

**Title:** Active Travel Fund Tranche 3 Sunderland City Council Funding Swap  
**Portfolio:** Transport  
**Responsible Director:** Tobyn Hughes, Director of Transport  
**Report Author:** Izzie Broadbent, Transport Programmes Strategy Officer

## Report Summary

The purpose of this report is to seek approval of a funding swap, totalling £542,000, between two schemes delivered by Sunderland City Council within the Active Travel Fund Tranche 3 programme and vary the associated grant funding agreements, by means of a change control process.

The funding swap is a result of a cost saving to one scheme (B1405 European Way / Pallion New Road - Segregated Cycle Lanes) due to a reduction in the cost of required drainage works, and an overspend on another scheme (A183 Dame Dorothy Street – Segregated Cycle Lanes) due to the need for additional features to improve the quality of the scheme. This funding swap will allow for both schemes to be delivered in full, in line with requirements of LTN 1/20 cycling infrastructure design guidance.

## Recommendations

The Chief Executive is recommended to approve the funding swap and the varying of the two existing grant funding agreements for the schemes detailed within this report.

### A. Context

Project Outline	
<b>Funding Source</b>	Active Travel Fund Tranche 3 (ATF3)
<b>Proposal Name</b>	B1405 European Way / Pallion New Road - Segregated Cycle Lanes and A183 Dame Dorothy Street – Segregated Cycle Lanes
<b>Lead Organisation</b>	Sunderland City Council
<b>Delivery Areas</b>	Sunderland
<b>Start Date</b>	In delivery (commenced May 2024)
<b>Financial End Date</b>	June 2026
<b>Practical completion date (date by which all outputs will be achieved)</b>	June 2026
<b>Total Project Value</b>	Prior to the change control process, the project values are: B1405 European Way / Pallion New Road - Segregated Cycle Lanes: current allocation £3.7m A183 Dame Dorothy Street – Segregated Cycle Lanes: current allocation £2.1m Total ATF3 grant: £5.8m
<b>Grant Amount Requested</b>	No further grant is requested through this paper; however a change control process is requested for the funding swap of £542,000.

<b>Budget Implications</b>	The requested grant can be met within the overall ATF3 capital budget.
----------------------------	--

## 1. Background

1. In March 2022, the former North East Joint Transport Committee was awarded £17.9m of Active Travel Fund Tranche 3 (ATF3) funding for the delivery of nine capital schemes across the region. ATF funding is awarded and managed by Active Travel England (ATE), the government executive agency responsible for active travel in England. For this particular fund, it was ATE who made the final decision on which schemes from the region's bid would receive funding, based on a longlist which was submitted for their consideration.
2. Two schemes within the region's bid that received funding are B1405 European Way / Pallion New Road - Segregated Cycle Lanes (£1.782m) and A183 Dame Dorothy Street – Segregated Cycle Lanes (£1.485m), both schemes being delivered by Sunderland City Council.
3. Through a subsequent ATF Tranche 4 (ATF4) funding award which provided additional funding to ATF3 schemes, the B1405 European Way / Pallion New Road - Segregated Cycle Lanes scheme secured a further £1.928m, taking the total allocation to £3.7m, and the Dame Dorothy Street scheme secured an additional £615,000, taking the total allocation to £2.1m. In total, the grant associated with the two schemes is £5.8m. Grant funding agreements for the two schemes were entered into in early May 2024, before the formation of the North East Combined Authority (North East CA).
4. Both schemes have since commenced delivery. An underspend of £542,000 has been realised on the European Way scheme, because extensive drainage works envisaged at the design stage have not proven to be necessary during the construction phase of the scheme. During the delivery of the Dame Dorothy Street scheme, it has become evident that further works have become necessary to ensure that this scheme ties in with a previously delivered scheme on Whitburn Road, which is at the eastern extent of the Dame Dorothy Street scheme to ensure compliance with LTN 1/20 cycling infrastructure design guidance.

## 2. The Investment Proposal

1. A change control request has been put forward by Sunderland City Council, to move the underspend of £542,000 from European Way into the Dame Dorothy Street scheme, to ensure that both schemes are fully delivered to a high-quality and provide full integration with the ATF2 scheme on Whitburn Road. The delivery of these elements in full will result in one seamless corridor from the seafront to the city centre, approximately 3.5m km in length.
2. To confirm this change control, the two grant funding agreements for the schemes will need to be amended, via two Deed of Variation documents, to be prepared by North East CA and entered into with Sunderland City Council. The change control has been approved by ATE.

### 2.1 Outputs and Outcomes

The following tables present the outputs and outcomes for the Dame Dorothy Street scheme as a result of the proposed funding swap. The numbers in brackets identify where there has been an increase to the proposed outputs.

To confirm, the outputs for the European Way scheme can be delivered in full for £542,000 less than originally allocated, and the outputs will remain the same as those agreed within the original grant funding agreement.

## A183 Dame Dorothy Street – Segregated Cycle Lanes

Outputs	25/26	Total
0.93 miles of new segregated cycle lane	0.93	0.93
7 junction improvements	7 (+1)*	7
4 new road crossings	4	4
1 new secure cycle parking facility	1 (+1)*	1

\*represents additionality from original proposal.

The outcomes are as described in the original grant funding agreement, as follows:

Description of Outcomes	Timeframe for achievement	Totals
Increase in cycling in the vicinity of the scheme	One year post-completion	Increase to be confirmed via monitoring and evaluation activities

### 2.2 Timetable for Implementation

The following table confirms the completion date for the Dame Dorothy scheme, where delivery is to continue to ensure completion as soon as possible.

Milestone	Forecast Date (as per GFA May 2024)	Updated Date
Construction start	15/04/2024	13/05/2024
Project completion	19/12/2025	30/06/2026

### 2.3 Appraisal

The value for money of the Dame Dorothy Street scheme was reassessed in line with the proposed increase to the grant allocation and it has been confirmed that the scheme offers Very High value for money. This value for money assessment has been reviewed and approved by ATE.

### 2.4 Recommended Conditions of Funding

Funding to be spent by the end of Financial Year 2026/27.

## B. Potential Impact on North East Combined Authority Objectives

The Mayor's Local Transport Plan and its associated Delivery Plan place a key focus on delivering a joined-up walking and cycling network. The delivery of proposals included within this report will contribute to this objective, and in turn support the North East Combined Authority corporate objectives, in particular, delivering a North East we are proud to call home.

The benefits that will be realised through the delivery of the schemes described in this report will improve connectivity, safety and quality of active travel provision within Sunderland, leading to more people choosing to travel sustainably.

## C. Key risks

The key risk associated with this report is that if the change control is not endorsed and the funding swap does not take place, then the full outputs of the Dame Dorothy Street scheme will not be realised, and an underspend against programme budget would occur.

## **D. Corporate Implications**

### **D1. Financial and other resources implications**

This approval relates to a funding swap, therefore there is no financial impact to programme.

#### **Status of match funding:**

No match is required as part of ATE's Active Travel Fund.

#### **Funding availability:**

The funding which has been identified in this report to be vired between schemes is fully allocated and has been previously committed to the two schemes through two grant funding agreements. The change control does not require any additional funding to be allocated.

### **D2. Legal implications**

The comments of the Monitoring Officer have been included in this report.

### **D3. Equalities implications**

The North East CA complies with the Public Sector Equality duty, and this report has due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. In June 2024 the North East CA adopted equality objectives to reflect the different roles of the Combined Authority as an employer, a commissioner and deliverer of services, and a civic leader. This project will improve accessibility on this corridor for those walking, wheeling and cycling.

### **D4. Consultation and engagement**

The region's programme of Active Travel Funding was consulted on and considered through Heads of Transport of the seven constituent local authorities, and approved by the former Joint Transport Committee.

Sunderland City Council successfully undertook formal consultation on both schemes before the initial grant funding agreements were entered into.

## **E. Appendices**

None.

## **F. Background papers**

N/A

## **G. Contact officers**

Name: Izzie Broadbent

Title: Transport Programmes Strategy Officers

Email address: [Izzie.Broadbent@northeast-ca.gov.uk](mailto:Izzie.Broadbent@northeast-ca.gov.uk)

## **H. Glossary**

ATE – Active Travel England

ATF – Active Travel Fund

DRP – Design Review Panel

GFA – Grant Funding Agreement  
North East CA – North East Combined Authority