

Report to Cabinet

23 March 2022

Subject:	City Region Sustainable Transport Settlement and Local Transport Capital Programme 2022/23
Cabinet Member:	Cabinet Member for Environment Councillor Ahmad Bostan
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 Service Manager – Highways Robin Weare robin_weare@sandwell.gov.uk



1 Recommendations

- 1.1 That the current position in relation to the City Region Sustainable Transport Settlement (CRSTS) for the period April 2022 to March 2027 as submitted to Government by the West Midlands Combined Authority following its approval at West Midlands Combined Authority Board on 14th January 2022, be noted.
- 1.2 That details of the resourcing, monitoring and financial implications relating to the City Region Sustainable Transport Settlement programme be received.
- 1.3 That the assurance and appraisal implications for projects and block allocations included in the City Region Sustainable Transport Settlement programme be noted.
- 1.4 That, subject to confirmation by Government of the overall City Region Sustainable Transport Settlement allocation to the West Midlands Combined Authority and its subsequent approval by West Midlands Combined Authority, Cabinet approves the following programme of minor works, highways, bridges and street lighting maintenance for 2022/23 to be funded through the Local Network Improvement Plan and Maintenance Block allocations as set out in the reports to West Midlands Combined Authority Board on 14th January 2022 and 18th March 2022;

Minor Works Programme	Funds 2022/23 £
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 2022/23 £
Carriageway Maintenance	3,986,300
Bridges	603,000
Street Lighting	152,000
Total	4,741,300

1.5 That once confirmation of the City Region Sustainable Transport Settlement is received from Government and approved by West Midlands Combined Authority Board, a further report be submitted to Cabinet setting out the details of the Sandwell projects included within the settlement.






2 Reasons for Recommendations

- 2.1 This report details the current position with regards to the City Regional Sustainable Transport Settlement programme for the West Midlands as approved by WMCA Board on 14th January and submitted to Government for approval. It sets out the specific allocations to the Authority for 2022/23 for local network improvements and highway maintenance subject to final Government confirmation and WMCA Board approval.
- 2.2 The block allocations included in the City Region Sustainable Transport Settlement (CRSTS) programme will comprise the majority of the Council's capital programme of minor works, highway and bridge maintenance for financial year 2022/23 and the following four 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.



2.4 It had been WMCA's intention to approve the overall CRSTS programme at its Board meeting on the 18th March. However, the Government is yet to confirm the allocation, or the individual projects within it. CA Board is therefore recommended to delegate acceptance of the funding settlement, either in full or as an interim to WMCA's s151 Officer subject to the settlement remaining in line with the programme level business case it previously approved. A further report will be submitted to Cabinet setting out the details of the CRSTS settlement and the Sandwell projects it contains following the WMCA s151 sign off.

3 How does this deliver objectives of the Corporate Plan?

	People live well and age well: The Local Transport Settlement contributes to safe and efficient roads for local people and visitors, and to the health benefits of sustainable active travel.
	Strong resilient communities: Successful communities needs access to jobs, services and facilities to enable them to remain healthy and vibrant. The highway network is an important enabler of this.
	Quality homes in thriving neighbourhoods: 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.
	A strong and inclusive economy: 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 commences 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 intended to draw under one heading a number of transport funding streams including the final year of the already allocated Transforming Cities Fund (TCF) along with the Integrated Transport Block (ITB) and Highways Maintenance Block (HMB). CRSTS will be the main source of transport capital funding for local transport schemes with a scheme cost of £50m or less. The Active Travel Fund (ATF) which covers walking a cycling investment remains separate for the time being.
- 4.3 Guidance issued by DfT in July 2021 set out that the WMCA area was given a funding range of between £780m and £1,280bn. In response to the guidance, a WMCA CRSTS investment prospectus was developed and set out against Government priority outcomes of;
- Growth and Productivity
 - Levelling up
 - Decarbonisation

The WMCA formally submitted a full prospectus for £1.732bn of asks, including a significant over-programming element, to DfT on 29th September 2021. Ongoing negotiations took place between TfWM, Treasury and DfT during October 2021.

- 4.4 The Government's Budget/Spending Review 2021 indicated a WMCA provisional allocation of £1.05bn for 2022-27. As part of the announcement Government advised that areas in receipt of CRSTS would be unlikely to receive additional capital funding to support their Bus Service Improvement Plans (BSIP) and that the expectation would be that these projects would be included in the eventual CRSTS programme



submitted. It should be noted that the West Midlands BSIP 'ask' included around £245m of capital projects to facilitate bus priority.

4.5 In response to this WMCA/TfWM and the seven West Midlands local authorities developed a programme ask which was approved for submission at WMCA Board on 14th January. A programme level Business Case has been submitted to Government to support the 'ask' and confirmation of the allocations is expected during early March. Recent discussions with DfT and Treasury officials has indicated that the approval may consist of confirmed allocations for the first two years of the programme with indicative allocations for the remaining three.

4.6 Whilst the overall provisional settlement is disappointingly lower than the upper figure in the original indicative range, it remains a significant investment in transport infrastructure of around £200m per annum for the settlement period.

4.7 The CRSTS programme submitted by WMCA to Government includes the following projects which are either wholly or partially located in Sandwell;

- **Smethwick to Birmingham Inclusive Growth Corridor Transport Package** - Development and delivery of a package of highway and active travel measures to support housing growth and regeneration around the Midland Metropolitan University Hospital.
- **A461 Walk, Cycle and Bus Corridor, Sandwell** - Development and delivery of a package of sustainable transport measures between Castle gate in Dudley and Great Bridge.
- **Dudley Port Integrated Transport Hub, Ph 1 & 2** - Delivery of step free access between Metro and station concourse (from Ph 1). Development of remainder of Phase 1 (Station Concourse) and Phase 2 (Platform improvements).
- **A4123 Walk, Cycle and Bus Corridor** - Development and delivery of a package of sustainable transport measures along Wolverhampton Road/New Birmingham Road.
- **Black Country ULEV Charging Scheme** - Development and delivery of 1000 electric vehicle charge points throughout the Black Country.
- **Wednesbury to Brierley Hill Metro Extension Sustainable Access Measures** - Delivery of pedestrian and cycle measures to aid access to the stops along the route in Sandwell and Dudley.
- **Local Cycling & Walking Infrastructure Plan Black Country Package** - Development and delivery of cycle routes in the West Midlands Local Cycling & Walking Infrastructure Plan including the Smethwick – West Bromwich – Wednesbury route.



The projects included support both the WMCA objectives and the regeneration priorities of the emerging Black Country Plan and Sandwell's Economic Recovery & Regeneration Strategy. The Government is yet to confirm the final WMCA allocation, nor the individual projects/programmes within it. However, if approved, the programme submitted in January by WMCA s represents a little over £100m of new investment on the transport network that serves Sandwell over the next five years.

- 4.8 In addition to these projects, the submitted CRSTS programme includes funding to deliver Phase 2 of the A34/A45 Sprint corridor between Walsall and Birmingham Airport/Solihull via Scott Arms, Perry Barr and Birmingham City Centre (including HS2 Station) and development funding for further metro/rapid transit routes in the Black Country. It also includes a funding ask for the expansion of the West Midlands Metro maintenance and stabling facility at Wednesbury.

Assurance, Governance and Monitoring

- 4.9 The CRSTS fund will be operated through, and be fully compliant with, the WMCA Single Assurance Framework (SAF). A business case will be required for each scheme within the programme.
- 4.10 It is proposed that the WMCA SAF will be augmented by requirements for additional transport information. This is in order to ensure compliance with the CRSTS funding objectives and to provide additional assurance over the ability to make the right interventions at the delivery pace required over the five-year programme. Each scheme will need to demonstrate as appropriate:
- *Alignment with Local Transport Plan and national CRSTS funding objectives:* Each business case will 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 decarbonise the transport system. Each project will 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 HMG 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 outcome each CRSTS funded project will seek to provide a relative advantage to public transport over other modes and evidence how it achieves this, detailing where appropriate specific bus priority measures and their impact on journey time reliability and traveller experience.
- *Support measures for behaviour change, road safety and network resilience:* The CRSTS bid included specific line items for funding to support a number of joint regionwide initiatives which would improve the road safety, behaviour change and network resilience impact and outcomes of individual projects and programmes. These outcomes remain critically important, but in response to the pressures of reaching a financially balanced programme it is now proposed that each funded scheme will allocate an element of its delivery activity to achieving 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.

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

4.12 Two key elements of the CRSTS programme will be subject to a simplified en bloc approval process which the WMCA will process through the system at the earliest opportunity following confirmation of the CRSTS grant by HMG. These include the Local Network Improvement Plans and Highway Maintenance Block which are discussed below.

4.13 The CRSTS approach and guidance from Government places considerable emphasis on public transparency over delivery, and on regional accountability for the delivery. 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 a number of monitoring and governance mechanisms are proposed by WMCA:



- **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.

4.14 It should be noted that Government is placing considerable emphasis on the monitoring of delivery and on project and programme outcomes. The WMCA will be required to sign up to any DfT requirements arising from their national evaluation programme.

Funding Allocations to Sandwell for Local Transport and Highways Maintenance

4.15 For the last two decades, the majority of small scale local highway works such as local safety schemes, traffic calming and minor junction upgrades have been funded through a direct formula-based grant known as Integrated Transport Block (ITB). In metropolitan areas ITB has been allocated to Integrated Transport Authorities (now the WMCA) since their inception in the early 2000s, and in the West Midlands, has been re-allocated on the basis of 25% to TfWM (previously Centro) and 75% to the LAs, apportioned on a per-capita basis.

4.16 The national ITB pot has been fixed at £258m per annum since 2015 with no allowance for inflation meaning that in real terms, the spending power of ITB has seen a year on year reduction.



- 4.17 As set out in paragraph 4.2 above, the funding that was previously allocated to ITB will be absorbed into the CRSTS from April 2022. Therefore, there will no longer be a specific allocation nationally for this area of expenditure. However, as part of the West Midlands CRSTS programme, an allowance of £107.5m has been made for Local Network Improvement Plans (LNIPs). In effect, this is a replacement for ITB providing £21.5m per annum. This funding will be 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 this does not in reality restore funding to 2015 levels when inflation is allowed for. As the figure is fixed until 2026/27, there will once again be a year on year reduction in spending power.
- 4.18 Notwithstanding that, the increase is welcomed. In Sandwell's case, the per-capita allocation amounts to £1.798m 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.
- 4.19 Every Highway Authority in England and Wales has a Statutory Duty under Section 39 of the Road Traffic Act 1988 to carry out studies into accidents arising out of the use of vehicles on roads or parts of roads, within their area and in light of those studies, take such measures as appear to be appropriate to prevent those accidents.
- 4.20 The current Sandwell Strategic Road Safety Plan compliments both the regional West Midlands Strategic Road Safety Strategy and the Government's latest published Road Safety Statement, which all the UN's Safe Systems approach to casualty reduction. The Safe Systems approach is a data led intervention system which supports road users and the economy whilst encouraging everyone to make safer choices. It also recognises the challenges faced in bringing safety improvements to all the varying road user groups, which often have different and sometimes opposing needs.



- 4.21 Therefore, this will be achieved by ensuring any proposed works help discharge our Traffic and Highway duties whilst aligning with both the national and regional road safety policies and strategies.
- 4.22 To help achieve this and continue the excellent results in reducing road casualties, at a local level the authority will continue to;
- Implementation data led road safety engineering and maintenance measures.
 - Develop evidence led, education, training and publicity programmes.
 - Technically analysis and approve developer led highway projects.
 - Work in partnership with other agencies to encourage relevant and necessary enforcement.
 - Work with the local community to try and encourage road user behavioural change.
- 4.23 In recognition of the importance of the LNIP funding to achieving our road safety objectives, a greater proportion of the 21% uplift on last year's ITB settlement has been allocated to the road safety and traffic calming categories within the programme.
- 4.24 Details of individual schemes will be reported to the Cabinet Member for Environment for approval 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.
- 4.25 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 will be 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 will be required by each LA s151 Officer with a simple funding agreement setting out delivery reporting requirements. This will include basic quarterly financial returns and a short annual monitoring report against a standardised format. This will set 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 will be compiled to form a regional view as part of the overall CRSTS monitoring



and reporting. An annual allocation will be confirmed by the WMCA Board in-line with the overall five-year programme allocation.

- 4.26 The financial and WMCA SAF processes for the LNIP and highway maintenance funding cannot be progressed until Government confirms the CRSTS funding and any specific funding conditions, and funding cannot be released until the funding is received by the WMCA. However, WMCA has advised LAs to plan their own activity and budgets on the basis of the above assumed allocations.
- 4.27 As with ITB, Highways Maintenance Block funding will form part of CRSTS from April 2022 having previously been allocated to LHA's on a combination of needs-based formula and challenge/incentive bases. £120.4m of funding will be delivered through the local highway authorities (representing an 18% uplift on the 2021/22 figure). Each LHA will lead on procurement in line with Public Sector Procurement Guidelines. An annual monitoring report will be required (as per DfT guidance) from each LHA setting out how the funding has been spent and how the condition of the network has improved. These will be compiled to form a regional view as part of the overall CRSTS monitoring and reporting. An annual allocation will be confirmed by the WMCA Board in-line with the overall five-year programme allocation.
- 4.28 For 2022/23, the CRSTS allocation to Sandwell for maintenance is indicated as being £4.741m, subject to final confirmation from Government.
- 4.29 The allocation for highway maintenance for 22/23 constitutes the Councils primary funding to maintain carriageways, footways, bridges and streetlighting across the Borough. This funding replaces the previous highway maintenance block funding, incentive elements and pothole funding as detailed in the table below.
- 4.30 Sandwell's overall local transport allocations for 2022/23, including any additional allocations for maintenance, are shown in the table below compared to the previous five years' allocations under the old funding regime.

Sandwell Allocation	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Integrated Transport Block/Local Network Improvement Plan	1,482,000	1,480,000	1,477,000	1,476,000	1,486,000	1,797,900



Maintenance Block - Needs-based	2,853,000	2,582,000	2,582,000	2,582,000	1,781,000	N/A
Maintenance - Incentive Fund Allocation	267,000	542,000	542,000	538,000	445,000	N/A
Maintenance -Challenge Fund Allocation	1,540,000	0	0	2,134,000	0	N/A
Maintenance – Pothole Action Fund	225,000	393,000	161,000	159,000	1,780,000	N/A
Winter Damage Monies	N/A	1,400,000	N/A	N/A	N/A	N/A
CRSTS Maintenance Block Funding	N/A	N/A	N/A	N/A	N/A	4,741,300
Maintenance Total	4,885,000	4,917,000	3,285,000	5,413,000	4,006,000	4,741,300

5 Alternative Options

5.1 With regards to the Local Network Improvement Plan the proportion allocated to each of the individual block headings is broadly in line with previous years' ITB allocations. However, 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 circumstance require it. However, the use of this funding will be reported to, and monitored by, WMCA and should reflect the priorities outlined by Government through the CRSTS guidance and by WMCA through the Local Transport Plan.

6 Implications

Resources:	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.
Legal and Governance:	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



	<p>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> <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.</p>
<p>Risk:</p>	<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>
<p>Equality:</p>	<p>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 2022/23 programme of minor works and maintenance will be subject of individual Equality Impact Assessments as they are bought forward for approval either at WMCA Board or SMBC Cabinet.</p>
<p>Health and Wellbeing:</p>	<p>It is increasingly recognised that an appropriately managed and maintained and up to date road network is needed to support significant economic growth and the associated social well-being benefits. To maximise the benefits of economic investment programmes requires not only investment in new road infrastructure but also investment 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.</p>



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.
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7. Appendices

None

8. Background Papers

West Midlands Strategic Transport plan: Movement for Growth (2016)
Report to WMCA Board 14:01:22
Report to WMCA Board 18:03:22

