

TITLE OF REPORT: **Local Transport Plan: Integrated Transport Capital Programme update**

REPORT OF: **Paul Dowling, Group Director, Communities and Environment**

Purpose of the Report

1. The report provides an update on progress with the Local Transport Plan (LTP) integrated transport (IT) capital programme. It includes a review of implementing the 2015/16 programme together with the in-year changes that have had to be made, and an outline of the 2016/17 programme for approval. Also covered is an outline of the LTP funding proposals and how they fit in with other funding sources.

Background

2. The LTP provides the main source of capital funding for local transport improvements. This includes both structural maintenance of highways and structures and integrated transport improvements. The latter covers a range of works including bus priority, new and improved cycleways, better facilities for pedestrians and disabled people, safer routes to school, traffic calming and road safety improvements.
3. The financial year 2016/17 will be the sixth year of LTP3, which is the third Local Transport Plan for Tyne and Wear and covers the period from 2011 to 2021. The main priorities of LTP3 are; to maintain and develop the transport networks; support the growth of the economy of Tyne and Wear; reduce transport carbon emissions; and contribute to making communities in Tyne and Wear healthier and safer.

Proposal

4. Some changes to the 2015/16 programme which was approved by Cabinet in March 2015 were required. This reflects changes to the delivery programmes on a number of schemes as a result of the need to meet revised cost estimates following detailed design, results of extensive consultation, revised priorities and unforeseen circumstances during construction.
5. The LTP Integrated Transport capital settlement for the period 2015/16 to 2017/18 and indicative allocations for the period 2018/19 to 2020/21 was announced by the Department for Transport (DfT) in July 2014. The funding

allocated to Tyne and Wear for all financial years within the above period was set as £9,465,000 per annum:

- This is a 46% reduction when compared to the allocation in 2014/15
- Gateshead is set to receive £1,280,916 of the Tyne and Wear allocation

The devolution deal under consideration by authorities in the North East could see responsibilities for this funding devolved to the North East Combined Authority. This could have implications for the amount of funding received by Gateshead in future years.

6. A letter has been received from the DfT setting out draft LTP capital maintenance allocations for future years. This follows announcements relating to changes to the levels of funding and revisions to the formula used to allocate this between local authorities.
7. The provisional allocation for Gateshead for 2016/17 is £2,511,000. The figure represents only the 'needs' based element of maintenance funding. A further £152,000 should be available based on the DfT's new performance based approach, and this is the maximum additional funding that could be claimed for 2016/17. The total allocation is £2,662,000.
8. Appendix 1 provides further background to the above together with details of external funding that has been secured to use in conjunction with the LTP funding bringing significant levels of betterment to the Borough.
9. Appendix 2 provides the projected outturn for the 2015/16 programme, while the 2016/17 programme is attached as appendix 3. The initial programme will be reviewed during the year and may be subject to change depending upon delivery progress and the outcome of consultation.

Recommendations

10. It is recommended that Cabinet:
 - (i) approves the estimated final outturn relating to the integrated transport capital programme for 2015/16 as set out in appendix 2;
 - (ii) approves the programme for 2016/17 as set out in appendix 3;
 - (iii) authorises the Service Director, Development & Public Protection to award the relevant works to the Service Director, Construction Services under the terms of the Highways, Drainage & Street Lighting Maintenance Contract.
 - (iv) authorises the Service Director, Development & Public Protection to make changes to the approved indicative programme through consultation with Cabinet Member for Environment and Transport as and when the need arises.

For the following reason:

To enable the design and implementation of transport schemes in support of the Tyne and Wear Local Transport Plan and the Council's policy objectives.

CONTACT: Anneliese Hutchinson ext 3881

Andrew Ford-Hutchinson ext 3166

Policy Context

- 1 The proposals are in line with the vision for transport as outlined in the Gateshead Sustainable Community Strategy, Vision 2030. They also support the Core Strategy and Urban Core Plan, and the aims and objectives of the Tyne and Wear Local Transport Plan 3. Furthermore, the indicative programme supports funding received through the Local Sustainable Transport Fund (LSTF) and Cycle City Ambition fund.

Background

2015/16 Programme

2. The LTP allocation together with other capital investment, including both internal prudential borrowing and externally secured funding, resulted in a transport capital programme in excess of £7 million in 2015/16.
3. Part of the above figure was a consequence of delays to the final programme delivery in 2014/15 resulting in £1.1 million of the approved budget being carried forward into 2015/16. £0.9 million of this carry over related to the Integrated Transport (IT) programme, while the remaining £0.2 million related to the highway maintenance programme.
4. The actual value of schemes not completed in 2014/15 but deemed as committed in that year's programme was in excess of the above. The value of IT schemes was £1.2 million while the cost of maintenance schemes was £0.2 million. This equated to a total of £1.4 million of previous commitments being implemented as part of the 2015/16 programme.
5. A large proportion of the carry forward had been anticipated as a result of the consultation that was carried out in relation to the implementation of Durham Road Quality Transport Corridor phase 4 and the 20MPH elements of the West Gateshead Links to School scheme. It had been expected that delivery would commence at the end of 14/15, however the complexities of finalising the consultation meant that delivery on site took significantly longer.
6. As with previous years there have been some changes to scheme budget as a consequence of alterations made in detailed design, response to consultation and specific onsite factors, the schemes that have had the most significant changes made to them are detailed below:
 - South of Team Valley Cycle Improvements
 - Coatsworth Road Environmental Improvements
 - Traffic Signal Renewal
 - Traffic Management (Ward Based Schemes)
 - 20MPH zone/limit programme
 - Road Safety Programme
 - Road maintenance programme
 - Bridge Maintenance Programme

7. Furthermore, it has become evident in the 3rd and 4th quarter financial year that a number of schemes will again need to be carried forward into the next financial year (2016/17), reflecting revised delivery programmes. The list below gives an overview of the schemes that will be carried forward either in full or in part, it should be noted that there are additional smaller schemes that also require completion next financial year, these are identified in appendix 2:

- A694 Speed Review
- Durham Road Ph 4
- Eighton Banks 20MPH
- Great North Cycleway
- Baltic Cycle Scheme
- Roman Road School 20MPH
- Sidney Grove Area 20MPH
- South Team Valley Cycle Improvements
- Traffic Signal Improvements
- Bus Based Major Transport Scheme

8. As of the 23rd March 2016 it is estimated the overall value of integrated transport schemes being slipped in to 2016/17 is £2,372,000. Within this figure there is £641,000 of over programming, which will be funded through the 2016/17 Integrated Transport grant allocation.

9. Appendix 2 includes further information on those schemes that are expected to be carried over in to 2016/17.

2016/17 Integrated Transport Block Settlement

10. The financial year 2016/17 is the sixth year of LTP3, which is the third Local Transport Plan for Tyne and Wear and covers the period from 2011 to 2021. The main priorities of LTP3 are; to maintain and develop the transport networks; support the growth of the economy of Tyne and Wear; reduce transport carbon emissions; and contribute to making communities in Tyne and Wear healthier and safer.

11. Gateshead's integrated transport (IT) settlement in 2016/17 is expected to be £1,280,916. As outlined above this is a significant cut when compared to previous years, with a 44% top slice (nationally) being included within the single local growth fund (SLGF). The SLGF, which is made up of several funding elements and is not ring fenced, for 2016/17 does not include any allocation for the delivery of small scale transport schemes.

12. As with the settlement in 2015/16, a further consequence locally in this reallocation of funding nationally is that Gateshead and the other Tyne and Wear Authorities will not receive a public transport allocation through Nexus. In 2014/15 Gateshead received £383,000 of public transport funding in addition to the standard LTP allocation.

13. The limited level of funding available through the IT budget has a serious impact on the Council's ability to undertake small scale transport schemes.

These are often of particular importance in resolving day to day problems on the transport network, and supporting important economic, health, environment and community objectives at a local level. Some of the larger schemes supported previously through this budget (for example corridor improvements) will become increasingly difficult to fund altogether through this source.

14. In the early part of 15/16 it was announced that Gateshead Council had been awarded £976,500 of cycle city ambition grant funding and £180,000 of Local Sustainable Transport funding following successful bids to supplement LTP allocations. This funding has been used to bring significant betterment to the Borough through delivery of cycle improvements to the great North Cycle Route (NCN 725) and Wellington Street respectively. While all opportunities will be investigated and work will continue to prepare suitable projects to react to potential external funding announcements, it is unlikely that officers will be able to secure any additional funding in 2016/17, although further external funding is expected in 2017/18.
15. The proposed programme as identified in appendix 3 has been developed based on the guidelines agreed at a Tyne and Wear level but also to reflect local priorities as identified in Vision 2030, and the Council Plan. The IT programme has also been categorised as per previous years' programmes into the following themes:
16. **Economic Development and Regeneration** – schemes aimed at improving strategic accessibility, making journey times more reliable, providing information to people and reducing public transport journey times.
17. **Climate Change** – schemes that will help achieve a less congested network that will generate less CO2 and will encourage or enable mode shift to less polluting forms of transport. These schemes are directly associated with improving the environment and therefore will be crucial in moving towards a more sustainable Gateshead, and also in promoting active and healthy travel.
18. **Safe and Sustainable Communities** – Schemes that will improve accessibility at a community level, promote the impression of security and reduce the incidence and severity of road accidents. Such schemes will empower all levels of communities and support all of the council priorities.
19. In practice many of the schemes proposed meet more than one of the objectives and some judgement has been taken in order to fit them into this categorisation.
20. The 2016/17 programme as presented in appendix 3 provides a breakdown of the schemes to be delivered throughout the course of the financial year. It also identifies where LTP funding will be used as local contributions (match funding) to secure external funding (17/18), and where prudential borrowing is proposed to supplement the externally funded elements of the programme.
21. The Integrated Transport programme outlined in appendix 3 has been developed to include allocations which will; address Ward based road safety concerns and the development of 20 MPH zone/schemes; support public

transport improvements, public rights of way improvements and cycle infrastructure improvements. The programme also looks to address day to day Councillor and resident concerns through continued allocations to traffic management and accessibility programmes. Where appropriate and in order to allocate funds under each of the programme headings, officers will utilise a scheme justification process, which considers factors including local need, benefit to the environment, economic growth and congestion reduction, and applying appropriate optimism bias. Delivery risks or issues that may be connected with the scheme are also assessed as part of this process.

22. Given the fluid nature of the capital investment and to allow programme delivery to be maximised in 2016/17 and in future years funding has been assigned to allow for future scheme development. This approach benefits the programme two fold in that it allows preliminary works including investigation, design and consultation to commence on schemes that have already been identified but were given a lower priority than those currently identified on the programme, subsequently smoothing out delivery either if funding becomes available within the given financial year or as part of a future years programme. Secondly it means a portfolio of larger schemes can be developed, which will allow for a more efficient bidding process if the potential for external funding becomes available.

23. **Maintenance**

The delivery of the road maintenance programme in 2015/16 was affected by resource issues, however, even with additional monies being allocated within the overall maintenance programme all schemes are expected to be complete on the ground prior to the end of the financial year. As suggested a number of changes to the approved programme were made throughout the year to account for alterations in cost estimates and reallocation of structural maintenance monies.

24. A letter has been received from the Department for Transport setting out draft LTP capital maintenance allocations for future years. This follows announcements relating to changes to the levels of funding and revisions to the formula used to allocate this between local authorities.
25. The provisional allocation for Gateshead for 2016/17 is £2,511,000. The figure represents only the 'needs' based element of maintenance funding. The DfT have now introduced a performance related element to maintenance funding which, in 2016/17, should see a further £152,000 available, the maximum additional funding that could be claimed for 2016/17. This brings the total allocation relating to maintenance to £2,662,000.

Consultation

26. Extensive consultation across Tyne and Wear was carried out during the preparation of the Local Transport Plan. This included household questionnaires and discussions with key interest groups as well as focus groups with Gateshead residents to discuss transport problems and solutions. The outcome from the consultation helped shape the LTP strategy and subsequent spending programmes. The Cabinet Members for Environment

and Transport have been consulted on the proposed programme. Individual schemes within the programme have and will continue to be subject to local and stakeholder consultation as appropriate.

Alternative Options

27. The allocations outlined as part of the 2016/17 programme are those considered to be deliverable and which best meet the objectives of the Local Transport Plan while supporting more local priorities.

Implications of Recommended Options

28. **Resources:**

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that the proposed capital investment can be accommodated from within the Council's approved Capital Programme.
- b) Within the provisional 2016/17 LTP Programme there is a level of over programming which will be monitored throughout the year to ensure schemes are delivered within available resources.
- c) **Human Resources Implications** – There are no human resources implications.
- d) **Property Implications** – No property implications have been identified.

29. **Risk Management Implications** – The main risk associated with the programme is that any significant under spend may lead to a loss of funding. Failure to deliver schemes that have external funding linked to them is likely to mean the loss of that external funding source and may also jeopardise the potential to secure additional funding in future years.

30. **Equality and Diversity Implications** – Implementation of the integrated transport capital programme will assist in reducing social exclusion by improving access for the young, elderly, unemployed/low waged and people with disabilities. However the reduction in funding when compared to that received as part of LTP2 and earlier years of LTP3 continues to impact on the extent of the delivery programme.

31. **Crime and Disorder Implications** – Proposals within the integrated transport programme will assist in improving safety and security for the travelling public. However the reduction in funding when compared to that received as part of LTP2 and earlier years of LTP3 continues to impact on the extent of the delivery programme.

32. **Health Implications** – The integrated transport capital programme is vital in reducing levels of casualties in road accidents and also in achieving an 'Active and Healthy Gateshead'. The latter aims to make sustainable travel, including walking and cycling more attractive to the residents of Gateshead. Specifically, the aims are to provide the infrastructure and education to encourage healthier living through: improving streets and rights of way; removing unnecessary traffic; reducing traffic; providing training through the

safer routes to schools programme and travel planning. However the reduction in funding when compared to that received as part of LTP2 and earlier years of LTP3 continues to impact on the extent of the delivery programme.

33. **Sustainability Implications** – The integrated transport capital programme is an important element in providing the basis for a sustainable transport system capable of supporting the borough’s environmental, social and economic objectives sustainability. In particular it seeks to reduce car dependence, thereby contributing to the reduction of carbon emissions. However the reduction in funding when compared to that received as part of LTP2 and earlier years of LTP3 continues to impact on the extent of the delivery programme.
34. **Human Rights Implications** – The construction of transport and traffic facilities can have an effect on the amenities of some residents. Consultation on specific proposals will be held with residents, ward members and relevant stakeholders.
35. **Area/Ward Implications** – All wards will be affected.

Background Information

36. Further background information is contained in:
 - Report to Cabinet July 2015 on Durham Rd QTC phase 4
 - Report to Cabinet March 2015 on 20MPH scheme programme
 - Report to Cabinet April 2016 identifying the Highways Maintenance Capital Programme for 2016/17.

Appendix 2: 2015/16 Integrated Transport Programme Estimated Outturn

Scheme	2015/16 Current Allocation	Est Outturn	Carry Over	Match funding details	Status
Integrated Transport	£000's	£000's	£000's		
Previous Commitments					
LDF Transport Modelling	40	40.0	0.0		
Durham Rd Ph4	700	550.0	150.0		Completion of scheme is expected within first few weeks of new financial year
Oakwellgate Improvements	42	42	0.0		
Local Pinch Point - Team Valley Access Improvements	20	-60.0	80.0	Prudential Borrowing	Land deal yet to be resolved
Coatsworth Road	0.2	0.2	0.0		
VMS (Town Centre)	5.1	5.1	0.0		
Ekki Bridge Cycle Improvements	41	41.0	0.0		
Cross Lane Cycle Improvements	16.5	16.5	0.0		
Bill Quay Primary 20MPH	35	35.0	0.0		
Eighton Banks 20MPH	75	2.0	73.0		Consultation and resources have resulted in delay in final delivery
Kells Lane (+surrounding area)	140	123.0	17.0		
Lingey House 20MPH	10	10.0	0.0		
West Gateshead Links to School	100	100.0	0.0		
A694 Speed Review	200	10	190.0		Phase 1 of this scheme was ordered in 15/16. Later phases to be ordered in 16/17. Limited on site works due to resources.
Felldyke school 20 mph zone	1.5	1.5	0.0		
Derwent Bridge - Land Charge	2.4	2.4	0.0		
Crawcrook to High Spen	2	2.0	0.0		
Gateshead Quays Cycle Link	3.4	3.4	0.0		
Wrekenton Centre	4.2	4.2	0.0		
LSTF Stella Links to School	2.1	2.1	0.0		
Previous Commitments Total	1440.4	930.4	510		
Economic Development and Regeneration					
Regeneration Areas	6.5	6.5			

Scheme	2015/16 Current Allocation	Est Outturn	Carry Over	Match funding details	Status
	£000's	£000's	£000's		
Integrated Transport					
Scheme Development	62	62.0			
Economic Development & Regeneration Total	68.5	68.5			
Climate Change					
<i>Wellington Street Cycle Improvements</i>	200.0	200.0		LSTF	Completion is expected this financial year. Final value of scheme to be confirmed due to on site design changes.
<i>Great North Cycleway</i>	1189.0	500.0	689.0	CCAF	Completion expected by June 2016. Complexities of scheme together with resource issues and coordination with other road works have resulted in delay.
<i>Baltic Cycle Scheme</i>	11.5		11.5		Managed slippage due to low priority.
<i>South Team Valley Cycle improvements</i>	500.0	8.2	491.8		Resource issues have delayed the delivery of this scheme.
Travel plans	69.0	69.0	0.0		
Climate Change Total	1969.5	777.2	1192.3		
Safe and Sustainable Communities					
20MPH Schemes	131	15	116		Consultation and legal orders together with some conflict with utilities works have delayed delivery of full programme.
Public rights of way	100	90	10		
Road safety	84	20	64		Complexities of scheme have resulted in managed slippage
Traffic Management (ward issues)	390	390	0		
Freight Partnership	8	8	0		
Dropped kerbs (ward issues)	1.4	1.4	0		
Bus infrastructure	20	0	20		
Traffic Signal Improvements	300	75	225		Complexities of traffic Management together with resource issues and availability of traffic signals group have created delay in programme.
Safe and Sustainable Communities Total	1034.4	599.4	435.0		

Scheme	2015/16 Current Allocation	Est Outturn	Carry Over	Match funding details	Status
Integrated Transport	£000's	£000's	£000's		
Other (Non LTP) Capital Transport Schemes					
City Boulevard/Flyover	265.0	265.0	0	Prudential Borrowing	
Eighton Lodge P&R	200.0	25.0	175.0	Prudential Borrowing	Land purchase issues are continuing to delay final delivery of this scheme.
Highways Works Borough-wide			0.0	Developer	
Saltwell 20MPH scheme	30.0	12.0	18.0	Developer	Finalising consultation and legal orders have resulted in late delivery of scheme. Completion
Rail Academy, William Street	22.2	22.2	0.0	Developer	
Quay Wall	200	170	30		
QE Residents Parking			0.0	Developer	
Birtley Town Centre Developer Works	3.2	3.2	0.0	Developer	
Other (Non LTP) Capital IT Schemes Total	720.4	497.4	223		
Pre/Post Monitoring	26	26			
Development and Monitoring	55	55			
Integrated Transport Totals	5314.2	2953.9	2360.3		

*Maintenance carryover estimated at £11.7k

Appendix 3: 2016/17 LTP Programme

Indicative LTP 2016/17	LTP	Match Funding	Est Scheme Value	Match details	Comments
	£000	£000	£000		
Schemes with previous commitments					
Durham Rd Ph4	150		150		
Eighton Banks 20MPH	73		73		
Kells Lane 20MPH	17		17		
A694 Speed Review	190		190		
<i>Great North Cycleway</i>		689	689	CCAF	
<i>Baltic Cycle Scheme</i>	11.5		11.5		
<i>Kibblesworth 20MPH</i>	45		45		
<i>Roman Road School 20 MPH</i>	26		26		
<i>Sidney Grove area 20MPH</i>	35		35		
<i>Team Area 20MPH</i>	5		5		
<i>Guard Rail Assessment, Felling Bypass</i>	20		20		
<i>Guard Rail Assessment, Chainbridge Road</i>	10		10		
Bus infrastructure	20		20		
South Team Valley Cycle improvements	491.8		491.8		
Traffic Signal Improvements	150	275	425	PB	£11.7k maint carryover
Saltwell 20MPH		18	18	Developer	
Eighton Lodge Park and Ride		175	175	PB	
City Boulevard		50	50	PB	
Local Pinch Point		80	80	PB	Land deal
Quay Wall		30	30	PB	
Schemes with previous commitments Total	1244.3	1317	2561.3		
Safe and Sustainable Communities					
Public rights of way	80		80		

Indicative LTP 2016/17	LTP	Match Funding	Est Scheme Value	Match details	Comments
	£000	£000	£000		
20MPH Schemes/Zones	130	£0	130		
<i>Watermill area</i>	30		30		
<i>Mount Pleasant</i>	40		40		
<i>Hill Top Area</i>	10		10		
<i>Furrowfield School</i>	35		35		
<i>Dunston</i>	5		5		
<i>Cemetery Road</i>	10		10		
Traffic Management (ward issues)	200		200		
Safe & Sustainable Communities Total	410	£0	410		
Climate Change					
Sustainable Transport Initiative	30		30		
Climate Change total	30		30		
Economic Development & Regeneration					
Ravensworth Terrace Primary School	150		150		
Scheme Development	50	50	100	PB	
Cycle City Local Contributions	70		70		
Coatsworth Road	100		100		
Economic Development & Regeneration Total	370	50	420		
16/17 Integrated Transport total	2,054	1,367	3,421		

Available Resources	£000's
15/16 Carry Over	1731
<i>LTP</i>	514
<i>Cycle City Ambition Fund (CCAF)</i>	689
<i>Developer</i>	18
<i>Other</i>	510
16/17 integrated Transport	1281
16/17 Prudential Borrowing (PB)	300
Total Anticipated Funding	3312