

Report to CABINET

City Region Sustainable Transport Settlement (CRSTS) – Transport Capital Programme 2023/24

Portfolio Holder:

Cllr Chris Goodwin

Officer Contact:

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Report Author:

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Reason for Decision

Historically, highway maintenance funding was received through Core Highways Maintenance and Integrated Transport Block (ITB): this has now been ‘consolidated’ into the City Region Sustainable Transport Settlement (CRSTS), and Oldham has a new funding settlement, effective from 1 April 2022 and lasting a 5 year period.

With the strategic approach for the 5-year CRSTS programme approved in March 2022, (appended to this), this report seeks formal acceptance of the funding and the programmes recommended for delivery in 2023/24.

Recommendations

That Cabinet approve:

- The allocation of CRSTS maintenance funding to the figures shown below

Year	CRSTS & ITB Allocation	ITB Schemes	Footway	Structures	Carriageway
2023-24	£3,824,000	£707,000	£100,000	£1,647,000	£1,370,000

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- The proposed programme of schemes which would fully utilise the City Region Sustainable Transport Settlement highway maintenance and Integrated Transport Block (ITB) allocations available for 2023/24 as per the formal grant notification from GMCA.
 - That all tender award decisions are approved by the Authorised Officer (as per Departmental Scheme of Delegation) (up to £99,999) and where applicable (£100K+) by the Executive Member in consultation with the Deputy Chief Executive, Assistant Chief Executive, Executive Director for Place and Economic Growth, Managing Directors, and Directors (as relevant). This is necessary to meet delivery timescales.
 - That Cabinet delegate approval and authorisation to the Director of Legal Services or their nominated representative to sign and/or affix the Common Seal of the Council to all contracts/agreements/documents and associated or ancillary paperwork to give effect to the recommendations in this report.
 - That any underspend generated as the attached programmes progress (as per Appendices) be used to deliver additional schemes in priority order (although lower priority schemes may be selected depending on available budget, value for money and type of treatment) until the budget is fully expended in year.
 - To seek approval for any underspend generated as the programme progresses to be used to deliver additional schemes in priority order (although lower priority schemes may be selected depending on available budget, value for money and type of treatment) until the budget is fully expended in year. This approach to utilising underspend means we do not need to gain further approvals to deliver additional schemes, ensuring they can be delivered as soon as practically possible.

1 Background

- 1.1 Funding previously received for Core Highways Maintenance and Integrated Transport Block (ITB) has been ‘consolidated’ into the City Region Sustainable Transport Settlement (CRSTS) funding settlement with effect from 2022/23, for the next 5 financial years.
- 1.2 On 1 April 2022, GM was notified of its final CRSTS allocation of £1.07bn based upon the CRSTS Prospectus, which had been submitted to Government in September 2021 and the draft Programme Case submitted on 31st January 2022.

This allocation includes an amount of £175m for core highways maintenance and £82m for ITB funding for the period 2022/23 to 2026/27.

2 Current Position

2.1 Core Highways Maintenance Funding

A core highway maintenance allocation of £35m (covering the first year of the £175m) will be made available to local authorities based on an allocation process agreed with the GM Delivery Group, the GM Highways Group and the GM Treasurers.

To sustain the progress made as part of our recently completed Highway Investment Programme (HIP), we plan on prioritising funds going forward in the same manner. Ensuring that the scheme selection is carried out in the same manner will allow us to continue to prioritise the correct intervention on the highway at the correct time.

Prioritising the programme using the most recent condition data from the range of condition surveys we carry out annually, and cross referencing those against claims and enquiry data, has allowed us to not only target the worst roads across the borough, but also continue in our efforts to reduce highway claims and revenue repairs throughout Oldham.

Appendix 1 details the highway schemes to be funded from CRSTS, which will enable us to carry out a resurfacing programme alongside the preventative programme.

Integrated Transport Block (ITB) Funding

ITB is capital funding granted to local authorities for expenditure on their local transport plans. Following the confirmation of the final CRSTS award by DfT, the proposal for allocating ITB in 2023/24, that has been agreed by the GM Delivery Group and GM Highways Group, is as follows:

- There is no requirement for ITB to be used as part of the funding strategy for Bus Franchising in 2023/24, and therefore, it can be released, in full, for funding local transport. However, the potential requirements for ITB to be applied as a funding mitigation for Bus Franchising will need to be reviewed on an annual basis.
- For 2023/24, it is proposed that the allocation basis for ITB returns to the 'historic' 50:50 between the GM local authorities and public transport investment via GMCA. Therefore, the proposal is that £16.3m of ITB is released on a 50:50 basis between the GM local authorities and GMCA.

Following discussions with local authorities via the GM Delivery Group and the GM Treasurers, it is proposed that the allocations of ITB funding per local authority will follow the same as that used when ITB was last allocated to the GM local authorities in 2010/11.

A programme of works has been compiled by highways officers based on the following factors:

- Commitments to road safety, traffic management and minor works schemes established as part of the previous programmes which are still a priority for delivery;
- Council priorities, including accident reduction schemes and pedestrian safety improvements;
- Scheme requests received throughout the year, including from Councillors, members of the public and other organisations, which are all recorded for consideration as part of this process;
- The authority's statutory duties in relation to highways including:
 - acting to reduce the likelihood of accidents occurring at known accident locations;
 - promoting safe and sustainable travel to school;
- Ensuring the programme is consistent with the Council's Asset Management Plan (AMP).

Appendix 2 sets out a proposed programme of schemes which would fully utilise the expected ITB allocation and is recommended for delivery in 2023/24.

Appendix 3 details the approved 5 year Structures Programme, which is now in its second year of delivery.

Oldham's total settlement for 2023/24 will be £3,774,000 (£707k ITB funding and £3.067m core maintenance funding).

3 Options/Alternatives

3.1 Option 1 - Members agree:

- The proposed programme of schemes which would fully utilise the expected City Region Sustainable Transport Settlement highway maintenance and Integrated Transport Block (ITB) allocations available for 2023/24 as per the formal grant notification from GMCA.

3.2 Option 2 – Members don't agree:

- The proposed programme of schemes which would fully utilise the expected City Region Sustainable Transport Settlement highway maintenance and Integrated Transport Block (ITB) allocations available for 2023/24 as per the formal grant notification from GMCA.

3.3 Option 1 is recommended to progress delivery of the Transport Capital Programme 2023/24 and deliver improvements and infrastructure across the borough's highway assets.

4 Preferred Option

4.1 Option 1 - Members agree:

- The allocation of CRSTS maintenance funding to the figures shown below

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- That Cabinet delegate approval and authorisation to the Director of Legal Services or their nominated representative to sign and/or affix the Common Seal of the Council to all contracts/agreements/documents and associated or ancillary paperwork to give effect to the recommendations in this report.
- That any underspend generated as the attached programmes progress (as per Appendices) be used to deliver additional schemes in priority order (although lower priority schemes may be selected depending on available budget, value for money and type of treatment) until the budget is fully expended in year. This approach to utilising underspend means we do not need to gain further approvals to deliver additional schemes, ensuring they can be delivered as soon as practically possible

5 Financial Implications

- 5.1 The proposed total cost of all schemes earmarked to be delivered within this financial year amounts to £3.824m. The schemes will be financed by the 2023/24 allocations from the City Region Sustainable Transport Settlement integrated transport block (£0.707m), Core Maintenance Block (£3.067m) and £50k reprofiled from the 2022/23 Transport Capital Programme.
- 5.2 Following a review of the budgets reprofiled from the 2022/23 Transport Capital Programme, £0.200m has been identified as uncommitted, as shown within the below table:

Financing	Uncommitted reprofiled budget £m
LTP Highway Maintenance Grant	0.124
Capital Receipts	0.017
Prudential Borrowing	0.059
Total	0.200

The £0.076m of capital receipts and prudential borrowing identified can either be utilised within the Transport Capital Programme, reallocated within the Councils overall Capital Programme, or used to reduce the level of prudential borrowing incurred.

(John Edisbury)

6 Legal Services Comments

- 6.1 The Council should follow compliant routes to market to select the most economically advantageous bids for any road works proposed under any of the road improvement schemes outlined in the body of this report and seek the appropriate levels of approval for awards of contract in accordance with the Council's constitution including the Contract Procedure Rules. (Alan Evans)

7. Co-operative Agenda

- 7.1 The Council is obligated as the Highways Authority to maintain the highway network. Residents are requested to use the network with consideration and report defects to enable quick repair. These two things alongside each other will provide the Borough with the best opportunity to maintain the roads which serve the local economy.

The Transport Capital Programme is determined and approved centrally 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. (Mahmuda Khanom)

8 Property Implications

8.1 None

9 Human Resources Comments

9.1 None

10 Risk

10.1 The Council has a statutory duty under section 41 of the Highways Act 1980 to maintain the highway. The funding received under the City Region Sustainable Transport Settlement enables these duties to be met. Appendices 1 and 2 provide a list of schemes, and where specific schemes are mentioned, these should be prioritised in year as there is a risk that following identification of issues, should these not be rectified within a reasonable time period, this could give rise to an increased financial burden to the Council.

Procurement and Legal risks are noted within the report (Section 12 and 6) around appointment of contractors to carry out the works. (Vicki Gallacher)

11 IT Implications

11.1 None

12 Procurement Implications

12.1 The projects detailed within the report will require the development of a procurement strategy with a term partnership option considered. The project(s) will be delivered in full compliance with Contract Procedure Rules, any associated Funding Conditions, and the Public Contract Regulations 2015 where applicable. (Dan Cheetham)

13 Environmental and Health & Safety Implications

13.1 N/A

14 Equality, community cohesion and crime implications

14.1 None

15 Equality Impact Assessment Completed?

15.1 Yes

16 Key Decision

16.1 Yes

17 **Key Decision Reference**

17.1 NEI-06-23

Appendices

Appendix 1 Transport Capital Programme (Highway Maintenance) 2023/24

Appendix 2 Transport Capital Programme (Integrated Transport Block) 2023/24

Appendix 3 Five Year Structures Capital Programme 2023/24