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| Report subject             | <b>LTP Capital Programme 2022-23</b>   |
| Meeting date               | 9 March 2022   |
| Status                     | Public Report  |
| Executive summary          | <p><b><i>At the time of writing this report the Department for Transport (DfT) have yet to confirm exact funding values for 2022/23 and beyond and therefore an assumption has been made that the grant award will remain at least at the level received in 2021/22.</i></b></p> <p>This report sets out and seeks financial approval for investment of the 2022/23 Local Transport Plan (LTP) grant allocation (capital funding) from the Department for Transport (DfT).</p> <p>It is expected that the 2022/23 LTP Capital grant allocation for the Council will be £7.9 million comprising £3.1 million of Integrated Transport Block (ITB) funding and £4.8 million of Highway Maintenance funding (including Pothole Funding).</p> |
| Recommendations            | <p><b>It is RECOMMENDED that:</b></p> <p><b>(a) Cabinet approve the proposed 2022/23 Local Transport Plan Capital Programme funding as set out in Appendix A</b></p> <p><b>(b) Cabinet approve the indicative 2023/24 and 2024/25 Highways Maintenance Programmes as set out in Appendix B</b></p> <p><b>(c) Cabinet approve delegation of authority to make LTP Capital Programme amendments once actual DfT grant allocations have been confirmed to Director of Transport &amp; Engineering in consultation with the Portfolio Holder for Sustainability &amp; Transport</b></p>  |
| Reason for recommendations | <p>Recommendation (a).</p> <p>The approval would enable the continuation of existing Local Transport Plan capital programme schemes, delivery of schemes that are currently being planned, consulted upon and/or designed and the development of future years schemes.</p>   |

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|                      | <p>Recommendation (b).</p> <p>The approval would reduce the risk of loss of funding associated with the incentive fund element of the Structural Maintenance Block.</p> <p>Recommendation (c).</p> <p>The approval would enable adjustments to the programme in line with any revised funding allocation; reducing delays to delivery and the need to return to Cabinet for further decision making.</p> |
| Portfolio Holder(s): | Cllr Mike Greene - Cabinet Member for Sustainability & Transport   |
| Corporate Director   | Jess Gibbons – Chief Operations Officer  |
| Report Authors       | Bob Askew – Transport Improvement Manager  |
| Wards                | All  |
| Classification       | For Decision   |

## Background

1. The Local Transport Plan Capital Programme implements schemes that align with the Council's Local Transport Plan (LTP) 3, corporate objectives and priorities, including those set out in the Core Strategy and those set out in the BIG plan.
2. The Local Transport Plan covers the period from 2011 to 2026 and came into effect from April 2011. In south east Dorset, the LTP3 draws heavily on the South East Dorset Transport Study. Local Transport Plan objectives include:
  - Reducing the need to travel
  - Manage and maintain the existing network more efficiently
  - Active travel and 'greener' travel choices
  - Public transport alternatives to the car
  - Car parking measures
  - Travel safety measures
  - Strategic infrastructure improvements
3. Government funding is provided by the Department for Transport (DfT) to deliver the Local Transport Plan through the Local Transport Plan Capital Block Funding (Integrated Transport and Highway Maintenance) Specific Grant. The proposed delivery plan for expenditure of the block funding in 2022/23 is shown in Appendix A.
4. During 2022/23, the Council will be in the third full year of delivery of the Transforming Cities Fund programme, with £47.24 million of activity scheduled for delivery. The proposed 2022/23 LTP programme includes a combined total of £0.5 million that was

committed as a local contribution towards the SE Dorset City Regions Transforming Cities Fund (TCF) programme.

5. There is also an allocation of funding for the completion of Phase 2 Wallisdown Road (Bryant Road to Benbow Crescent (East)) which is part of the previously approved Dorset Local Enterprise Partnership (DLEP) Ferndown, Wallisdown, Poole (FWP) programme.
6. There is also an ongoing commitment to deliver over £1 million of schemes as part of the Active Travel Fund award secured and approved by Cabinet in 2021.
7. The DfT reduced the amount of needs-based funding allocated to each local authority for maintenance in 2016/17. Since this financial year authorities have had to secure additional funding on an 'incentive' basis and/or from the Competitive Challenge Fund Tranches. The amount shown for highways maintenance in Appendix A includes an estimate of the amount of "incentive based" funding expected in 2022/23 and is based on Bournemouth, Christchurch and Poole (BCP) Council operating at and maintaining Band 3 level.
8. Within the structural maintenance section of the programme there is an ongoing commitment to deliver over £2 million of additional highway maintenance schemes as part of the Challenge Fund award secured and approved by Cabinet in 2020.
9. To satisfy the 'incentive' requirements for Band 3 status Councils must have a rolling 3-year Highways Maintenance Programme published on their websites. Appendix B comprises proposed Highways Maintenance Programmes for 2023/24 & 2024/25. The 3-year Highways Maintenance Programme is compiled using the principles within the Highways Asset Management Policy and Strategy, previously approved by Cabinet in 2021.

### **Summary of financial implications**

- 10. At the time of writing and submitting this report, final confirmation of funding levels for 2022/23 and beyond had not been received from Department for Transport (DfT). Therefore, the values included are indicative and are based on an assumption that funding levels will remain the same as in the current year (2021/22).**
11. It is anticipated that DfT will confirm the grant award between now and end of March 2022. To ensure continuity with delivery this report seeks approval of the proposed programme including delegation of authority to amend the LTP capital programme to the Director of Transport & Engineering in consultation with Portfolio Holder for Sustainability & Transport.
12. Approval is sought to deliver the LTP Capital Programme 2022/23 as set out in Appendix A. Appendix A is consistent with the 2022/23 highways capital programme approved by Council in February 2022 (through the Budget MTFP report).

13. Appendix A assumes an indicative allocation of £7.9million LTP grant in 2022/23. This is based on prior year allocations that are yet to be formally confirmed. It also assumes £2.1 million Pothole Grant funding in 2022/23 – also an indicative value based on previous years that is yet to be confirmed. Clearly planned utilisation of both grants will have to be revised should final grant allocations differ significantly from values assumed.
14. As in previous financial years, DfT has indicated that the 2022/23 Local Transport Plan grant will be allocated to the Council for expenditure on transportation improvements and highways maintenance.
15. Appendix A also includes £0.7 million DfT capital grant funding to support Neighbourhood Services planned maintenance / pre-patching work. This allocation has been factored into the Council's revenue budget for 2022/23. Consideration to the level of capital funding available for revenue purposes needs to be considered against the terms of conditions of the grant and the need to demonstrate value for money. Utilisation of LTP grant funding is subject to annual audit and requires Chief Internal Auditor and s151 Officer sign off. All LTP funded spend must be evidenced as legitimate capital spend. As in previous years, in the event of a significant change in LTP and Pothole grant funding in 2022/23 to that currently assumed (either additional or reduced funding), the annual allocation to Neighbourhood Services will be reconsidered. Consideration of available funding should be made in compliance with BCP's adopted Asset Management Strategy/Policy. Failure to demonstrate value for money and compliance with the Asset Management Strategy/Policy with the DfT can impact on the Council maintaining its Band 3 level, which will subsequently impact on the amount awarded for the 'incentive based' funding in future years.
16. The ability to maintain a similar level of annual allocation to Neighbourhood Services for the remainder of the MTFP (2023/24 and 2024/25) will be confirmed once final LTP and Pothole allocations are formally announced. Whilst the Council's MTFP assumes annual allocation of £0.7 million throughout the period of the MTFP, this is an indicative estimate only, to be reviewed once actual grant allocations are known. Any reduction in funding of the structural maintenance programme can impact on the deliverability of other programmes some of which may be reliant on the funding as a local contribution to secure monies from other grants. Although the structural maintenance and integrated transport block programmes are presented as separate schedules to ensure that it is clear to DfT that the funding in each area is invested in line with the conditions of the grants, some allocations within these programmes are intrinsically linked (i.e. include structural maintenance improvement works) and are therefore planned years in advance due to the lead in times for the associated engagement, design and legal processes that are required to make changes to the highway.
17. As in previous years LTP funding will be used to fund direct staff time allocated to delivering the capital programme.

18. The current LTP programme assumes planned completion of phase 2 of the Ferndown-Wallisdown-Poole project. Options are being explored to utilise Transforming Cities Fund (TCF) grant funding (instead of LTP grant). This would be subject to approval by the TCF Programme Board and through liaison with DfT
19. The Council is required to publish a 3-year Highways Maintenance Programme on its website to maintain Band 3 status. If this is not done the Highways Maintenance element of the grant shown in both Appendix A and B may be reduced significantly (to Band 2 status funding).
20. Before the end of the 2022/23 financial year the Council's Section 151 Officer will be presented with evidence that demonstrates that BCP Council is performing at Band 3 level with regards to 'incentive' funding criteria and be asked to sign a declaration to that effect for passing onto DfT
21. The Integrated Transport Block (ITB) programme in Appendix A identifies local contribution funding in support of the Transforming Cities Fund programme award (March 2020). The commitment to government in accepting the funding award was that BCP Council would provide a local contribution to the programme utilising LTP funding to deliver schemes locally that continue to promote walking, cycling and bus and rail usage.
22. The LTP Capital Programme in Appendix A (pages 1 & 2) also identifies other funding commitments (highlighted rows) to which defined contributions are specified.

#### **Summary of legal implications**

23. The programme includes local contribution funding to the TCF programme; these local contributions are committed to in agreements between BCP Council and DfT as part of the funding award process.

#### **Summary of human resources implications**

24. Continuity of delivery of the LTP Capital Programme for 2022/23 is subject to securing appropriate resources, both within the Transport and Engineering Structure and through our ongoing partnering contract

#### **Summary of sustainability impact**

25. Refer to Appendix C – Decision Impact Assessment (DIA) Report 187

#### **Summary of public health implications**

26. LTP schemes aim to promote sustainable/active travel and/or minimise congestion and as such aim to deliver improvements to air quality and increase levels of activity.

#### **Summary of equality implications**

27. The programme has been Equality Impact Assessment (EQIA) screened and a full EQIA for the programme itself is not required, however, individual projects within the

programme would need to be EQIA screened and full EQIAs completed should a need be identified during screening.

### **Summary of risk assessment**

28. Primary risk is funding uncertainty due to lack of confirmation from the DfT
29. No significant risk implications with regards to approval of the respective programmes have been identified.
30. Schemes of significant scale would be subject to specific risk assessments and risk registers as part of the overarching programme delivery process.
31. Risks associated with not getting the programme approved in advance of the commencement of the 2022/23 financial year are summarised in Reason for recommendations.

### **Appendices**

1. Appendix A - 2022/23 Local Transport Plan Capital Programme
2. Appendix B - 2023/24 and 2024/25 Highways Maintenance Programmes
3. Appendix C – DIA 362: Local Transport Plan (LTP) Capital Programme