

BARNSELY METROPOLITAN BOROUGH COUNCIL

REPORT OF: EXECUTIVE DIRECTOR GROWTH AND SUSTAINABILITY

TITLE: CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT – FUNDING

REPORT TO:	CABINET
Date of Meeting	2 November 2022
Cabinet Member Portfolio	Regeneration and Culture
Key Decision	Yes
Public or Private	Part exempt Exempt Information, Local Government Act 1972, Schedule 12A Part 1 Paragraph 3

Purpose of report

In September 2021, the South Yorkshire Mayoral Combined Authority (SYMCA) submitted a bid to the Department of Transport (DfT) to secure funding from the City Region Sustainable Transport Settlement (CRSTS). Working to an anticipated, overall expected allocation of £400m, a SYMCA request was to submit a list of schemes that met with the DfT criteria which were:

- Driving growth and productivity through infrastructure investment
- Levelling up services towards the standards of the best; and
- Decarbonising transport, especially promoting modal shift from cars to public transport, walking and cycling

The CRSTS incorporates a consolidation of funding from the previous allocations of the Highway Maintenance Block (HMB), Potholes Fund and the Integrated Transport Block (ITB).

In April 2022 it was announced that the allocation to the SYMCA was £570m, with Barnsley's allocation being over £70m, which includes a "top slice" of £20m for Highway Maintenance and £5.5m for the Local and Neighbourhood Transport Complementary Programme (LNTCP), which in effect replaces the former Integrated Transport Block (ITB).

Since April both the DfT and SYMCA have been working to finalise the list of schemes and outputs and had requested further information on a number of schemes. With the release of the Integrated Rail Plan, where rail improvements in the Barnsley area were not supported, the DfT removed two of Barnsley's schemes – the Dearne Valley Parkway Park & Ride (funding to create a car park at the proposed rail station) and the Barnsley Station Platform Extensions.

We will however, use the CRSTS revenue funds to continue with the feasibility for these two schemes

The DfT are now satisfied with the final list of schemes and have HM Treasury approval to release the funds. A report to SYMCA has formally accepted this funding and it is for Cabinet to accept the Barnsley element of this allocation.

The purpose of the report is to seek approval for:

- The acceptance of the overall allocation of £70.3m CRSTS funding from the South Yorkshire Mayoral Combined Authority (SYMCA)
- To present the proposed schemes to be delivered through the CRSTS funds
- To seek approval to undertake feasibility work, submit Strategic Outline and Full Business Cases for the individual schemes for submission to SYMCA
- To advise Cabinet that it may be necessary to negotiate and purchase land and rights over which schemes will be constructed
- To seek formal approval from Cabinet to use Compulsory Purchase Order powers to provide certainty that land and any rights required for the construction over which schemes will be constructed
- To seek formal approval from Cabinet to prepare and progress any statutory procedures required to develop and deliver the proposed schemes to ensure that the overall aims and objectives of the schemes are delivered.

Council Plan priority

Sustainability

Recommendations

That Cabinet:-

- Authorises the acceptance of the overall CRSTS allocated funding of £70.3m for the development of the list of schemes shown in Appendix A, the HMB and the LNTCP funding
- **That the Executive Director of Core Services, in consultation with the Executive Director of Growth and Sustainability, where appropriate and compliant with BMBC processes, be authorised to:**
 - negotiate the terms, conditions of, and final approval of any Grant funding agreement, for the delivery of the Barnsley CRSTS proposed schemes set out in Appendix A (part exempt) attached to this report;
 - conclude the approval and funding processes with SYMCA, appoint consultants to assist with the delivery of schemes, accept tenders, appoint where necessary a contractor to implement the delivery of the proposed schemes, subject to the costs being contained within the Grant Funding Agreement;
 - where necessary, apply for any necessary consents, licence arrangements, footpath diversions, traffic regulation orders, closure orders, prepare details of and publish a Side Roads Order under sections 14 and 125 of the Highways Act 1980 to deal with any required changes to the existing highway network to accommodate the scheme, to submit any orders to the Secretary of State for Transport for confirmation and to take all necessary steps to secure confirmation of any Order including (if necessary) supporting the Order at a local public inquiry;

- Give approval to make a Compulsory Purchase Order under section 239 of the Highways Act 1980 (if necessary) and if needed, to use the enforcement provisions provided to secure the necessary land to construct any of the schemes listed in Appendix A.
- **The Head of Property be authorised to:**
 - Enter into negotiations with any private landowner(s) to acquire privately owned land or property and enter into agreements to occupy land not in the ownership of the local authority. Give approval to make a Compulsory Purchase Order under section 239 of the Highways Act 1980 (if necessary) and if need be, to use the enforcement provisions provided to secure the necessary land to construct any of the schemes listed in Appendix A (part exempt).
 - Also, to complete any variation to any existing leases on the occupation of land owned by the local authority, if required, and where necessary negotiate compensation payments to facilitate the delivery of the proposed Barnsley CRSTS schemes.
- **The Executive Director for Growth and Sustainability be authorised to:**
 - develop and submit the Barnsley CRSTS schemes for Strategic Outline and Full business case as detailed in the appendices to this report, noting that
 - all submitted schemes are still subject to detailed design and cost reviews by SYMCA.
 - submit any change variation requests to SYMCA in relation to the schemes.
 - where necessary to retain external grant funding secured, whilst ensuring that the overall aims and objectives of the scheme are achieved.
 - be authorised to seek any necessary planning permission, (outline or full) for the proposed schemes in relation to the Barnsley CRSTS projects detailed in Appendix A.
 - under the terms of the Barnsley Contract Procedure rules consider whether the works, services or goods can be provided in house or if necessary
 - seek tenders for any aspect of the project and appoint the successful tender on the basis of most economically advantageous bid.
 - be authorised to undertake all necessary steps to secure delivery of the proposed Barnsley CRSTS projects outlined in Appendix A where funding has been secured.

1. INTRODUCTION

- 1.1 To provide Cabinet with information to consider acceptance of £70.3m CRSTS funding.

2. PROPOSAL

- 2.1 In May 2021, the DfT announced what was then called the Intra City Transport Settlement (ICTS) where Local Authorities were invited to submit a list of schemes to be considered.

- 2.2 Over the summer months, several iterations of the ICTS were put forward with a final business case submission being made in January 2022 – the fund was subsequently renamed the City Region Sustainable Transport Settlement (CRSTS). The list of schemes submitted for the Barnsley bid were presented to Members in December 2021.
- 2.3 In April 2022 an award was made to SYMCA of over £570m. Of the £570m, the allocation for Barnsley MBC is just over £70.3m. £25.5m of this was previously the Highways Maintenance Block (£20m) and Integrated Transport Block (£5m).
- 2.4 In addition to Barnsley's CRSTS capital allocation, the DfT also awarded revenue funding of £5.2m for local authorities to commence project feasibility work. The allocation confirmed for Barnsley of this funding is £1.520m. Cabinet have already accepted these funds (Cab.16.6.2022/100).
- 2.5 Officers within the Strategic Transport team (Highway Design, Transport and Highway Development Management) and the wider Highways & Engineering team have been consulted on the proposed schemes and have provided input into these schemes. They are also working on developing additional schemes when more new funding comes through, or existing schemes need to be varied.
- 2.6 Once acceptance of the overall CRSTS is confirmed and funding has been received, feasibility work will commence and strategic outline business cases prepared, which will enable funding equivalent to 2% of the scheme value to be drawn down to start detailed design and ultimately the scheme construction.
- 2.7 The £25m of the CRSTS allocation that covers former HMB and ITB funding is dealt with through the annual Highways Capital Programme and no businesses cases are required to secure this funding.
- 2.8 As with all DfT funding, there are a series of objectives the scheme must meet. In the case of CRSTS these are:
- **Driving growth** and productivity through infrastructure investment, how proposed transport interventions will lead to increased growth and productivity
 - **Levelling up** services towards the standards of the best, how proposals would increase connectivity from areas that most need access to jobs and amenities to urban centres
 - **Decarbonising transport**, especially promoting modal shift from cars to public transport, walking and cycling. Congestion and pollution measures will be assessed positively, proposals should show how they tackle congestion, promote the use of public transport and improve air quality
- 2.9 The proposed Barnsley CRSTS schemes will focus on investment based on the 3 themes and include a range of projects that align with SYMCA's themes identified in section 2.8 above:
- **A628, A635, Town End and Penistone** - include highways and bus priority interventions to speed bus journey times, improve air quality, reduce congestion and support access to employment. The interventions are intended to make public transport more attractive by making bus services quicker and, therefore, more attractive over the private car.
 - **Active Travel Schemes**, which comprise walking and cycling infrastructure that increases cycling and walking connectivity beyond the existing network and help

complete the overall network, and provide a safe and attractive alternative to private car use, thus reducing congestion and improving air quality and further encouraging healthy activity. The schemes proposed include high quality infrastructure, including off-road segregated footway level cycle tracks, improved crossing facilities within all routes, rationalisation of street furniture (de-cluttering unnecessary street furniture as well as non-essential highway signs), have higher quality bridleways and public rights of way, and by utilising disused railway lines, provide a more cohesive network that is far more effective for road users, is inclusive for mobility users, and attracts a higher number of walking and cycling trips to employment hubs, schools, town centre, and recreational usage.

- The interventions include better connectivity between the Principal Towns and the Town Centre, giving easier access to new investments, particularly around retail, training, and employment.

2.9 Aligning the Barnsley proposed TCF and CRSTS projects with the above themes is a major step change in the direction to encouraging active travel and modal shift throughout the borough, and this could impact on the traditional car user, vehicle /traffic priority and car journey times.

2.10 A detailed list of the proposed schemes is attached at Appendix A (part exempt).

3 IMPLICATIONS OF THE DECISION

3.1 Financial and Risk

3.1.1 Consultation on the Financial Implications of this report has taken place with representatives of the Service Director Finance (Section 151 Officer).

3.1.2 Approval is sought to accept £70.3m capital funding to support the City Region Sustainable Transport Settlement (CRSTS) programme to 31 March 2027 for the projects identified in Appendix A (Exempt). Not all of this is new money as the CRSTS incorporates funding previously allocated through the Highway Maintenance Block (HMB) (£20m), and Potholes Fund and the Integrated Transport Block (ITB) (£5.5m). The profile for spending the funds is not prescribed but the Council will have just 5 years to deliver the schemes from date of formal acceptance. Drawdown will be phased as follows: 2% on commencement of Outline Business Case; 10% on commencement of Full Business Case. The balance will be claimed as the work progresses on a quarterly basis.

3.1.3 Details of individual scheme costs remain subject to review with SYMCA to ensure consistency of approach and affordability within the overall indicative funding scenarios. These may also change following the preparation of the Outline and Final Business Cases and formal tendering processes. There will be scope to add or drop schemes if the tendered / actual expenditure comes in lower or higher than the estimates agreed with SYMCA to use up to £70.3m of the allocated funding. BMBC Finance Officers will continue to work closely with the Transport Team to ensure project spend remains within the available CRSTS funding allocation.

3.1.4 No financial contribution is required from the Council to progress the recommendations outlined in this report.

3.1.5 Update reports on each approved scheme will be provided in due course advising on the outcome of the feasibility work undertaken along with any subsequent Outline and Full Business Cases to support projects.

3.1.6 Appendix A (part exempt) provides a summary of the financial implications arising from the recommendations in this report.

3.2 Legal

3.2.1 The use of the funds will be subject to SYMCA's terms and conditions.

3.2.2 Section 239 of the Highways Act 1980 - Acquisition of land for construction, improvement etc. of highway – provides powers to highway authorities to acquire land required for the construction of a highway which is to be a highway maintainable at the public expense. At this stage, the need to acquire land is unknown; schemes have not been developed and, should land be required we will use best endeavours to acquire land through negotiation, using CPO powers as a last resort.

3.2.3 The Council will not move straight to compulsory purchase action as this is not only contrary to guidance but is a potentially drawn out and a resource intensive process. It should also be noted that at this stage, feasibility design on any of the schemes listed in Appendix A has been undertaken. The compulsory purchase procedure may take 2 years, although an accurate timescale is impossible as there are many unknown variables. The costs associated with the compulsory purchase procedure can be in excess of £100k as well as any acquisition costs. In any event, compulsory purchase must be a matter of last resort after all other options have been exhausted. In the first instance therefore, every effort will be made to acquire all land required to build the schemes by negotiation.

3.2.4 However, the Council needs certainty that the schemes can progress, and therefore it is sensible to seek authority to commence CPO proceedings in due course should all other options to secure land have been exhausted.

3.2.5 Any Compulsory Purchase Order will follow existing legislative procedures. All parties included in the Order have the right to object to the Secretary of State. On receipt of valid objections, the Secretary of State will appoint an Inspector who will arrange a Public Inquiry.

3.2.6 Matters of compensation are not valid objections and should be referred to the Lands Tribunal, separately from the compulsory purchase process for determination. Following the Inquiry, the Secretary of State will make a decision whether to confirm, modify or refuse to confirm the Order.

3.2.7 The decision of the Secretary of State can be challenged. Landowners will receive compensation based on the compensation code principles

3.3 Equality

An Equality Impact Assessment (EIA) pre-screening has been completed in accordance with the EIA policy. For the purpose of this report, no potential for unlawful discrimination and / or low level or minor negative impact has been identified, therefore a full EIA has not been carried out. However, for the individual work streams / projects individual EIA's will be undertaken.

3.4 Sustainability

The Sustainable Decision Wheel has been completed which shows positive impacts for the schemes to be delivered.



3.5 Employee

There are no issues arising directly from this report. The recently accepted Revenue Funding as well as this capital funding will enable additional resources to be brought in as and when required. The CRSTS programme funding is released in stages to develop the Strategic Outline and Full Business Cases which will cover existing staff costs.

3.6 Communications

All SYMCA business case submissions are high profile schemes and appropriate communication strategies are being developed linked to the signing of the funding agreement. Releases will also need to be agreed and co-ordinated with SYMCA arrangements.

Timely and accurate information will be provided through appropriate press releases, social media/website updates, local member briefings, and engagement with key stakeholders

4. CONSULTATION

Consultation has taken place with representatives from across Barnsley Council to help improve design which included Planning, Highways and Environmental and Regeneration Services. It is expected that separate consultations will occur with both external and internal stakeholders as the schemes progress through feasibility towards final design

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The only other option would be for the Council not to accept the Funding. This would result in reputational damage for the Council.

6. REASONS FOR RECOMMENDATIONS

To receive the allocation of over £70.3 m for the delivery of major highway infrastructure, the Highway Maintenance and active travel schemes.

It will help protect the Council's finances in the future, by providing revenue for staff costs.

7. GLOSSARY

SYMCA - South Yorkshire Mayoral Combined Authority (SYMCA) submitted a bid to the DfT – Department of Transport
CRSTS - City Region Sustainable Transport Settlement
HMB - Highway Maintenance Block
ITB - Integrated Transport Block
LNTCP - Local and Neighbourhood Transport Complementary Programme
TCF - Transforming Cities Fund

8. LIST OF APPENDICES

Appendix A: Financial Implications (part exempt)

9. BACKGROUND PAPERS

[Details of background papers **MUST** be included]

If you would like to inspect background papers for this report, please email governance@barnsley.gov.uk so that appropriate arrangements can be made

10. REPORT SIGN OFF

Financial consultation & sign off	Senior Financial Services officer consulted and date Maq Ahmed 6 September 2022
Legal consultation & sign off	Legal Services officer consulted and date Jason Field 6 September 2022

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Post: Head of Strategic Transport
Date: 6 September 2022