

Decision maker: Traffic and Transportation
14 March 2013

Subject: Local Sustainable Transport Fund

Report by: Head of Transport and Environment

Wards affected: All

Key decision (over £250k): No

1. Purpose of report

- 1.1 The purpose of this report is to provide an update on the delivery programme of the Local Sustainable Transport Fund (LSTF).
- 1.2 The programme comprises both the Portsmouth City Council package and the Portsmouth and joint elements of the Transport for South Hampshire (TfSH) package.

2. Recommendations

- 2.1 **That the revised LSTF delivery programme is approved.**
- 2.2 **Delegated authority is continued to be awarded to the Head of Transport and Environment in consultation with the Cabinet Member for Traffic and Transportation and the Head of Finance to agree any minor amendments to the LSTF delivery programme plan that may be required.**

3. Background

- 3.1 The Department for Transport announced in early 2011 the release of £560m as the Local Sustainable Transport Fund. Local authorities were invited to bid with either a small package for up to £5m or a large package, over £5m. The bids submitted had to demonstrate key objectives; economic growth (primarily job creation) and carbon reduction. It was also essential to have partnership involvement and match funding. Additional benefits such as social, health, safety and air quality were looked upon favourably.
- 3.2 Portsmouth City Council submitted a small bid to the LSTF in February 2012 seeking £5m with a total package value of £7.15m. The package "A Sustainable and Connected Centre – Supporting Portsmouth's Retail, Tourism and Wider Economy" was developed following stakeholder engagement.

- 3.3 Portsmouth also submitted a large bid with Hampshire County Council and Southampton City Council as the Transport for South Hampshire (TfSH) partnership. TfSH were one of 13 authorities asked to develop their initial bid and submit a Full Business Case. The bid “A Better Connected South Hampshire” was submitted in December 2011 and sought £17.8m from the fund for a total package of £31.2m across the three authorities.
- 3.4 In early summer 2012, announcements were made that both bids had been successful in their entirety. Since this time the project teams have been further developing the programmes to ensure they are deliverable and the spend per year identified in the bid package is achievable
- 3.5 The funding received through the LSTF is ring fenced and can only be used against the measures identified within each LSTF package respectively. The measures must form comprehensive packages and it is with this in mind that the detailed schemes have been identified.

Delivery Programme

- 3.6 The revised three year delivery programme is attached in Appendix A and outlines the schemes being taken forward and those already completed.
- 3.7 It is important to note that if the total spend for each financial year is not met as outlined in the bid documents, the funding unspent will be lost and cannot be carried over to future years.
- 3.8 In October 2012 and then again in December 2012 the Department for Transport provided the opportunity for LSTF authorities to defer some of their 2012/13 funding to later years. Portsmouth decided to take these opportunities for both their small bid and their share of the TfSH package. This decision was taken to safeguard some of the funds for higher risk projects which would be lost if not spent by 31 March 2013.
- 3.9 The three tables below show the original budget profile, the revised profile agreed in October 2012 and the revised profile agreed in January 2013 for the Portsmouth City Council package.

Original budget profile £K	2012-13	2013-14	2014-15
Revenue	532	529	473
Capital	1,335	958	1,173

October 2012 Revised budget profile £K	2012-13	2013-14	2014-15
Revenue	381	657	496
Capital	905	831	1,730

January 2013 Revised budget profile £K	2012/13	2013/14	2014/15
Revenue	242	796	496
Capital	377	1,359	1,730

3.10 The revised Portsmouth share of the TfSH package is;

January 2013 Revised budget profile £K	2012/13	2013/14	2014/15
Revenue	65	540	478
Capital	208	340	877

3.11 It is not anticipated that any further opportunities will be provided for budget profile alterations.

Next steps

3.11 With the approval of the revised delivery programme, a revised forward plan will be developed to ensure available resources for the remaining bid period. This will include gaining approval through the consultation sign off process, detailed design of individual projects may be brought back to the portfolio holder or Cabinet as appropriate.

3.12 Key achievements in 2012/13 include;

- Development of Wayfinding strategy
- Installation of some cycle routes
- Installation of cycle parking improvements
- Feasibility of rail station improvements
- Design of junction improvements including some installation completed
- Personal Journey Planning pilot.

3.13 Key project milestones expected in the first half of 2013/14 include;

- Installation of the Wayfinding network
- Installation of Brompton bike hire
- Consultation on Southsea Town Centre Improvements
- Launch of park and sail to Gunwharf Quays
- Launch of on-street travel advisors
- Personal Journey Planning

- Continuation of workplace travel planning
- My Journey brand awareness campaign
- Improved cycle parking at rail stations
- Schools mode-shift

4. Reasons for recommendations

4.1 The delivery programme has been developed to form a coherent package which meets the objectives of the bid.

4.2 Delegated authority is required for any minor amendments to the delivery programme to ensure delivery to time and that the external funding is not lost.

5. Equality impact assessment (EIA)

5.1 A preliminary equality impact assessment has been undertaken for the LSTF programme.

6. Head of legal services' comments

There are a variety of partners both in providing match funding for aspects of the delivery programme and also in carrying out work required. Combined with this the particular schemes vary widely in the nature of activities involved and in complexity of their procurement issues.

Accordingly a number of different procurement routes need to be developed (with flexibility retained for amendments to the overall schemes) which shall protect the Council's interests and ensure that the various obligations entered into with the DfT, Hampshire County Council in its lead role and other partners are backed off and accounted for in the documentation used in the schemes.

The terms and conditions used to secure delivery and grant fund elements of the delivery programme on behalf of the Council need to be designed to help ensure that the requisite timescales of the programme are met and that funds are not given out by the Council for work that cannot be recovered by the Council under the LSTF.

7. Head of finance's comments

Portsmouth City Council has been directly awarded £5m from the Department of Transport (DfT) in relation to the Local Sustainable Transport fund (LSTF). This funding is to be spent on a mixture of Capital and Revenue initiatives. The programme as a whole will cost £7.146m (including local contributions).

These local contributions are made up of a mixture of match funding from the City Council and financial contributions from external organisations such as South West Trains. The City Council continues to work with other partner organisations to ensure that the match funding required is secured. The City Council has identified its contributions, this is made up of capital contributions from the City Council's already approved capital programme and match funding from the Traffic and Transport portfolios existing cash limit.

The DfT award letter states in the terms and conditions that any underspends relating to this initiative can not be carried forward, and that any goods or services should have been received in the year in which the claim is made.

The table below details when expenditure should be incurred and the split between revenue and capital and also the amount of local contributions.

PCC LSTF – direct award	2012/13	2013/14	2014/15	Total
	£'000s	£'000s	£'000s	£'000s
Revenue Funding Awarded	242	796	496	1,534
Capital Funding Awarded	377	1,359	1,730	3,446
Total Grant Funding	619	2155	2226	5000
Local Contributions	646	400	1,100	2,146
Total Scheme Budget	1265	2555	3326	7146

The programme requires the City Council to work with a number of other external organisations. Procurement regulations and consultation may mean that the City Council may not be able to fully meet the programme as detailed in the report as some of the schemes progress and change.

Given the terms and conditions of this grant and the requirement to incur expenditure in line with the profile above the Head of Transport and Environment with delegated authority may be required to make amendments to the programme detailed in this report to ensure that the maximum external funding contribution is claimed.

Portsmouth City Council as part of the Transport for South Hampshire (TfSH) group also successfully secured a grant of £17.839m to be spent between 2012/13 and 2014/15. This is subject to very similar terms and conditions as the Portsmouth bid and once again there may be a requirement to alter the programme to maximise the amount that can be claimed.

Portsmouth City Council is required to provide match funding to support this bid of £309,000, this funding has been identified through a mixture of revenue

funded posts and LTP contributions from its already approved capital programme.

Hampshire County Council have taken the lead project management role in respect of this award and the City Council are working with them to develop a comprehensive programme to ensure that the objectives of this bid are met.

The table below details the grant award split by revenue and capital and also details the total local contribution and PCC's share of this contribution.

TfSH LSTF	2012/13 £'000s	2013/14 £'000s	2014/15 £'000s	Total £'000s
Revenue Funding Awarded	908	3,230	1,947	6,085
Capital Funding Awarded	1,813	5,925	4,016	11,754
Total Grant Funding	2,721	9,155	5,963	17,839
Local Contributions	2,875	2,285	1,153	6,313
Total Scheme Budget	5,596	11,440	7,116	24,152

PCC specific schemes share of TfSH LSTF	2012/13 3 £'000s	2013/14 £'000s	2014/15 5 £'000s	Total £ '000s
Revenue	65	540	478	1,083
Capital	208	340	877	1,425
Total	273	880	1,355	2,508
PCC matched funding-local contribution	233	76	0	309

Once again given the terms of this grant it may require the Head of Transport and Environment to have delegated authority to alter the programme to maximise the amount that can be claimed.

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 Signed by:

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
PCC LSTF bid	http://www.portsmouth.gov.uk/living/23998.html
TfSH LSTF bid	http://www.portsmouth.gov.uk/living/23998.html
Report to Traffic and Transportation 27 September 2012	http://www.portsmouth.gov.uk/yourcouncil/27252.html

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: