

REPORT TO: Cabinet Member Technical Services
Cabinet

DATE: 17th November 2010
25th November 2010

SUBJECT: Local Transport Plan – Allocation of Capital Contributions for
2010/11 and 2011/12 Onwards

WARDS All
AFFECTED:
REPORT OF: Andy Wallis Director of Planning & Economic Development

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EXEMPT/ CONFIDENTIAL: No

PURPOSE/SUMMARY:

To seek approval for the allocation of remaining capital contributions for transport schemes.

REASON WHY DECISION REQUIRED:

For the Cabinet Member to make recommendations for allocation of amounts remaining from capital contributions to transport schemes.

Cabinet Member has delegated powers to approve the programme of schemes within the Local Transport Plan Transportation Capital Programme. The introduction of additional schemes that could be funded from these contributions requires Cabinet Member approval. In view of the ongoing review of the Council budget and the requirement to make savings, then Cabinet should give consideration as to how this uncommitted funding be allocated.

RECOMMENDATION(S):

It is recommended that Cabinet Member Technical Services:

- i) notes the resources available from capital contributions to transport schemes and the potential to allocate these resources to support the LTP capital programme.
- ii) advises Cabinet of the remaining capital contributions and the options for using them to support the transportation capital programme and seeks a Cabinet decision for the allocation of the available resources.

It is recommended that Cabinet:

- i) notes the resources available from capital contributions to transport schemes.
- ii) determines the allocation of available resources in accordance with the options presented.

KEY DECISION: No

FORWARD PLAN: N/A

IMPLEMENTATION DATE: Following the expiry of the 'call in 'period for the minutes of the meeting

ALTERNATIVE OPTIONS:

Three options for allocation of the available capital resources are presented. The only alternative is to leave the funding un-allocated, which is not a feasible option given the current pressures on Council programmes.

IMPLICATIONS:

Budget/Policy Framework:

Financial: The report will facilitate the release of currently unallocated capital resources that were provided as contributions to transport schemes and approve the use of these resources to support existing programmes.

<u>CAPITAL EXPENDITURE</u>	2009 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal:

Risk Assessment:

Asset Management:

CONSULTATION UNDERTAKEN/VIEWS

Finance Department

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Creating Safe Communities	√		
3	Jobs and Prosperity	√		
4	Improving Health and Well-Being	√		
5	Environmental Sustainability	√		
6	Creating Inclusive Communities		√	
7	Improving the Quality of Council Services and Strengthening local Democracy	√		
8	Children and Young People		√	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Report to Council and Cabinet of 4th March 2010 – “2010/2011 – 2012/2013 Capital Programme”

Report to Cabinet Member – Technical Services of 7th April 2010 – “2010/11 Local Transport Plan – Technical Services Capital Programme”

Report to Cabinet Member – Technical Services of 14th July 2010 – “2010/11 Local Transport Plan – Revised Technical Services Capital Programme”

Report to Cabinet Member – Technical Services 4th August 2010 and Cabinet of 5th August 2010 – “Area Based Grant reduction – effect on Merseyside Road Safety Camera Partnership”

1.0 Introduction

- 1.1 The Council's Transportation Capital Programme is approved on an annual basis as part of the Council's overall capital programme and in accordance with the Merseyside Local Transport Plan 5-year programme of investment. The total allocation is approved by Cabinet and the specific programme is approved by Cabinet Member.
- 1.2 The main component of Transportation Capital Funding is received through the Council's Single Capital Pot settlement but for some specific schemes, the Council has received additional contributions from third parties.
- 1.3 In June 2010, the Government announced changes to the Authority's 2010/11 Transportation Settlement involving reductions of £670k and £50k to the Integrated Transport Block and Drainage allocation respectively, as part of government savings for 2010/11. A revised programme incorporating these savings was approved by Cabinet Member on 14th July 2010.
- 1.4 Government savings in the allocation of Area Based Grant were also announced in June 2010. Cabinet Member Technical Services and Cabinet on the 4th and 5th August 2010 respectively considered a report detailing the impact of the in year reductions in the Area Based Grant funding used to fund the operation of the Merseyside Road Safety Partnership (formerly the Safety Camera Partnership). The report highlighted the consequential reduced contribution in 2010/11 used to fund Child Pedestrian Training across Merseyside, and the subsequent impact on staff resources in the Planning and Economic Development Department.
- 1.5 In considering these issues the Cabinet Member was aware that other posts relating to the provision of transport services, i.e. School Travel Plan Officer and Neighbourhood Travel Team were also on fixed term contracts. Many of these officers however, have been employed for a number of years and have gained employment rights.
- 1.6 Cabinet on the 5th August 2010, resolved:

(1) it be noted that the Child Pedestrian Training Programme has a significant impact on improving road safety awareness in key stage 1 children, that this provides the foundation for all road safety education in Sefton and contributes greatly to the on-going reduction in child pedestrian casualty rates in the Borough;

(2) the cessation of the Area Based Grant funding of Child Pedestrian Training to a total of £21k in 2010/11 be noted;

(3) the Cabinet Member - Technical Services be requested to review the Local Transport Plan Capital Programmes to determine priorities for funding Child Safety, School and Workplace Travel Plan Programmes for 2010/11 and 2011/12 onwards; and

(4) a further report be submitted to the Cabinet Member – Technical Services and Cabinet detailing the review.

1.7 To progress the Cabinet resolution a full review of funding available for the Local Transport Plan programmes is in progress although the availability of LTP funding in future years is still not clear following the Comprehensive Spending Review on the 20th October 2010, but it is anticipated it will be significantly reduced.

2.0 Review of capital contributions

2.1 Over the years of implementing Local Transport Plan programmes every effort has been taken to maximise available funding by seeking contributions from a range of organisations willing to support schemes and programmes that have linked benefits.

2.2 The additional benefit of having this funding available is that it has enabled the prudent management of budgets and spend profiles and ensured LTP capital allocations are fully expended year on year, thus demonstrating the Council's ability to effectively deliver often complex transport schemes and programmes.

2.3 A review of these contributions was undertaken as part of the overall funding review and a total balance of remaining capital contributions of £387k has been identified. The majority of this (£303k) comprises two substantial contributions and the remaining £84k consists of the balances from fourteen smaller contributions. It must be stressed the work for which all this funding was provided has been completed hence there are no 'claw back' issues. The intention has been to progress further schemes within the approved LTP programmes.

2.4 These resources are not currently allocated to any specific schemes, so the options available for making best use of the remaining contributions have been investigated taking into consideration the Council's overall budget situation. Two options are suggested:

- i) Allocate a portion of the available capital contributions to support the delivery of Local Transport Plan objectives, for use in 2010/11 and in future years. For instance an allocation of £170k would permit a local safety scheme, deferred due to the in-year budget reductions referred to in 1.3 above, to proceed. Alternatively, a £100k would permit solutions to long-term traffic management and parking issues to be brought forward. The balance to contribute to the Council's budget savings programme. The allocation of some of the available resources would be consistent with the Council's commitment to the LTP.
- ii) Allocate all the remaining contributions to support the Council's budget savings programme. This would not be in accordance with the purpose for which the contribution was originally made ie to support the transport programme, and would also delay the delivery of any schemes that were deferred in response to the budget reductions in June.

2.5 Cabinet Member Technical Services and Cabinet are requested to consider the options available and determine the most effective allocation of the resources available.

3.0 Recommendations

3.1 It is recommended that Cabinet Member Technical Services:

- i) notes the resources available from capital contributions to transport schemes and the potential to allocate these resources to support the LTP capital programme.
- ii) advises Cabinet of the remaining capital contributions and the options for using them to support the transportation capital programme and seeks a Cabinet decision for the allocation of the available resources.

3.2 It is recommended that Cabinet:

- i) notes the resources available from capital contributions to transport schemes.
- ii) determines the allocation of available resources in accordance with the options presented.