

## Report to CABINET

# Transport Capital Programme 2024/25 – City Region Sustainable Transport Settlement (CRSTS), Advanced Pot-Hole Funding & Integrated Transport Block (ITB)

### Portfolio Holder:

Cllr Chris Goodwin, Portfolio Holder for Don't Trash Oldham

### Officer Contact:

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### Report Author(s):

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### Reason for Decision

With the strategic approach for the 5-year City Region Sustainable Transport Settlement (CRSTS) programme approved in March 2022 (appended to this report), this report seeks approval for formal acceptance of the CRSTS funding, as well as the acceptance of the Integrated Transport Block (ITB) and Advanced Pot Hole Funding, and approval of the programme recommended for delivery utilising these funds in full, for 2024/25.

### Recommendation

Cabinet members are asked to:

- 1) Approve receipt of the funding allocations from CRSTS, ITB & Adv Pothole maintenance funding as shown in body of this report totaling £4.5m for 2024/25 as per the formal grant notification from GMCA;
- 2) Approve the proposed programme of schemes, which would fully utilise the £4.5m funding allocation available for 2024/25 (as listed in the appendices);

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- 3) Delegate all tender award decisions to the Executive Member, in consultation with the Deputy Chief Executive and Director of Environment to ensure the delivery timescales are met.
  - 4) Delegate 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.
  - 5) Delegate decisions to the Executive Member, in consultation with the Deputy Chief Executive and Director of Environment for any underspend generated as the programme progresses be used to deliver additional schemes in priority order (noting 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.

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**Transport Capital Programme 2024/25 – City Region Sustainable Transport Settlement (CRSTS), Advanced Pot-Hole Funding & Integrated Transport Block (ITB)****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, and for the subsequent 5 financial years.
- 1.2 On 1 April 2022, Great Manchester (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 31 January 2022.
- 1.3 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.

In an effort to maintain the progress made as part of the recently completed Highway Investment Programme (HIP), the proposal is to prioritise funds going forward in the same manner. Ensuring scheme selection is carried out in the same manner will allow for prioritising 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 undertaken annually, and cross referencing those against claims and enquiry data, has allowed the Council to target the worst roads across the borough, but also continue to reduce highway claims and revenue repairs throughout Oldham.

Appendix 1 details the highway schemes to be funded from CRSTS and Advanced Pot Hole funding, which will enable delivery of a resurfacing programme alongside the preventative maintenance programme.

**2.2 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 2024/25, 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 2024/25, 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.

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- For 2024/25, it is proposed that the allocation basis for ITB returns to the 'historic' 50:50 split 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 2024/25.

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

### 2.3 **Advanced Pot Hole Funding (Network North)**

This funding is part of the 'Network North' plan to improve journeys for all and provides long term certainty to local authorities. This funding is in addition to local transport funding from the last Spending Review, and additional to what local transport authorities were expecting in the future. Allocated across the next 11 years, it will represent a more than two-thirds increase in Department for Transport (DfT) support for local roads.

£150m of the new funding is being made available in each of the financial years 2023/24 and 2024/25, of which Oldham Council is to receive £389k (2023/24) and £389k (2024/25).

This additional carriageway maintenance programme has been put together using the latest condition data to increase the number of roads within the Borough brought up to a satisfactory standard. To ensure the funds go as far as possible, the programme is made up of both standard carriageway resurfacing and preventative maintenance. This approach will allow coverage of a larger area and improve more roads across Oldham.

Oldham's total settlement for 2024/25 will be £4,545,000 (£707k ITB funding, £778k Advanced Pot Hole Funding and £3.06m CRSTS).

### 2.4 **Other Issues to consider**

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In terms of risk assessment the proposed option of allocating the CRSTS, ITB and Advanced Pothole grant funding will provide an opportunity for the Council to provide a programme of works which will support road safety and comply with the requirements under section 41 of the Highways Act 1980. The service should ensure there is sufficient monitoring of the grant agreement and that any conditions are complied with especially those around the Integrated Transport Block and the requirements in relation to bus franchising particularly in future years. Procurement, legal and financial comments are noted separately in the report but full engagement with these teams when procuring the contractors to carry out the works and monitoring the spend of each of the programmes will be essential in managing these schemes whilst balancing the current financial position of the Council.

Insofar as it affects the Council's co-operative agenda, the proposals set out in this report seek formal acceptance of CRSTS, ITB, and Advanced Pot Hole Funding. The funding schemes will improve transport and travel for the residents of Oldham and will allow for the delivery of our Transport Capital Programme. As such, the proposals set out in this report are in line with the Council's cooperative agenda.

From a procurement perspective the department must engage procurement at the earliest possible stage; with full visibility of pipeline projects across the period – this will ensure a robust procurement plan can be developed looking at all delivery options including strategic partnerships to best support project delivery and achieve value for money, and to ensure procurement resource can be mapped to delivery programmes. The existing construction and highways framework may not be considered appropriate for use due to number and suitability of contractors remaining on each lot. The framework is currently non-compliant with PCR 2015. Any associated grant funding agreements must be fully complied with as is both public procurement law and Council CPRs.

### 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 (CRSTS), Integrated Transport Blok (ITB) and Advanced Pot Hole Funding allocations available for 2024/25 as per the formal grant notifications from GMCA.

#### 3.2 Option 2 – Members do not agree:

- The proposed programme of schemes which would fully utilise the expected City Region Sustainable Transport Settlement (CRSTS), Integrated Transport Blok (ITB) and Advanced Pot Hole Funding allocations available for 2024/25 as per the formal grant notifications from GMCA.

#### 3.3 Option 1 is recommended to progress delivery of the Transport Capital Programme 2024/25 and deliver improvements and infrastructure across the borough's highway assets.

### 4 **Preferred Option**

#### 4.1 Option 1 – Members agree:

- The allocation of CRSTS, ITB & Advanced Pothole funding to the figures shown below.

<b>Funding</b>			
<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>CRSTS ore maintenance block</b>	<b>Pothole</b>	<b>Integrated Transport Block</b>	<b>Total</b>
<b>3.067</b>	<b>0.778</b>	<b>0.707</b>	<b>4.552</b>

<b>Scheme delivery</b>					
<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Drainage</b>	<b>Footways</b>	<b>Structures</b>	<b>Carriageway</b>	<b>Road Safety</b>	<b>Total</b>
<b>0.11</b>	<b>0.2</b>	<b>1.165</b>	<b>2.37</b>	<b>0.707</b>	<b>4.552</b>

- The proposed programme of schemes which would fully utilise the expected City Region Sustainable Transport Settlement (CRSTS) highway maintenance, Integrated Transport Block (ITB) and Advanced Pothole Funding allocations available for 2024/25 as per the formal grant notifications 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 and Director(s) (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 programme progresses (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 there is no need to gain further approvals to deliver additional schemes, ensuring they can be delivered as soon as practically possible.

## 5 Consultation

- 5.1 Engagement on specific programmes of work and local project will take place with Ward Members and local communities should the recommendations in this report be approved.
- 5.2 Director of Environment & Cabinet Member for Don't Trash Oldham have been consulted to help shape and inform the development of this programme of work.

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## 6 Financial Implications

- 6.1 The proposed total resources of all new schemes and additional resources for existing schemes to be delivered within this financial year amounts to £4.552m. The schemes will be financed as detailed within the below table:

<b>Funding</b>	<b>£k</b>
CRSTS ITB (Road Safety)	707
CRSTS core maintenance block	3,067
Pot hole funding (Reallocated HS2 funding)	778
<b>Total</b>	<b>4,552</b>

In the event of forecasted overspends identified through regular monitoring of the Transport Capital Programme, the Service will be required to identify schemes where the original budget allocation can be reduced, offsetting against pressures within these areas.

(John Edisbury)

## 7 Legal Implications

- 7.1 All contracts must be let in accordance with the Contract Procedure Rules and relevant legislation

(Owen Willcox)

## 8 Oldham Equality Impact Assessment, including implications for Children and Young People

- 8.1 No

## 9 Key Decision

- 9.1 Yes

## 10 Key Decision Reference

- 10.1 NEI-09-24

## 11 Background Papers

- 11.1 None

## 12 Appendices

- 12.1 Appendix 1 – CRSTS Maintenance Programme  
Appendix 2 – Local Transport Plan Programme 2024/25  
Appendix 3 – CRSTS Structures Programme