

Delegated Cabinet Member Decision Report

Decision Maker and Portfolio area:	Cllr A Jabbar, Cabinet Member for Finance and Corporate Resources
Date of Decision:	13th March 2019
Subject:	Transport Capital Programme 2018/19: Budget Update Report 3
Report Author:	Eleanor Sykes
Ward(s) Affected:	Boroughwide

Reason for the decision: This report details budget changes within the agreed 2018/19 transport capital programme that are required so the programme continues to reflect current priorities, budgets match expenditure and that take-up of available grant funding is maximised.

Summary: This report is the third in a series of reports that will be produced in 2018/19 as part of the ongoing monitoring of the transport capital programme. The report sets out the current position in respect of the value of the 2018/19 transport capital programme and its various funding streams and proposes a number of budget changes within the programme which are detailed in Appendix A.

All budget changes have been managed within the transport capital programme resources. Additional funding received in 2018/19, as outlined in this report, totals £1,425,535. Additional funding received in 2019/20, as outlined in this report, totals £754,438.

For information this report also includes in Appendix B details of schemes which were identified within the transport capital programme for reprofiling of budget into next year by the end of month 8 (November).

What are the alternative option(s) to be considered? Please give the

Option 1:

- Agree the required budget changes as

reason(s) for recommendation(s):

outlined in Appendix A to this report so that the programme continues to reflect current priorities, budgets match expenditure and that take-up of available grant funding is maximised.

- Accept a contribution of £3,650 from the West Oldham District Partnership towards footway improvements on Hilda Street, Oldham.
- Accept a contribution of £14,323 from Failsworth & Hollinwood District Partnership for a surfacing scheme at Ash Street, Failsworth.
- Note additional funds brought into the programme from Highways England of £230,000 for delivery of minor works in and around the A663 Broadway (trunk road).
- Note additional funds received from the Department for Transport (DfT) of £1,087,000 for the delivery of additional highways schemes by the end of March 2019 (spend of this funding was the subject of a separate briefing note to the February CIPB).
- Note additional funds secured from the Environment Agency Local Levy Fund of £30,000 for the 'Quick Wins' projects which aims to reduce the impacts of localised flooding at 7 locations across the borough by delivering minor works including raising kerbs and installing gullies.
- Note additional funds secured from the Mayors Challenge Fund for delivery of two Tranche 1 schemes (King Street Bridge and Union Street West Bridge). These total £800,000 across 2018/19 and 2019/20 and the breakdown is shown in Appendix 1. This funding is detailed in a separate briefing note to CIPB.
- Note additional funds secured from TfGM via the Congestion Deal – Corridor Funding of £15,000 for spending in 2018/19 on refreshing yellow box junctions on the key route network.
- Note details of the schemes to be reprofiled as part of the ongoing monitoring of the wider capital programme up to the end of month 8 (November) included in Appendix B.

Option 2:

- Do not agree the required budget changes as outlined in the appendix to this report.

Recommendation(s):

Option 1:

- Agree the required budget changes as

outlined in Appendix A to this report so that the programme continues to reflect current priorities, budgets match expenditure and that take-up of available grant funding is maximised.

- Accept a contribution of £3,650 from the West Oldham District Partnership towards footway improvements on Hilda Street, Oldham.
- Accept a contribution of £14,323 from Failsworth & Hollinwood District Partnership for a surfacing scheme at Ash Street, Failsworth.
- Note additional funds brought into the programme from Highways England of £230,000 for delivery of minor works in and around the A663 Broadway (trunk road).
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Implications:

*What are the **financial** implications?*

Capital

This report is the third in a series of update reports in the 2018-19 financial year for the transport capital programme.

The capital allocation for the transport capital programme following the Budget Update Report

2 (Oct 2018) is detailed within Table 1 (below) and amounts to the following: -

2018-19 - £13,359,139

2019-20 - £13,323,447

2020-21 - £ 9,473,000

Total 3 years programme - £36,155,586

The report is seeking approval (as per option 1) to reallocate a number of budgets within the transport capital programme, in order to reflect current priorities; and to include additional funding that has been secured amounting to £1,425,535 in 2018/19 and £754,438 in 2019/20.

The value of budgets which are being reallocated within 2018/19 is £292,371. The full breakdown of proposed changes and additions are detailed within appendix A of this report.

In addition as part of a review of the transport programme undertaken in November 2018, a number of schemes were identified for reprofiling into later years. The amount identified for reprofiling within transport is £1,851,000. Details of the relevant schemes are included in Appendix A (£773,000) and B (£1,078,000) of this report.

Following approval of the recommendations as per option 1, the 3 year transport capital programme will be £38,335,559.

The 3 year programme will be adjusted to reflect BUR 3 changes as follows: -

2018-19 - £12,933,674

2019-20 - £15,928,885

2020-21 - £ 9,473,000

Additional Note on Capital Programme

The 3 year programme currently includes £12m of prudential borrowing funding for the Highways Improvement Programme; £6m in 2019 and £6m in 2020. There is a separate proposal which proposes reallocation of this funding over 3 years as follows: -

2019-20 £4m

2020-21 £4m

2021-22 £4m

This is to be addressed as part of the overall Capital Strategy. The Capital Programme is subject to continual review to ensure it reflects priorities and maximises funding.

Revenue

There are no revenue implications from the proposed BUR 3 amendments

(Sadrul Alam)

*What are the **procurement** implications?*

Any subsequent sourcing activity arising from this funding allocation will be procured in accordance with the Council's Contract Procedure Rules. This will include satisfying value for money principles and with due regard to social, economic and environmental factors.
(Emily Molden)

*What are the **legal** implications?*

None
(Alan Evans)

*What are the **Human Resources** implications?*

N/A

***Equality and Diversity Impact Assessment** attached or not required because (please give reason)*

N/A

*What are the **property** implications*

N/A

Risks:

None

Co-operative agenda

The Transport Capital Programme is determined and approved centrally (involving Council and Unity officers at a senior level and the Portfolio Holder for Environmental Services) so that schemes meet the Council's statutory duties and wider transport strategy objectives. In the light of decreasing levels of funding, the development of the programme reflects a co-operative approach, ensuring that where possible schemes meet multiple objectives and complement other capital and revenue programmes such as regeneration. This approach can often result in composite schemes comprising carriageway maintenance, safety enhancements, public realm, pedestrian and cycle improvements, which achieves better value for money.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

List of Background Papers under Section 100D of the Local Government Act 1972:

Title	Available from
3 year Transport Capital Programme 2018/19 – 2020/21	http://decisionrecording.oldham.gov.uk/ieDecisionDetails.aspx?ID=3294

Report Author Sign-off:	Date:
Eleanor Sykes	15 th February 2019

Please list any appendices:-

Appendix number or letter	Description
Appendix A	Proposed 2018/19 transport capital programme budget changes
Appendix B	Budgets identified for reprofiling into 2019/20 by the end of month 8 (November).

Background:

The Council's Capital Strategy and Capital Programme 2018/19 – 2021/22 was approved by full Council on the 28th February 2018. This included Oldham's settlement of Local Transport Plan (LTP) grant funding from the wider Greater Manchester allocation. Oldham's allocations for the next 3 years are set out below:

- 2018/19 £1,973,000
- 2019/20 £1,973,000 (indicative)
- 2020/21 £1,973,000 (indicative)

Following the second Budget Update Report in Oct 2018, the 2018/19 programme had a revised value of £13,359,139. The Transport Programme comprises a number of areas of work and is funded from a variety of different sources. It includes the 2018/19 resource of £1,973,000 from the Local Transport Plan allocation.

The value of the approved programme following BUR 2 was £36,155,586 as shown in Table 1 below:

Table 1 –Transport Capital Programme (including slippage from 2017/18) BUR 2: -

Sources of Funding	2018-19	2019-20	2020-21	TOTAL
	£	£	£	£
Agreed Council Resources	238,578	17,218	0	255,796
Challenge Funding	1,411,741	0	0	1,411,741
Contribution from 3 rd Parties	6,000	0	0	6,000
Cycle City Ambition Grant	3,412	0	0	3,412
Flood Defence- Local Levy Fund	125,666	0	0	125,666
GM – Local Highways Flood Damage Fund	207,145	0	0	207,145
GM Casualty Reduction Fund	42,562	0	0	42,562
Grant in Aid	546,475	282,782	0	829,257
Greater Manchester Integrated Transport Block Grant	23,199	0	0	23,199
Growth & Housing Fund Grant	69	0	0	69
Growth Deal 3	225,065	4,178,690	1,500,000	5,903,755
Local Growth and Reform 2 Grant	78,144	0	0	78,144
LTP Grant	106,147	77,671	0	183,818
LTP Highway Maintenance Grant	4,064,883	2,073,000	1,973,000	8,110,883
Pot Hole Grant	402,000	0	0	402,000
Pru - Investment Fund (2012 - £106m)	906,026	146,624	0	1,052,650
Prudential Borrowing	4,921,019	6,547,462	6,000,000	17,468,481
RCCO B/F	1,308	0	0	1,308
Rcco General Fund	0	0	0	0
S106	49,700	0	0	49,700
Total	13,359,139	13,323,447	9,473,000	36,155,586

Current Position

The transport capital programme is subject to ongoing monitoring and review to ensure it continues to reflect current priorities, that budgets match expenditure and that take-up of available grant funding is maximised. Through this ongoing monitoring the need to make changes to budgets in the approved programme has arisen. There is also an increase to the overall 2018/19 transport capital programme of £1,425,535 and to the 2019/20 transport capital programme of £754,438 made up of the below:

- A contribution of £3,650 from the West Oldham District Partnership towards footway improvements on Hilda Street, Oldham.
- A contribution of £14,323 from Failsworth & Hollinwood District Partnership for a surfacing scheme at Ash Street, Failsworth.
- Additional funds from Highways England of £230,000 for delivery of minor works in and around the A663 Broadway (trunk road).
- Additional funds from the Department for Transport (DfT) of £1,087,000 for the delivery of additional highways schemes by the end of March 2019.
- Additional funds from the Environment Agency Local Levy Fund for the 'Quick Wins' of £30,000 projects relating to local flooding issues at 7 locations across the borough.
- Additional funds from the Mayors Challenge Fund for delivery of two Tranche 1 schemes (King Street Bridge and Union Street West Bridge). These total £800,000 across 2018/19 and 2019/20.
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This report also includes in Appendix B details of schemes which were identified within the transport capital programme for reprofiling of budget into next year by the end of month 8 (November).

Conclusions:

In consultation with

(Deputy Chief Executive) *Hockwood.*

Date: 20/03/09