

Contract and Financial Procedure Matters Report - Addendum

SUMMARY

- 1.1 This report deals with the following item that requires reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:
- D2N2 and Department for Transport Large Local Major Transport grant funding application

RECOMMENDATION

- 2.1 To grant approval to submit a bid to D2N2 LEP for funding from the Department for Transport Large Local Major Transport scheme.
- 2.2 To delegate authority to the Strategic Director of Communities and Place following consultation with the Cabinet Member for Communities and City Centre Regeneration and the Director of Finance to approve the final details of the bid.

REASONS FOR RECOMMENDATIONS

- 3.1 To enable a bid to be submitted to D2N2 LEP in line with timescales and to comply with the Council's Contract and Financial Procedure rules.



Derby City Council

COUNCIL CABINET

13 July 2016

Report of the Strategic Director for Communities and Place

SUPPORTING INFORMATION

- 4.1 Earlier this year the Department for Transport announced funding to support large local major transport schemes. The funding is specifically aimed at significant transport schemes that unlock growth and development and which can't be delivered using local funding streams. The Department for Transport have asked that bids, for schemes with a value greater than £75million be submitted by Local Economic Partnerships.
- 4.2 As part of the call for Local Growth Deal 3 schemes we submitted two transport bids D2N2 LEP. These schemes, Improvements to the A52 including Pentagon Island and improvements to the A5111 ring road scored well under the D2N2 assessment process but have not been progressed for Local Growth Deal funding.
- 4.3 The development of Infinity Park and significant housing growth to the south of the city along the A50 corridor bring transport challenges, along with significant economic benefit, in terms of employment and housing growth, a conservative estimate of £3bn. A proposal for a new junction on the A50 and a significant new distributor road to link to both commercial and housing developments is being taken forward by the Council in partnership with neighbouring authorities and developers.
- 4.4 To potentially take advantage of the Department for Transport Large Local Major Transport Scheme funding we are preparing a bid that combines investment and improvements in the outer ring road together with the provision of a new access on the A50 and infrastructure to enable better access to employment and housing growth areas. The bid, which is currently being refined ready for submission to D2N2 LEP by 17 July, articulates the need for transport investment to the south of the city to help unlock and sustain both housing and employment land.
- 4.5 The bid will include an initial funding request to develop detailed designs and to enable necessary consents to be obtained. This element of work is expected to cost £4.25million of which £3.75million will be grant funding and the remaining £500,000 will be funded by commercial partners. The bid also proposes significant highway improvements including improved junctions along the outer ring road. The anticipated cost to deliver these improvements is £113million with £80million being sought from D2N2/Department of Transport and £33million being provided by developer contributions.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Amanda Fletcher, Head of Finance Communities and Place Tim Clegg, Director of Strategic Partnerships, Planning and Streetpride Greg Jennings, Head of Regeneration
For more information contact: Background papers: List of appendices:	David Gartside 01332 643364 e-mail david.gartside@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 As detailed in the main body of the report. There is no expectation at this time that the Council will provide direct financial contributions to support the delivery of this project. It is important to recognise the significance and importance of the proposed schemes and hence the Council will continue to take a lead role in coordinating and delivering key elements of the proposals
- 1.2 Currently the £500,000 match funding required to develop detailed designs and to enable necessary consents has not been formally secured. However, private developers have indicated their support for the project and their willingness to contribute the required funding.
- 1.3 It is anticipated that the bid will be developed in a way so that the project is scalable, to manage any risk around not being able to access the full £33million currently expected to be provided by developer contributions.

Legal

- 2.1 None directly arising.

Personnel

- 3.1 None directly arising.

IT

- 4.1 None directly arising.

Equalities Impact

- 5.1 None directly arising.

Health and Safety

- 6.1 None directly arising.

Environmental Sustainability

- 7.1 None directly arising.

Property and Asset Management

- 8.1 None directly arising.

Risk Management

9.1 As detailed in the main body of the report and appendices.

Corporate objectives and priorities for change

10.1 These recommendations where relevant are in line with the Council's corporate priorities.