

<b>DECISION-MAKER:</b>	CABINET
<b>SUBJECT:</b>	BUDGET MATTERS – GRANT APPLICATIONS
<b>DATE OF DECISION:</b>	16 April 2024
<b>REPORT OF:</b>	<b>COUNCILLOR LETTS</b> <b>CABINET MEMBER FOR FINANCE AND CHANGE</b>

<b><u>CONTACT DETAILS</u></b>			
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<b>STATEMENT OF CONFIDENTIALITY</b>
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NOT APPLICABLE
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<b>BRIEF SUMMARY</b>
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The purpose of this report is to update on two successful capital grant applications from the Department for Transport (DFT), to support electric vehicle infrastructure and traffic signals. This additional funding will be added to the capital programme to deliver over the next two years.

<b>RECOMMENDATIONS:</b>
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	(i)	To accept and apply the grant funding from DFT, for Local Electric Vehicle Infrastructure (LEVI) grant of £1.63M and Traffic Signal Obsolescence Grant (TSOG) of £0.58M.
	(ii)	To approve addition and spend of £2.21M which has been added to the Growth and Prosperity capital programme.

<b>REASONS FOR REPORT RECOMMENDATIONS</b>
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1.	In accordance with the financial procedure rules (FPRs), all grant funding amounts between £0.50M and £2.00M must be approved by Cabinet.
2.	In accordance with the FPRs, all capital additions between £0.50M and £5.00M must be approved by Cabinet.

<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>
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3.	Not to accept the grant funding. This would result in a significant shortfall in electric vehicle infrastructure across the city, as there is currently insufficient capacity within existing budgets to deliver this infrastructure.
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<b>DETAIL (Including consultation carried out)</b>
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4.	The Department for Transport (DFT) has recently awarded 2 additional grants to the Council, which require formal acceptance and additions to the Growth & Prosperity capital programme. They are the Local Electric Vehicle
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	Infrastructure (LEVI) grant of £1.63M and the Traffic Signal Obsolescence Grant (TSOG) of £0.58M.
5.	<p><u>Local Electric Vehicle Infrastructure (LEVI)</u></p> <p>In 2023, the DFT and Office for Zero Emission Vehicles (OZEV) introduced its Local Electric Vehicle Infrastructure (LEVI) scheme. The aim of LEVI is to provide support to local authorities to deliver a step-change in the deployment of additional local 3kw- 22kw public EV charging infrastructure, with the primary focus being on-street charging solutions.</p> <p>On the 15<sup>th</sup> of March 2024, SCC received notification from DfT that full grant application of £1.63M has been successful. One of the requirements of LEVI is we enter a partnership with a Charge Point Operator (CPO) in a concession arrangement; it is expected that the CPO will additionally invest in SCC's new on-street charging network. Ninety percent of this funding is provided initially, with the final 10% being supplied once a contract with the CPO has been approved and signed.</p> <p>The recently concluded EV Strategy consultation will assist in informing where the LEVI funding should be invested with the programme to be delivered over the 2024/25 and 2025/26 financial years.</p> <p>Therefore, approval is sought for the addition and spend of £0.80M in 2024/25 and £0.83M in 2025/26, to the Growth &amp; Prosperity capital programme.</p>
6.	<p><u>Traffic Signal Obsolescence Grant (TSOG)</u></p> <p>In October 2023, the Department for Transport announced funding for traffic management systems maintenance and upgrading by local authorities. This included the £30M fund for Traffic Signal Obsolescence Grant (TSOG), to upgrade traffic signal systems replacing unreliable and obsolete equipment to improve reliability. £10M of TSGO will be distributed automatically to all English LTAs using the Integrated Transport Block formula and SCC will receive £0.08M. The remaining £20M of TSOG was to be awarded via a competitive process with award of funding up of £0.50M. SCC applied to the TSOG and in March 2024 it was announced that SCC had been successful in its application for the full £0.50M amount.</p> <p>The TSOG funding is proposed to be spent on upgrading our oldest traffic signal assets (controllers, traffic signal bulbs and heads, detection etc) where the parts and technology is no longer supported with the latest technology and parts. Junctions that could be upgraded include Civic Centre Place (Havelock Road/Western Esplanade/Portland Terrace) or other locations where signals are older, but the programme will be developed further with the Council's strategic highways partner. The programme is proposed to be delivered over 2024/25 financial year and any additional costs would need to be met from the Council's Local Transport Plan ITB annual allocation of £2.14M.</p> <p>Therefore, approval is sought for the addition and spend of £0.38M in 2024/25 and £0.20M in 2025/26, to the Growth &amp; Prosperity capital programme.</p>
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
7.	As detailed above, the capital addition will be fully funded by external grant. Should any addition costs arise to support the upgrade of obsolete traffic signals, external grants already within the budget will be used.

8.	This report does not have any immediate impact on the revenue budget. It is anticipated that any electric charging points would be self-financing.
<b><u>Property/Other</u></b>	
9.	None other than the that detailed in the report.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
10.	Budget reports are consistent with the Section 151 Officer's role to align budget with the aims of the Council and the duty to ensure good financial administration.
<b><u>Other Legal Implications:</u></b>	
11.	The proposals within this report have been put forward having regard to the council's duties under the Equalities Act 2010 and the Human Rights Act 1998, together with other pervasive legislation. Where required, individual projects, proposals and programmes will be subject to completion of EISAs as part of the governance and decision making foundations.
<b>RISK MANAGEMENT IMPLICATIONS</b>	
12.	There is a risk that the cost of the projects could be greater than the funding. This risk is mitigated by having a scope that can be flexed to stay within budget, therefore reducing any possible resource burden on the council.
13.	The main risk to the LEVI funding will be securing a CPO, which the funding is dependent on. Given the focus globally on carbon reduction and a mode shift to electric vehicles there is confidence that there will be a competitive market to secure a reliable, successful CPO.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
14.	The proposals contained in the report are in accordance with the council's Policy Framework Plan.

<b>KEY DECISION?</b>	<b>Yes</b>
<b>WARDS/COMMUNITIES AFFECTED:</b>	All
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Appendices</b>	
1.	None
2.	
<b>Documents In Members' Rooms</b>	
1.	None
2.	
<b>Equality Impact Assessment</b>	
<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<b>No</b>

<b>Data Protection Impact Assessment</b>		
<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>		<b>No</b>
<b>Other Background Documents</b>		
<b>Other Background documents available for inspection at:</b>		
<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</b>	
1.		
2.		