

# WIRRAL COUNCIL

## CABINET

18 OCTOBER 2012

<b>SUBJECT:</b>	<b>LOCAL SUSTAINABLE TRANSPORT FUND (LSTF) – ACCEPTANCE OF MAJOR BID FUNDING</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>INTERIM DIRECTOR OF TECHNICAL SERVICES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR HARRY SMITH STREETSCENE AND TRANSPORT SERVICES</b>
<b>KEY DECISION</b>	<b>YES</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 This report explains the successful funding bid made by the Merseyside Transport Partnership (MTP) to the Department for Transport (DfT) to deliver a programme of sustainable transport measures.
- 1.2 This funding will assist the Council to support Wirral residents to access employment opportunities, as well as encouraging the use of sustainable transport and contributing to reducing carbon emissions in the Borough.
- 1.3 This report seeks authority from Cabinet to accept and commit the funding from Merseytravel, and to give delegated authority to the Interim Director of Technical Services, in conjunction with the Acting Director of Law, HR and Asset Management, to enter into a funding agreement with Merseytravel.
- 1.4 This report sets out the projects included in the bid and details how the programme will be delivered and developed and also seeks delegated authority for the Interim Director of Technical Services to approve the identified scheme(s) for delivery in 2012/13.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 On the 19<sup>th</sup> January 2011 the Government, as part of the Local Transport White Paper, issued guidance regarding the creation of a £560 million Local Sustainable Transport Fund (LSTF). The purpose of this fund was to enable the delivery of sustainable transport solutions that support economic growth whilst reducing carbon. The LSTF guidance stated that “solutions should be geared to support jobs and businesses by tackling congestion, improving reliability and predictability of journey times, enabling economic investment, revitalising town centres and enhancing access to employment”. The guidance also stated that “the solutions should also bring about changing patterns of travel behaviour and greater use of more sustainable modes and so deliver a

reduction in carbon and other harmful emissions”. The guidance also noted that the fund also provided an opportunity to take an integrated approach to meeting local challenges and to delivering additional wider social, environmental, health and safety benefits for local communities.

- 2.2 Authorities were invited to bid to secure funding via the Department for Transport (DfT). Metropolitan areas were required to bid through their respective Integrated Transport Authority (ITA). The funding, both revenue and capital, was available over four financial years 2011/12 to 2014/15.
- 2.3 Applications were invited for small scale projects (up to £5 million) or large projects (up to £50 million). The Merseyside Transport Partnership (MTP) agreed to submit an application for the large project category and in order to do this a two stage application process was required to be undertaken. The first stage was to submit an application for “Key Component” funding which was for up to £5 million of the larger bid.
- 2.4 On the 18<sup>th</sup> April 2011, Merseytravel as the ITA, submitted an early smaller bid known as the “Key Component” bid, for £4.877m. The project was to “Facilitate Sustainable Access to Employment in Merseyside”. The overall project was composed of three themes. These were:-
- Working with Employers
  - Travel Solutions
  - Sustainable Transport Infrastructure
- 2.5 £810k of the total Merseyside Key Component bid was for the delivery of projects in East Wirral over a four year period from 2011/12 – 2014/15. Previous reports to Cabinet on 24 November 2011 and 12 April 2012 considered acceptance of this funding and an update on the delivery of the programme respectively.
- 2.6 The application to the DfT for the major bid was for £21.72 million (Merseyside wide). On the 4<sup>th</sup> July 2012 the DfT wrote to Merseytravel to announce that the Merseyside Transport Partnership Major Bid was successful and Merseytravel, on behalf of the MTP were awarded £19.9 million. The reason for the reduction in the value of the award from the original bid amount was associated with the removal by the DfT of a project for the St Helens Electric Bus Scheme.
- 2.7 Tables 1 and 2 illustrate the breakdown of the funding.

**Table 1: Merseyside LSTF Major Funding - £19.9 million**

<b>£k</b>	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
<b>2012/13</b>	2974.5	2803	<b>5777.5</b>
<b>2013/14</b>	3783.5	3193	<b>6976.5</b>
<b>2014/15</b>	3524	3712	<b>7236</b>
<b>Total</b>	<b>10,282</b>	<b>9708</b>	<b>19,990</b>

**Table 2: Wirral LSTF Major Funding - £3.2 million**

<b>£</b>	<b>Revenue</b>	<b>Capital</b>	<b>Maintenance</b>	<b>Total</b>
<b>2012/13</b>	398,389	675,890	13,117	<b>1,087,396</b>
<b>2013/14*</b>	395,830	675,830	13,200	<b>1,084,860</b>
<b>2014/15*</b>	354,830	674,830	13,200	<b>1,042,860</b>
<b>Total</b>	<b>1,149,049</b>	<b>2,026,550</b>	<b>39,517</b>	<b>3,215,116</b>

\*indicative spend profile for future years will be confirmed by Merseytravel at a later date

2.8 As with the Key Component Bid, Merseytravel are the lead authority and the accountable body for the Major Bid. The project will be administered by Merseytravel in accordance with the terms and conditions specified by the DfT. As with the Key Component Bid, Merseytravel have prepared a funding agreement for the Local Authorities and other partners. This agreement covers the management, delivery and monitoring of the project and sets out the arrangements for the partner authorities to claim back expenditure against the project on a quarterly basis in arrears. Officers are currently seeking advice from colleagues in Legal with regard to this agreement and, subject to any negotiations regarding the content of this agreement, delegated authority is requested for the Interim Director of Technical Services in conjunction with the Acting Director of Law, HR and Asset Management to enter into a funding agreement with Merseytravel with regard to the LSTF Major Bid.

### 3.0. WIRRAL MAJOR BID DELIVERY AND PROGRAMME

- 3.1. In order that the full allocation of grant allocated to Wirral is spent within the required timescales, it is essential that delivery of the projects commences without delay. It is important to note that the DfT have indicated that any unclaimed funds cannot be carried forward to subsequent financial years. A “programme management” arrangement will be set up to drive and monitor projects and spend profile.
- 3.2. Tables 3 and 4 below illustrate the breakdown of Wirral’s allocation of the major bid as per the approved bid.

**Table 3: Wirral LSTF Major CAPITAL Funding - £2.027 Million**

	<b>2012/13 (k)</b>	<b>2013/14 (k)</b>	<b>2014/15 (k)</b>	<b>Total (k)</b>
Walking and Cycling Infrastructure –General	416	416	415	<b>1247</b>
Walking and Cycling – Visitor Economy	104	104	104	<b>312</b>
Highway Network Improvements	155	156	156	<b>468</b>
<b>Total</b>	<b>676</b>	<b>676</b>	<b>675</b>	<b>2027</b>

Figures rounded to nearest £k

**Table 4: Wirral LSTF Major REVENUE Funding - £1.149 Million**

	<b>2012/13 (k)</b>	<b>2013/14 (k)</b>	<b>2014/15 (k)</b>	<b>Total (k)</b>
Business Travel Support	118	96	75	<b>289</b>
Community Travel Hub	242	257	237	<b>736</b>
Maxi Taxi	32	32	32	<b>96</b>
Walking and Cycling Infrastructure	3	5	5	<b>14</b>
Walking and Cycling – Visitor Economy	3	5	5	<b>14</b>
<b>Total</b>	<b>398</b>	<b>396</b>	<b>355</b>	<b>1149</b>

Figures rounded to nearest £k

3.3. The following sub-sections outline the projects/schemes supported under the different elements of the funding, and detail the planned expenditure for 2012/13.

(i) Walking and Cycling Infrastructure – General

<b>2012/13 Walking and Cycling Infrastructure – General (£K)</b>			
	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
Scheme delivery (inc. staff costs)		416	<b>416</b>
Promotion/Marketing	3		<b>3</b>
<b>Total</b>	<b>3</b>	<b>416</b>	<b>419</b>

This element of LSTF will provide improved walking and cycling links to and within East Wirral to provide access to employment areas, and to public transport. The aim is to increase the number of people that can access employment areas and public transport through relatively inexpensive travel, with the aim of increasing access to jobs.

Several example schemes were included in the approved bid and officers are currently identifying which of these schemes is appropriate to take forward in the current financial year, giving consideration to the timescales for delivering the scheme/s prior to the end of this financial year. It is requested that the Interim Director of Technical Services is given delegated authority, following discussions with the Cabinet Member to approve the identified scheme for delivery in 2012/13. Schemes identified for delivery in future years will be referred to Cabinet at a later date.

(ii) Walking and Cycling – Visitor Economy

<b>2012/13 Walking and Cycling Infrastructure – Visitor Economy (£K)</b>			
	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
Scheme delivery (inc. staff costs)		104	<b>104</b>
Promotion/Marketing	3		<b>3</b>
<b>Total</b>	<b>3</b>	<b>104</b>	<b>107</b>

This element of the funding is to provide improved walking and cycling links to Tourism Sites. Several schemes have been identified that will assist the existing Wirral Circular Trail Walking and Cycling route. This route is an existing 35 mile signposted trail around the coast of Wirral. Additional improvements to this route will not only provide access to tourism sites, which will benefit the local economy but will also provide health and environmental benefits to the local communities.

(iii) Highway Network Improvements

<b>2012/13 Highway Network Improvements (£K)</b>			
	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
Scheme delivery (inc. staff costs)		155	<b>155</b>
<b>Total</b>	<b>-</b>	<b>155</b>	<b>155</b>

This project will provide highway network improvements in East Wirral which will reduce the journey time of bus users to key employment destinations. Junction improvements will bring about improvements to air quality through more efficient traffic management techniques. Increasing occupancy levels on the buses, through more reduced journey times, will also have additional environmental benefits. The efficient movement of people and goods can also benefit businesses and help them operate more effectively.

Several example schemes were included in the approved bid and at the present time Officers are working to identify which scheme is appropriate to take forward in the current financial year, giving consideration to the timescales for delivering the scheme/s prior to the end of this financial year. It is requested that the Interim Director of Technical Services is given delegated authority, following discussions with the Cabinet Member and Party Spokespersons, to approve the identified scheme for delivery in 2012/13. Schemes identified for delivery in future years will be referred to Cabinet at a later date.

(iv) Business Travel Support

<b>2012/13 Business Travel Support (£K)</b>			
	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
Scheme delivery (staffing / promotion / employer support)	118		118
<b>Total</b>	<b>118</b>		<b>118</b>

The aim of the Business Travel Support project is to employ Travel Advisors to deliver bespoke Business Travel Support packages to raise awareness of sustainable travel choices and seek to encourage behaviour change. The package will be focussed on Wirral International Business Park (WIBP), Croft Retail Park, Neptune and will work to assist with any aspects of Wirral Waters that progress during the life of the LSTF project. The aim is to embed sustainable travel behaviour in workplace business practices with the aim of reducing single occupancy vehicle travel to key employment sites.

This project will build on the work already being delivered under the “Working with Employers” element of the Key Component Bid.

(v) Community Travel Hub

The aim of the Travel Hub is to remove or lower transport barriers for individuals and support them back into employment. The project will offer advice and guidance on different travel solutions available and offer solutions to help individuals complete their journeys to new employment. There will be five solutions on offer;

- Personalised journey planning
- Travel cards
- Cycle to work scheme
- Scooter commuter scheme
- Travel Training

This scheme will be open to any resident travelling to East Wirral, or any resident of East Wirral.

This project will build on the work already being delivered under the “Travel Solutions” element of the Key Component Bid.

<b>2012/13 Community Travel Hub (£K)</b>			
	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
Staff costs/ Promotion & Marketing/ Travel Solutions	242		242
<b>Total</b>	242		242

(vi) Maxi Taxi

The “maxi taxi” project is based around the idea of sharing a taxi to work. This solution would assist members of the public to access employment destinations where no public transport exists, or where shift patterns make transport difficult for those without access to a car.

Officers are currently in discussion with Merseytravel in order to ascertain the best way to take this project forward. This project would rely on IT support from Merseytravel’s existing journey/route planning systems and therefore Officers will be working closely with Merseytravel over the coming months to develop and progress this element of the bid.

This scheme will link to the Community Travel Hub to provide a solution for members of the public who would not benefit from any of the interventions provided by the Hub.

<b>2012/13 Maxi Taxi</b>			
	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>
Scheme delivery	32		32
<b>Total</b>	32		32

(vii) Maintenance

DfT have awarded an element of Maintenance funding for each financial year of the Major bid. Merseytravel are still in discussions with the DfT to confirm how this money will be awarded.

<b>2012/13 Maintenance (£K)</b>
13

#### **4.0 RELEVANT RISKS**

- 4.1. The principal risks for the Council are attached to the failure to deliver all or part of the project and therefore not satisfy the requirements of the funding agreement with Merseytravel. In theory this may result in the Council not being able to claim all or part of the £3.2 million.

#### **5.0 OTHER OPTIONS CONSIDERED**

- 5.1 No other options have been considered, as this report sets out a response to proposals that have been developed as part of a successful bid made by MTP to the DfT.

#### **6.0 CONSULTATION**

- 6.1. This project has been developed with the MTP and funding has been allocated by the DfT through the LSTF. As individual projects are being developed various other partners, including private sector and third sector organisations will be consulted as appropriate. Officers in Technical Services are also working closely with Officers in Regeneration, Housing & Planning, Finance and Procurement and Legal regarding the delivery of the project.

#### **7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 7.1. The DfT is keen that the LSTF provides benefits for community and voluntary organisations in the delivery of the programme. The project offers opportunities for the voluntary and community sectors to benefit from the funding available through support packages that are proposed to be delivered.

#### **8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 8.1. The project will be fully funded through LSTF and there will be no additional financial implications for the Council. The Council will be able to submit quarterly claims to Merseytravel for expenditure incurred to that date.
- 8.2. An assessment has been made of the resources to deliver the revenue funded parts of the programme and existing resources will be utilised to deliver the programme in 2012/13. As the project progresses the Programme Board will undertake a further review to determine whether the future programmes can be delivered with existing resources.
- 8.3. An initial assessment has been undertaken of the staffing resource required to successfully manage and implement the capital programme of the LSTF Major Bid in 2012/13 and existing resources can be utilised to deliver this part of the programme. However, it is likely that this could have an impact on the delivery of the approved Transportation Capital Programme and this will need further consideration.
- 8.4. The funding, if accepted, will secure an additional £3.215 million (revenue and capital) for Wirral from 2012/13 to 2014/15. It is unlikely that there will be ongoing funding for projects past this date.
- 8.5. Infrastructure schemes will be implemented and will become a quantified Council highway asset and, as such, be subject to ongoing maintenance within existing resources as required. £39.5k of the LSTF grant for Wirral has been allocated by the

DfT for maintenance although at present clarification is still being sought from the DfT by Merseytravel as to how this will be allocated.

- 8.6. Additional IT equipment may be required to support the delivery of the project but the cost of this would be met from within the capital element of the funding.

## **9.0. LEGAL IMPLICATIONS**

- 9.1. In order to receive the funding Wirral Council are required to sign up to a legal funding agreement with Merseytravel. Merseytravel, as the Integrated Transport Authority (ITA) are the accountable body for this project with the DfT.
- 9.2. In order for Merseytravel to accept the funding they have signed a legal agreement with the DfT under Section 31 of the Local Government Act 2003.
- 9.3. Merseytravel have prepared a similar funding agreement for all the districts. A similar agreement was prepared by Merseytravel and signed up to by the Council as part of the Key Component Funding. The purpose of the funding agreement is to ensure that all terms and conditions of the grant are met and will ensure that Merseytravel will authorise claims that the districts make quarterly in arrears for project implementation.

## **10.0 EQUALITIES IMPLICATIONS**

- 10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached – <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/technical-services-0>

## **11.0 CARBON REDUCTION IMPLICATIONS**

- 11.1 The development of the cycling and walking infrastructure schemes and the promotion of sustainable transport modes such as walking, cycling and car share will reduce the number of single occupancy car trips. Encouraging and supporting the use of public transport through the Community Travel Hub and the Business Travel Support Projects will also assist in reducing carbon emissions.

## **12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

- 12.1 There are no planning or community safety implications.

## **13.0 RECOMMENDATION/S**

- 13.1 Cabinet is requested to:

- (1) Note the success of Wirral Council Officers and other partners in securing Local Sustainable Transport Major Bid Funding;
- (2) Approve the acceptance of £3,215,116 of Major Bid funding from Merseytravel over the three financial years 2012/13 to 2014/15 of which £1,149,049 is revenue funding, £2,026,550 is capital funding and £39,517 for maintenance;



- (3) Authorise the Interim Director of Technical Services in conjunction with the Acting Director of Law, HR and Asset Management to finalise the funding agreement between Wirral Council and Merseytravel (ITA) as the lead authority and accountable body.
- (4) Approve the delivery of the programme for 2012/13 as set out in Section 3 of this report including delegated authority to the Interim Director of Technical Services following discussions with the Cabinet Member for Streetscene & Transport Services and Party Spokespersons to approve the identified scheme(s) for delivery in 2012/13.
- (5) Request Officers to report to a future meeting on the progress in delivering Local Sustainable Transport Major Bid Funding and provide detailed plans for delivery for 2013/14 onwards.

#### **14.0 REASON/S FOR RECOMMENDATION/S**

14.1 Cabinet is aware of the significant reductions in funding for transport through the Local Transport Plan settlements in recent years. The funding available through LSTF provides the opportunity to deliver additional projects and schemes in Wirral which will assist in the removal of transport as a barrier for people seeking employment, as well as supporting and delivering projects which will secure carbon reduction.

14.2 2012/13 is the first year of the three year major LSTF programme and the DfT have indicated that any unspent allocations cannot be carried forward into subsequent years. £1,087,396 has been allocated to Wirral for 12/13 and therefore the Interim Director of Technical Services seeks approval to accept this funding in order that the funding can be spent within the current financial year as required.

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#### **APPENDICES**

*Appendix 1 – East Wirral Boundary for LSTF Purposes*

#### **REFERENCE MATERIAL**

*None*

#### **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>Cabinet Agenda Item 9</b>	<b>24 November 2011</b>
<b>Cabinet Agenda Item 39</b>	<b>12 April 2012</b>