

Project F Funding Note

1. Background

- 1.1. At its meeting on Thursday 23rd December 2021, the Burton Town Deal Board took the decision to remove Project F from the programme, as the business case could no longer meet the original ambition of the project.
- 1.2. Staffordshire County Council, as the project sponsor, developed the business case for the proposal. Upon review of the draft business case, its cabinet decided that it could only submit the business case if it was for a larger bridge that would provide access during adverse weather conditions. It was the view of the Town Deal Board that the additional funds required to deliver a larger bridge could not be guaranteed as no further funding is available from the Towns Funds.
- 1.3. The Washlands Bridge project had been allocated a total sum of £7,183,099 from the Towns Fund monies.
- 1.4. Following the Board's decision to not progress Project F, a number of related clarifications were requested from BEIS, i.e. confirmation:
 - 1.4.1. Of the process for confirming that a project is being withdrawn from the programme;
 - 1.4.2. That the Council will be able to redistribute the funding earmarked for a withdrawn project to the other existing projects within the programme as appropriate, and if so what the process is;
 - 1.4.3. That any appropriate expenditure made towards the development of a business case subsequently withdrawn would not be clawed back and the sponsor organisation could be reimbursed as appropriate;
 - 1.4.4. That "new" projects, i.e. projects not included with the current programme, cannot be funded by any excess monies that arise from a withdrawn project
- 1.5. A response to these points was received 18th January 2022, providing information on the process for withdrawn projects through completion of a "project adjustment request form"; confirming that costs already incurred would not be clawed back (provided that the Council's S151 officer is content that these are legitimate costs); and that options for reallocation of the funding for the cancelled project can be considered in relation to existing projects.
- 1.6. It has been requested by the County Council that they are reimbursed their development costs for their bid as part of the Board's deliberations as to how the funding is re-allocated.

2. Considerations

2.1. Potential redistribution of the Project F funding could be as set out below:

Project F Total Allocation to be redistributed	£ 7,183,099
Project F settlement of SCC costs incurred via from Amey Consulting	£119,559*
Cover Project E Shortfall	£1,036,382
Cover Project G Shortfall	£202,256.41
Contribution to Project D	£5,824,901.59

* or 50% of this

2.2. It should be noted that:

- 2.2.1. Evaluations of Project D, E and G business cases including financial aspects is ongoing.
- 2.2.2. Supporting evidence is yet to be requested / received from SCC regarding supporting information to assess eligibility of the stated costs regarding Project F settlement.
- 2.2.3. Project G shortfall does not account for the potential S106 funding indicated in the business case that may become available in future years.