The funding profile confirmed within the grant letter is as set out below.

1. Funding will be granted according to the following profile, unless amended under paragraph 10 below.

2019/20	2020/21	2021/22	2022/23	TOTAL
£3,955,973	£10,019,544	£30,876,142	£34,451,275	£79,302,934

The first grant will be paid as a section 31 grant under the Local Government Act 2003 on 31 March 2020.

- 2.2 In order to deliver schemes at the pace required to meet this funding profile significant work has been taking place to provide a robust project management framework.
- 2.3 Costs accrued on TCF in 2019/20 can now be reclaimed from DfT as a result of the funding allocation for that year.

- 2.4 Within Dorset, match funding was allocated to the TCF project as part of the submitted SOBC. This was either from previously collected S106 funds, specifically ringfenced for the appropriate types of schemes in the South East Dorset area, or from our annual Local Transport Plan funding award from Government. Our total level of match funding is detailed below and is as previously advised at the November 2019 Cabinet.

LTP financial year			Total
20/21	21/22	22/23	
£50,000	£450,000	£450,000	£950,000

- 2.5 The DfT are monitoring the delivery of TCF, including match, funding and timely delivery of key elements will enable Dorset Council to properly plan for allocated LTP spend on the project.

### **3. Well-being and Health Implications**

- 3.1 This investment enables the delivery of high-quality infrastructure within the Dorset Council area required to promote an increased uptake of safe, active travel modes for utility and leisure trips. This will result in improved physical and mental health outcomes for people shifting to those modes for their regular, short trips. Air quality will be improved through reduced car use.
- 3.2 Public Health Dorset were a key partner and supporter of the TCF bid and will be actively involved in the project delivery phase. Project design will include assessment using tools such as 'Healthy Streets' to maximise the benefits to public health.

### **4. Climate implications**

- 4.1 The schemes proposed are aimed at increasing the amount of sustainable, low carbon, travel and will form part of the ongoing efforts to reduce carbon emissions from transport.
- 4.2 New materials and methods of construction are being explored for these schemes, and others within the Dorset Council area, to reduce the environmental impacts of the construction process itself.

### **5. Other Implications**

- 5.1 Legal implications - The Council Constitution allows for decisions to be delegated under a specific express authorisation by a committee.

- 5.2 Decisions incurring an expense of over £500,000 are deemed to be 'key decisions' and will need to be formally delegated to the CGB.
- 5.3 Additional human resource will be required to deliver the TCF programme. As part of ongoing project management and preparation, engineering resource is being added to the Highway Improvements delivery team. External support has been procured on project delivery and consultation as necessary. The Council has existing consultancy and contractor frameworks in place to assist with filling this resource gap.
- 5.4 All works will contribute to capital assets and therefore chargeable to the TCF award.

## **6. Risk Assessment**

- 6.1 Having considered the risks associated with this decision, the level of risk has been identified as:  
Current Risk:        **Medium**  
Residual Risk:      **Low**
- 6.2 COVID-19 is currently having a major impact both locally and nationally. The TCF Programme Management Team (PMT) is however fully engaged in the delivery process and communicating effectively throughout this time. There are numerous 'virtual' meetings ongoing, and include; weekly Programme Management Team Meetings, weekly update reporting to Programme Management Board, Monthly Programme Management Board meetings, BCP and DC Councillors Briefing sessions, Bi-monthly Council Governance Board (CGB) meetings.

## **7. Equalities Impact Assessment**

- 7.1 The decision to delegate authority to the CGB for TCF programme decisions will not have any adverse impact on protected groups.
- 7.2 Individual scheme proposals and packages within the overall TCF package will be subject to EQIA assessment to ensure that groups with protected characteristics are properly considered in the design process.

## **8. Appendices**

None

### **Footnote:**

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.