

**WIRRAL COUNCIL  
CABINET – 13 JANUARY 2011**

**REPORT OF THE DIRECTOR OF TECHNICAL SERVICES**

**LOCAL TRANSPORT PLAN CAPITAL PROGRAMME 2011/12**

**1.0 EXECUTIVE SUMMARY**

- 1.1 On 13 December 2010, the Department for Transport (DfT) announced the Local Transport Capital settlements for Merseyside for 2011/12 and 2012/13, and indicative figures for 2013/14 and 2014/15. This report sets out the main points contained in the Local Transport Settlement Letter.
- 1.2 Details of the proposed Wirral LTP capital programme will be brought to a future Cabinet meeting.

**2.0 BACKGROUND**

- 2.1 Members may be familiar with the forthcoming third Local Transport Plan (LTP3) for Merseyside, which will set out the transport strategy for the City Region, which comprises of the Merseyside authorities plus Halton. Whilst part of the City Region, Halton Borough Council will continue to produce its own LTP, closely aligned with the Merseyside LTP.
- 2.2 Following the Local Transport Act (LTA) of 2008, the ITA (Integrated Transport Authority, i.e. Merseytravel) now has full responsibility for the LTP, albeit with the understanding that partner Local Authorities will be fully engaged with the process.
- 2.3 Unlike previous LTPs, LTP3 is not a bidding document, nor will it be appraised and inform the level of funding allocations awarded to the Council for transport improvements.
- 2.4 Members were invited to partake in workshops during November 2010 to discuss the then Preferred Strategy for LTP3 along with Wirral's future transport priorities. Feedback from the two Wirral workshops informed the Council's response to the Preferred Strategy stakeholder consultation, which closed on 30 November 2010.
- 2.5 The pre-final draft of LTP3 is expected to be considered by the ITA at the start of February, with the final version of LTP3 being approved by the ITA on 17 March, before submission to the Department for Transport (DfT).
- 2.6 LTP3 will set out a long-term transport strategy for the City Region along with more detailed implementation plans covering the period 2011/12 to 2014/15.

**3.0 LOCAL TRANSPORT SETTLEMENT 2011/12**

- 3.1 The LTP capital settlement is made up of two main blocks – the Integrated Transport Block and the Highway / Bridge Maintenance & Strengthening

Block. Final settlement figures for **Merseyside** have been given for both 2011/12 and 2012/13, with indicative figures given for both 2013/14 and 2014/15. Both sets of allocations are shown in **Table 1** below. A copy of the Department for Transport (DfT) settlement letter is contained at **Appendix A**.

**Table 1: Merseyside Settlements 2011/12 – 2014/15:**

| Merseyside Block –<br><b>Final</b> Allocations | <b>2011/12</b><br>(£000s) | 2012/13<br>(£000s) |
|--|---------------------------|--------------------|
| Integrated Transport                           | <b>£11,489</b>            | £12,255            |
| Highways Maintenance                           | <b>£13,061</b>            | £12,611            |

| Merseyside Block –<br><b>Indicative</b> Allocations | 2013/14<br>(£000s) | 2014/15<br>(£000s) |
|---|--------------------|--------------------|
| Integrated Transport                                | £12,255            | £17,234            |
| Highway Maintenance                                 | £12,002            | £11,054            |

- 3.3 The level of Integrated Transport Block (ITB) funding for Merseyside is much less than had been anticipated, being approximately a third of that received in 2010/11, and will have significant impacts on what the LTP Partnership had believed it would be able to deliver over the coming few years.
- 3.4 Furthermore, unlike in previous years, both blocks of funding have been allocated to Merseytravel as the ITA, which now has the full responsibility of LTP3. However, the DfT has indicated that different arrangements for the payment of the highway maintenance block funding can be made with agreement between the Merseyside Partners.
- 3.5 It is Wirral's intention to agree with the ITA the release of this block to the Council, which, as the highway authority, has responsibility for road condition. The DfT has determined the Merseyside settlement on a formula basis, which has resulted in Wirral's notional allocations being as shown below in **Table 2**.

**Table 2: Wirral Council's Notional Highway Maintenance Allocations**

| Highway<br>Maintenance | <b>2011/12</b><br>(£000s) | 2012/13<br>(£000s) | 2013/14<br>(£000s) | 2014/15<br>(£000s) |
|------------------------|---------------------------|--------------------|--------------------|--------------------|
| Wirral                 | <b>3,095</b>              | 2,958              | 2,864              | 2,699              |

- 3.6 Unlike highway maintenance, there is no official Wirral allocation for ITB. Historically, the LTP Partnership has split the Merseyside ITB allocation between the six authorities using a locally agreed formula (2000 - 2010). Wirral Council has, in the past, received approximately 10% of the Merseyside ITB allocation. Whilst it has been agreed in principle that this approach will

continue into LTP3, there remains some doubt as to how the ITB funding will be managed following such a drastically reduced settlement.

- 3.7 Members may recall that during the second LTP period, the LTP Partners have annually 'top-sliced' funding from the Merseyside ITB settlement to form a Joint Working Budget (JWB), to provide funds to ensure effective joint working to meet the wide-ranging and constantly evolving demands linked to LTP delivery. The JWB has been monitored by the Merseyside Strategic Transport and Engineering Group (MSTEG), which reports to the Merseyside Strategic Transport Committee (MSTC).
- 3.8 The JWB for LTP3 needs further scrutiny by the LTP Partners to determine how it might operate in the future. Discussion is needed as to whether previous funding arrangements are still relevant or whether a new approach to carrying out joint working is required.

#### **4.0 WIRRAL 2011/12 TRANSPORT CAPITAL PROGRAMME**

- 4.1 Due to the drastic reduction in the Merseyside LTP settlement for 2011/12, and the need to carry out essential discussions with the other Merseyside LTP Partners on its implications, I am not yet in the position to be able to bring to Cabinet Wirral's draft programme for next financial year.
- 4.2 I propose therefore to prepare a draft programme once these discussions have taken place, with the aim of bringing a draft for approval to Cabinet in February.
- 4.3 Key issues that need to be resolved before Wirral's programme can be prepared include how the LTP settlement will be distributed by the ITA. It is hoped that the highway maintenance allocation will be distributed to the highway authorities in accordance with the DfT formulaic process (refer to Table 2 above for Wirral's potential allocation), and that the ITB will be distributed between partners using the locally agreed formula that has been used successfully previously.
- 4.4 Under the existing ITB local formula, Wirral Council would receive approximately £1,149,000 to carry out its integrated transport programme. Combined with the notional highway maintenance allocation, this would result in a total LTP settlement for Wirral of **£4,247,000** for 2011/12.
- 4.5 This figure is significantly less than the £7,684,000 LTP settlement originally received in 2010/11 and less than the reduced allocation of £6,674,000 after the Coalition Government's Comprehensive Spending Review in June 2010.
- 4.6 The funding will be provided as capital grant, not as supported borrowing, and is not ring-fenced.

#### **5.0 ADDITIONAL FUNDING SOURCES**

- 5.1 In addition to the LTP Integrated Transport Block and the Highway Maintenance Block, the Government has, this year, announced two additional

funding streams to which transport authorities may bid to support transport interventions. These Funds replace a range of previous grants for sustainable forms of travel.

- 5.2 The **Local Sustainable Transport Fund (LSTF)** will be available for small transport schemes over the next 4 financial years, and is a mixture of capital and resource funding to the total of £560m nationally. Guidance is due to be published in January 2011, which will invite authorities in England (outside London) to apply for funding to support the cost of a range of sustainable travel measures, such as those that promote walking and cycling, encourage modal shift, improve road safety and improve access and mobility for local communities. Submissions will need to meet specified criteria, including the core objectives of supporting economic growth and reducing carbon. Bids will be particularly welcome if they demonstrate support from, and the involvement of, voluntary and community organisations and the private sector.
- 5.3 The **Regional Growth Fund (RGF)** is a £1.4billion Fund that will operate between 2011 and 2014. It is aimed at stimulating enterprise by supporting projects and programmes with significant potential for creating long-term growth by leveraging private sector investment and jobs. There is a minimum bidding threshold of £1million. Submissions from the public sector alone are not eligible.
- 5.4 With the LTP settlements being significantly reduced from 2011/12, these additional funding sources are welcomed, however, as they involve a bidding process, they do not present secured funding for the authority. Officers will endeavour to prepare bids to draw down additional funding wherever possible.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 In the event of the existing arrangements for distribution of the Merseyside LTP settlement are implemented, Wirral Council is expected to receive in the region of £4,247,000 for 2011/12. However, should the ITA change the way that the LTP settlement is distributed Wirral Council could receive significantly less funding.

## **7.0 STAFFING IMPLICATIONS**

- 7.1 Staff from my Department will continue to provide Wirral's input to the LTP and its strategic development as well as delivering the transport capital programme.

## **8.0 EQUAL OPPORTUNITIES IMPLICATIONS**

- 8.1 There are no specific ethnic minority, elderly persons or equal opportunities implications arising directly from this report. The transport strategy, which underpins the LTP, includes measures to assist the transport needs of all sections of the community.

8.2 Wirral's highway and transport proposals consider the needs of people with disabilities and impaired mobility, as set out in the Merseyside Code of Practice on Access and Mobility, which takes full account of the requirements of the Disability Discrimination Act 1995.

## **9.0 COMMUNITY SAFETY IMPLICATIONS**

9.1 Most of the schemes in the LTP Capital Programme have positive Community Safety implications, either through improvements in road safety (e.g. introducing physical changes to the highway) or improvements in personal safety (for example, better street lighting).

9.2 The LTP directly addresses the national road safety strategy, which links closely with the Council's Local Area Agreement and Corporate Plan objectives to reduce traffic accidents.

9.3 The LTP also complements most of the Council's corporate objectives. The Accessibility work supports strategic aims to reduce worklessness, promote greater independence and choice, improve support for those with mental health problems, reduce numbers not in employment, education or training, and increase numbers going to university, especially from disadvantaged communities. Projects to increase the use of sustainable modes of transport support the aims to reduce our carbon footprint, encourage healthy lifestyles and participation in fulfilling activities, and reduce childhood obesity.

## **10.0 LOCAL AGENDA 21 IMPLICATIONS**

10.1 Sustainability and LA21 issues are common threads running through all the transport policies.

10.2 Specific elements of transport policy include:

- Strategic Environmental Assessment (SEA) of the strategy;
- Joint working with health authorities and the promotion of walking and cycling;
- Reduction of transport related emissions;
- Encouraging greater use of public transport and non-motorised modes of transport; and
- Development of Travel Plans with schools and businesses.

## **11.0 PLANNING IMPLICATIONS**

11.1 In accordance with DfT guidelines, the LTP is closely aligned with the Unitary Development Plan (UDP) and other strategic and local policies, including Wirral's Tourism Strategy and local environmental, social and economic regeneration strategies.

11.2 The Merseyside Authorities are committed to approving a Supplementary Planning Document (SPD), which will improve linkages between land use and transport within the process for planning approvals. This SPD will form an

integral part of the Core Local Development Framework (LDF). It is intended that the full SPD be approved and implemented in the near future and will be reported to Members separately in due course.

## **12.0 ANTI-POVERTY IMPLICATIONS**

12.1 It is recognised by the LTP partners that the cost of travel by public transport, which has risen out of proportion to the cost of travel by car, can be a barrier to unemployed people or those on low incomes. Wirral officers continue to work with bus operators, Merseytravel and Cheshire West and Chester Council to improve the overall bus offer in Wirral.

## **13.0 SOCIAL INCLUSION IMPLICATIONS**

13.1 Social inclusion is a thread running through the LTP, which aims to provide a fully integrated transport system that is accessible to everyone.

## **14.0 HUMAN RIGHTS IMPLICATIONS**

14.1 There are no implications under this heading.

## **15.0 ACCESS TO INFORMATION ACT**

15.1 The DfT Local Transport Settlement letter (2011/12 – 2012/13) has been used in the preparation of this report (attached at **Appendix A**).

## **16.0 LOCAL MEMBER SUPPORT IMPLICATIONS**

16.1 The LTP contains a Wirral-wide transport strategy.

## **17.0 RECOMMENDATION**

17.1 The Cabinet note the settlement letter from the DfT, dated 13 December 2010, to the Integrated Transport Authority.

17.2 That Cabinet endorses the proposals of officers to recommend to the ITA that the maintenance allocation be distributed to highway authorities in accordance with the DfT notional allocations, and that the existing locally agreed formula be used to distribute the ITB as in previous years.

17.3 Cabinet endorses that there is no top-slice from the ITB to fund the Joint Working Budget until partnership discussions agree the level of JWB for 2011/12.

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