

Report to Cabinet

15 February 2023

Subject:	City Region Sustainable Transport Settlement Update and Local Transport Capital Programme 2023/24
Cabinet Member:	Cllr Peter Hughes Cabinet Member for Regeneration & Growth Cllr Zahoor Ahmed Cabinet Member for Environment Services
Director:	Director – Regeneration & Growth Tony McGovern Director – Borough Economy Alice Davey Director of Finance Simone Hines
Key Decision:	Yes; Type (b) - an executive decision which is likely to result in the Council incurring expenditure, the making of savings or the generation of income amounting to: - £250,000 or more where the service area budget exceeds £10m; - £100,000 or more where the service area budget is less than £10m; Type (c) - an executive decision which is likely to be significant in terms of its effect on communities living or working in an area comprising two or more wards of the Borough.



Contact Officer:	Strategic Planning & Transportation Manager Andy Miller andy_miller@sandwell.gov.uk Deputy Director – Highways Robin Weare robin_weare@sandwell.gov.uk
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1 Recommendations

- 1.1 That the update in relation to the City Region Sustainable Transport Settlement (CRSTS) for the period April 2022 to March 2027 be received.
- 1.2 That approval be given to the following programme of minor works, highways, bridges and street lighting maintenance for 2023/24 to be funded through the Local Network Improvement Plan and Maintenance Block allocations as set out in the reports to WMCA Board on 14th January 2022, 18th March 2022 and 13th January 2023;

Minor Works Programme	Funds 2023/24 £
Major Schemes Development	220,000
Road Safety	540,000
Decarbonising Transport	300,000
Demand Management	120,000
Traffic Calming	200,000
Major Route Signing	70,000
Named Schemes Over £250k.	347,900
Total	1,797,900





Maintenance Programme	Funds 2023/24 £
Carriageway Maintenance	3,986,300
Bridges	603,000
Street Lighting	152,000
Total	4,741,300



2 Reasons for Recommendations

- 2.1 This report updates Cabinet on the City Regional Sustainable Transport Settlement programme for the West Midlands as approved by WMCA Board on 14th January 2022 and in particular those projects that are either located in Sandwell or have significant implications for the borough. It also confirms the allocations to the Authority for 2023/24 for local network improvements and highway maintenance.
- 2.2 The block allocations included in the CRSTS programme comprise the majority of the Council's capital programme of minor works, highway and bridge maintenance for financial year 2023/24 and the following three years of the settlement period.
- 2.3 Approval is sought to the programme of works outlined in the recommendations. Details of individual schemes will be reported back to the appropriate Cabinet Member(s) for approval in due course.

3 How does this deliver objectives of the Corporate Plan?

	<i>People live well and age well:</i> The Local Transport Settlement contributes to safe and efficient roads for local people and visitors, and to the health benefits of sustainable active travel.
	<i>Strong resilient communities:</i> Successful communities need access to jobs, services and facilities to enable them to remain healthy and vibrant. The highway network is an important enabler of this.
	<i>Quality homes in thriving neighbourhoods:</i> Both new and existing residential developments rely on good quality access and links to shops, services and leisure facilities in order for them to be successful. Local Transport Settlement funding is the principle method by which the network is improved and maintained.
	<i>A strong and inclusive economy:</i> The provision of a high quality, well maintained highway network will reduce journey times and improve journey reliability for Sandwell business who rely on it to connect to their suppliers and customers.





A connected and accessible Sandwell: The provision of a high quality, well maintained highway network is vital to enable Sandwell residents to access jobs, education and services both within and beyond the Borough's boundaries.

4 Context and Key Issues

City Region Sustainable Transport Settlement (CRSTS)

- 4.1 The City Region Sustainable Transport Settlement (CRSTS) is a five-year capital settlement to enable the city regions to achieve their ambitions in terms of transport investment. The fund is overseen by DfT and in the West Midlands it aligns with the planned publication of a new Local Transport Plan (LTP). CRSTS commenced in 2022-23 with £8.9m previously allocated to the West Midlands in 2021-22 to assist with preparation and delivery of the settlement.
- 4.2 CRSTS is now the main source of transport capital funding for local transport schemes with a scheme cost of £50m or less. CRSTS draws under one heading, a number of transport funding streams including the final year of the (already allocated) Transforming Cities Fund (TCF), as well as the Integrated Transport Block (ITB) and Highways Maintenance Block (HMB). For the time being, the Active Travel Fund (ATF), which covers walking and cycling investment, remains separate.
- 4.3 As part of the Budget/Spending Review 2021, the Government announced provisional allocation to WMCA of £1.05bn for 2022-27. WMCA/TfWM, with the seven West Midlands local authorities, developed a programme 'ask' which the WMCA Board approved for submission on 14th January 2022. The projects included in the programme bid were developed and set out against Government priority outcomes of;
- Growth and Productivity
 - Levelling up
 - Decarbonisation



- 4.4 The WMCA Board gave conditional approval to the West Midlands CRSTS programme on 18th March 2022. Government announced allocations to Local Authorities and Mayoral Combined Authorities in April 2022. This confirmed the previously announced provisional allocation of £1.05bn. Decision making on the projects included in the submitted programmes is devolved to WMCA, with the exception of a small number of projects (none in Sandwell) in which DfT wishes to retain a role.
- 4.5 The approved CRSTS programme includes the following projects which are, either wholly or partially, located in Sandwell:

Project	Allocation
A34/A45 SPRINT Corridor (Phase 2)	£56.60m
A4123 Walk, Cycle and Bus Corridor	£29.00m
A461 Walk, Cycle and Bus Corridor, Sandwell	£12.00m
Black Country ULEV Charging Scheme	£7.00m
Dudley Port Integrated Transport Hub (Phase 1 & 2)	£2.40m
Local Cycling & Walking Infrastructure Plan (Black Country Package)	£8.00m
Smethwick to Birmingham Inclusive Growth Corridor Transport Package	£19.00m
Wednesbury to Brierley Hill Metro Extension (Sustainable Access Measures)	£16.00m
West Midlands Metro Line 1 Upgrades	£30.00m
West Midlands Metro Wednesbury Depot Expansion	£37.90m
West Midlands Metro Traction Power (Phase 2)	£12.60m

The projects support not only the WMCA objectives, but also the regeneration priorities of the emerging Sandwell Local Plan and Sandwell's Economic Recovery & Regeneration Strategy. In total, these projects represent over £260m of investment in the transport network with impacts in Sandwell over the five years of the CRSTS programme. At this stage, for schemes that cross boundaries, it is difficult to quantify the level of investment directly on the network within Sandwell, but it is estimated that this could be in the region of £130m.

- 4.6 Appendix A contains details of these projects, the current stage of each project, and their provisional programmes. TfWM is progressing the Metro, Rail and Sprint projects with support from Sandwell officers, where appropriate. Since the CRSTS programme was confirmed in April 2022, Sandwell officers along with the joint Black Country Transport Team (BCT) have progressed the following:



Project	Current Stage	Next steps
A461 Corridor	Strategic Outline Business Case (SOBC) approved by WMCA in November 2022	OBC commissioned with a submission target of August 2023
A4123 Corridor	Feasibility work completed end of 2022. SOBC expected to be submitted in February 2023.	OBC scheduled for Autumn 2023, subject to SOBC approval
Smethwick to Birmingham Corridor	SOBC expected to be submitted in February 2023.	Subject to approval, work on the OBC will commence immediately, with target submission date of May 2023.
Wednesbury to Brierley Hill Sustainable Access Measures	Initial OBC approved by WMCA in July 2022, but update requested and scheduled to be submitted in June 2023.	CRSTS funding likely to be released for early delivery of some elements of the project, with the remainder subject to approval of the Full Business Case (FBC), later in 2023.
LCWIP Black Country Package	Work underway to prepare the SOBC for submission in the Spring.	

- 4.7 All of the projects listed will be delivered during the current CRSTS settlement period which ends on 31st March 2027.

Assurance, Governance and Monitoring

- 4.8 The CRSTS fund is operated through, and is fully compliant with, the WMCA Single Assurance Framework (SAF). A business case will be required for each scheme within the programme (see Appendix A for progress on these).
- 4.9 The WMCA SAF is augmented by requirements for additional transport information. This is to ensure compliance with the CRSTS funding objectives, and to provide additional assurance regarding the ability to make the right interventions, at the delivery pace required, over the five-year programme. Each scheme needs to demonstrate as appropriate:



- *Alignment with Local Transport Plan and national CRSTS funding objectives:* Each business case should provide a specific analysis of impact against the objectives for the regional transport policy and of the funding.
- *Direct benefits to cycling and active travel:* Specific emphasis has been placed by Government on accelerating cycling and active travel measures. These are reflected in West Midlands LTP policy and recognised as the type of measures required to help de-carbonise the transport system. Each project must set out how it can, where appropriate, provide a relative advantage to pedestrians and cyclists over other modes, evidencing how it achieves this in compliance with DfT's formal LTN1/20 guidance.
- *Direct benefit to public transport and in particular bus travel:* Specific emphasis has been placed by Government on providing priority measures to support reliable and effective bus services. These are reflected in West Midlands LTP policy and recognised as the type of measures required to help de-carbonise the transport system. Where not providing another targeted CRSTS or LTP outcomes, each CRSTS-funded project should seek to provide a relative advantage to public transport over other modes; evidence how it achieves this; and, where appropriate, detail specific bus priority measures and their impact on journey time reliability, and traveller experience.
- *Support measures for behaviour change, road safety and network resilience:* All schemes within the CRSTS programme are expected to contribute towards the delivery of these outcomes. In developing each project business case, the scheme promoters will liaise with the relevant TfWM teams and regional groups. Each project business case will set out what engagement has been undertaken, and what specific measures will be implemented to deliver the relevant outcomes.

4.10 All the above requirements form part of the production of individual scheme business cases and will be considered as the scheme progresses through the WMCA SAF Governance.

4.11 Two key elements of the CRSTS programme have already been taken through a simplified, 'en-bloc' approval process by WMCA. These are the Local Network Improvement Plans and Highway Maintenance Block, which are discussed below.



4.12 The CRSTS approach and guidance from Government places considerable emphasis on public transparency over delivery; on regional accountability for the delivery; and on project and programme outcomes. There is clear direction that any lack of delivery pace and programme content could adversely impact funding during the latter part of the programme and in subsequent delivery periods. To help manage this, WMCA has established a number of monitoring and governance mechanisms:

- **Monthly Officer review** by the existing Strategic Transport Officers Group (comprising the senior Transport Directors from TfWM and the LHAs) to consider a delivery, risks and exceptions update from each delivery body.
- **Quarterly Formal reporting** by each delivery body covering spend, delivery, risk and programme updates for each scheme which it is the promoter for. This will be compiled, and a summary report formally considered by the Strategic Transport Board (Chaired by the WMCA Transport Portfolio holder and including Cabinet Members for each LHA as well a representation from the WMCA Transport Scrutiny Committee and Transport Delivery Committees). This reporting will also be shared with the Mayoral Office.
- **Annual Formal WMCA Board reporting:** An annual CRSTS progress and programme monitoring report will be prepared and submitted for consideration.

Funding Allocations to Sandwell for Local Transport and Highways Maintenance

4.13 As set out in paragraph 4.2 above, since April 2022, the funding that was previously allocated to Integrated Transport Block has been absorbed into the CRSTS. As part of the overall programme, an allowance of £107.5m has been made for Local Network Improvement Plans (LNIPs) - which are a direct replacement for ITB- providing £21.5m per annum. This funding is allocated to TfWM and the seven LAs on the same basis as had previously been used for ITB. It represents a 21% uplift on the allocations received in the period 2015/16 to 2021/22 but in reality, when inflation is allowed for, does not restore funding to 2015 levels. As the figure is fixed until 2026/27, there will once again be a year on year reduction in spending power.



- 4.14 As the funding is fixed until March 2027, Sandwell's per-capita allocation amounts to £1.798m per annum (subject to annual WMCA Board ratification) and this is proposed to be allocated to individual programme categories as set out in the recommendations. These are mostly self-explanatory. However, it should be noted that the 'Decarbonising Transport' category includes funding for small scale measures to assist walking, cycling and transport innovation such as micro-mobility. Many projects covered by the other categories will include provision for cyclists and pedestrians and those with impaired mobility. The allocation to the 'Decarbonising Transport' category is used to fund projects specifically aimed at these areas of work.
- 4.15 As in 2022/23, when compared to ITB, a larger proportion of the LNIP 21% uplift is allocated to the road safety and traffic calming categories. This is in recognition of the statutory duty under Section 39 of the Road Traffic Act 1988 to investigate the causes of accidents and to take such measures as appear to be appropriate to prevent those accidents. This is also in line with member priorities.
- 4.16 Details of individual schemes will be reported for approval to the Cabinet Member for Environment as necessary. The 'Named Schemes Over £250,000' category is intended to fund larger local projects such as junction improvements. Details of such schemes will be reported individually as appropriate.
- 4.17 With regards to assurance processes, a light-touch approach is required for this to reflect the typically low complexity/low risk projects, and often reactive nature of the works undertaken under this funding. A single WMCA SAF application has been processed by TfWM for the full £107.5m five-year allocation, allowing it to be released in annual grants to each constituent LHA. A signed declaration is required by each LA s151 Officer, alongside a simple funding agreement setting out delivery reporting requirements. These include basic quarterly financial returns, and a short annual monitoring report using a standardised format. This sets out what has been delivered, supported by a small number of case studies showing how delivery aligns to Local Transport Plan and CRSTS funding objectives, as well as proposed delivery for the next period. These are then compiled to form a regional view as part of the overall CRSTS monitoring and reporting.



- 4.18 As with ITB, Highways Maintenance Block funding now forms part of CRSTS, having previously been allocated to LHA's on a combination of needs-based formula and challenge/incentive bases. £120.4m of funding is allocated for delivery through the local highway authorities which annually represents an 18% uplift on the 2021/22 figure.
- 4.19 Each LHA leads on procurement in line with Public Sector Procurement Guidelines. As per DfT guidance, an annual monitoring report is required from each LHA setting out how the funding has been spent, and how the condition of the network has improved. These will also be compiled to form a regional view as part of the overall CRSTS monitoring and reporting.
- 4.20 For 2022/23, and the subsequent three years, Sandwell receives a CRSTS allocation for maintenance of £4.741m, subject to annual WMCA Board ratification.
- 4.21 The allocation for highway maintenance constitutes the Councils primary funding to maintain carriageways, footways, bridges and streetlighting across the Borough. Prior to March 2022, highways maintenance funding was made up from highway maintenance block, incentive elements and pothole funding as detailed in the table below.
- 4.22 Sandwell's overall local transport allocations for 2022/23 and 2023/24, including any additional allocations for maintenance, are shown in the table below compared to the previous four years' allocations under the old Integrated Transport Block funding regime.

Sandwell Allocation	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Integrated Transport Block/Local Network Improvement Plan	1,480,000	1,477,000	1,476,000	1,486,000	1,797,900	1,797,900
Maintenance Block - Needs-based	2,582,000	2,582,000	2,582,000	1,781,000	N/A	N/A
Maintenance - Incentive Fund Allocation	542,000	542,000	538,000	445,000	N/A	N/A
Maintenance -Challenge Fund Allocation	0	0	2,134,000	0	N/A	N/A
Maintenance – Pothole Action Fund	393,000	161,000	159,000	1,780,000	N/A	N/A
Winter Damage Monies	1,400,000	N/A	N/A	N/A	N/A	N/A
CRSTS Maintenance Block Funding	N/A	N/A	N/A	N/A	4,741,300	4,741,300



Maintenance Total	4,917,000	3,285,000	5,413,000	4,006,000	4,741,300	4,741,300
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5 Alternative Options

5.1 With regards to the Local Network Improvement Plan, the proportion allocated to each of the individual block headings is the same as for 2022/23 and is broadly in line with ITB allocations in the preceding years. However, as in 2022/23, more of the 21% uplift on the 2021/22 figure has been allocated to the road safety and traffic calming categories, to reflect member priorities. The option exists to allocate more funding to some headings and less to others. It also remains possible to alter the allocations 'in year', should circumstances require it. However, the use of this funding is reported to, and monitored by, WMCA and therefore should reflect the priorities outlined by Government through the CRSTS guidance, and by WMCA through the Local Transport Plan.

6 Implications

Resources:	<p>These are principally contained within the body of the report. Both the LNIP and Maintenance Block allocations are exclusively spent on works within Highways maintainable at public expense. Local Transport Settlement allocations will help deliver the aims and objectives as set out in the Highway Asset Management Policy, Strategy and Plan.</p> <p>The spend set out at para 1.2 is included in the Capital Programme for 2023/24 which is a separate item on this agenda.</p>
Legal and Governance:	<p>Since the publication of Local Transport Act 2008 it is a statutory requirement of Integrated Transport Authorities (ITAs) to produce a Local Transport Plan (LTP) to develop policies relating to all aspects of transport, with close collaboration with surrounding Authorities. The ITA function in the West Midlands is exercised by the West Midlands Combined Authority (WMCA). The overall CRSTS programme and the allocations to individual LHAs for LNIP and HMB are required to meet the aims and objectives of the LTP.</p>



	The Sandwell minor works and maintenance programme contributes to achieving the targets and objectives, which are set out in the current local transport plan, 'Movement for Growth', which was approved by the WMCA on 10th June 2016.
Risk:	<p>There are no direct risk implications resulting from the course of action recommended in this report.</p> <p>Individual projects within the programme will be assessed for risk in line with the Council policies as part of their approval process.</p>
Equality:	The financial allocations outlined above form part of the overall West Midlands allocation that supports the West Midlands Strategic Transport Plan known as Movement for Growth which replaced Local Transport Plan 3 in June 2016. This has been subject of a full Equality Impact Assessment carried out by the Transport for West Midlands as part of the plan's formulation. The individual projects/work packages that make up the 2022-27 CRSTS programme and Sandwell's 2023/24 programme of minor works and maintenance will be subject of individual Equality Impact Assessments as they are brought forward for approval either at WMCA Board or SMBC Cabinet.
Health and Wellbeing:	It is increasingly recognised that an appropriately managed, maintained, and up-to-date road network is needed to support significant economic growth, and the associated social and well-being benefits. To maximise the benefits of economic investment programmes requires investment not only in new road infrastructure but also in maintaining and managing our existing infrastructure. The Local Transport Settlement will also contribute to sustaining the legacy of investment programmes that will deliver 2030 ambitions.
Social Value:	There are no implications for social value directly arising from this report. Any implications arising from individual projects will be reported as part of their approval process.
Climate Change:	Decarbonisation of the transport system is central to the government's aims and objectives for CRSTS. It is also a principle theme within the West Midlands Local



	Transport Plan. All projects will need to demonstrate how they address climate change and contribute to decarbonisation through their business cases as a prerequisite of securing funding.
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7. Appendices

Appendix A – CRSTS Programme 2022-27 Project Details

8. Background Papers

West Midlands Strategic Transport Plan: Movement for Growth (2016)

Report to WMCA Board 14:01:22

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