

## Record of Officer Decision

<b>Decision title:</b>	<b>Schools &amp; Business Ecargo Scheme &amp; Travel Fund, Towns Fund Accelerated Funding</b>
<b>Date of decision:</b>	18 March 2021
<b>Decision maker:</b>	Acting Deputy Chief Executive - Chief Finance Officer
<b>Authority for delegated decision:</b>	<p>On 26 November 2020 Cabinet approved recommendations That:</p> <p>(a) The £750,000 funding from government for the Towns Fund accelerated projects be accepted by the council;</p> <p>(b) The spending of the £750,000 funding from government on the Towns Fund accelerated projects as detailed within this report is approved</p> <p>(c) The Director of Economy and Place be authorised to take all operational decisions to implement recommendation (b) including, but not limited to, the procurement and commissioning of new projects, and, following consultation with the S151 officer, the movement of budgets between projects to ensure the full expenditure of funding.</p> <p>The projects identified by Cabinet as accelerated projects and approved for funding included:</p> <p>Project 2: Ecargo &amp; EBike Scheme</p>
<b>Ward:</b>	Belmont Rural; Bobblestock; Central; College; Eign Hill; Greyfriars; Hinton & Hunderton; Holmer; Kings Acre; Newton Farm; Redhill; Tupsley & Whitecross
<b>Consultation:</b>	<p>This decision has been taken in consultation with the council's Section 151 officer and in light of the Cabinet decision accept the £750,000 Towns Fund grant funding from government:</p> <p><a href="http://councillors.herefordshire.gov.uk/mgIssueHistoryHome.aspx?IId=50035605">http://councillors.herefordshire.gov.uk/mgIssueHistoryHome.aspx?IId=50035605</a></p>
<b>Decision made:</b>	<p>To purchase Ecargo Bikes from Rutland Cycling and London Green Cycles up to a value of £75,000 which will be offered to schools and business to encourage a behavioural change in how people choose to travel, seeking to reduce a dependence on car travel with more sustainable options.</p> <p>This expenditure is included within the £750,000 funding from government for the Towns Fund accelerated projects as recommended in the Cabinet report of 26 November 2020.</p> <p>The budget allocated to the Ecargo/ Ebike project will be increased by £75,000 (to a total of £275,000) utilising underspend from other approved projects.</p>
<b>Reasons for decision:</b>	<p>In July 2020 government announced that under the Towns Fund programme they were offering Hereford a grant of £750,000 to fund capital projects that can be delivered this financial year. This grant will be used to support capital spend within the intervention framework as set out in the Towns Fund Further Guidance.</p> <p>This grant and loan scheme will promote and encourage low carbon transport solutions. It will help to reduce congestion and improve air quality, with the added benefit of reducing fuel and vehicle maintenance costs. It will also raise awareness of low carbon travel options, encourage healthier choices and help reach the carbon neutrality target by 2030.</p> <p>The council will act as the body that loans out or offers grants to schools and/or business for ecargo bikes.</p>

	<p>The details of this loan or grant scheme have not been decided. This scheme will specifically address school transport by offering the opportunity for schools and parents to have Ecargo bikes on loan for an agreed period. The council wish to have a significant behavioural change in parents and ultimately reducing school road traffic.</p>
<p><b>Highlight any associated risks/finance/legal/equality considerations:</b></p>	<p><b>Finance/ Procurement</b>  The budget allocated to the Ecargo/ Ebike project will be increased by £75,000 (to a total of £ 275,000) utilising the under-spend from other approved projects.</p> <p>Five competitive like for like quotes have been sought from Ecargo bike providers. However due to the short timescales available to purchase the Ecargo bikes, the procurement process was not undertaken via the council’s e-tendering portal and the invitation to quote was not advertised for a minimum of 15 working days as required by the council’s contract procedure rules (CPRs). An exemption to CPRs is being sought.</p> <p><b>Risks</b>  As the project is focussed on encouraging behavioural change, encouraging people to consider changing their regular approach to travel the level of demand for the e-cargo bikes has not yet been fully tested.</p> <p>There is a risk that approach to the delivery of the project may need to vary responding to changing user as the route to encouraging behavioural change are tested and lessons learnt.</p> <p>Subject to the method that the bikes are made available to users, there may be future revenue costs in terms of storage, maintenance and insurance as well as additional officer time required to administer this scheme.</p> <p>Due to the short timescales available to the purchase the ecargo bikes the council will need to purchase the bikes on the supplier’s terms and conditions which have not been reviewed by legal services although it is understood that the terms and conditions include a requirement for 10% advance payment, this presents a risk between payment and delivery of the bikes.</p>
<p><b>Details of any alternative options considered and rejected:</b></p>	<p>The council could decide not to approve additional expenditure on this accelerated project. The available funding would be lost, and Hereford would miss the opportunity to purchase the e-cargo bikes which will be used to encourage transport behavioural change. This option is not recommended because of the loss of grant income that will deliver a project within the city that help to deliver the council’s county plan 2020 - 2024.</p>
<p><b>Details of any declarations of interest made</b></p>	<p>None</p>
<p>Signed <span style="float: right;">Date: 18 March 2021</span></p> <p style="text-align: center;">Andrew Lovegrove  Acting Deputy Chief Executive - Chief Finance Officer</p>	