

Meeting: Solent Growth Forum
Date: 7th June 2016
Item 6: Large Local Major Transport Fund

This report provides an update to for the Solent Growth Forum on the Department for Transport's (DfT) Large Local Major Transport Fund (LLMT), which LEPs have been invited to bid to.

In the March Budget, the Chancellor announced that the Government is inviting bids for schemes from the £475m Large Local Major Transport Fund (LLMT) across the period 2016/17 to 2020/21. The profile of the funding is provided in the table below.

2016/17	2017/18	2018/19	2019/20	2020/21
£10m	£45m	£45m	£95	£280

£151m of this funding has already been allocated to two schemes in East Anglia, leaving £324m available across the period. The majority of funding is available in 2020/21 (£280 million / 60%). Only £10 million is available in 2016/17. It is accepted that some schemes may require funding beyond 2020/21.

A letter from the Minister of State for Transport, Robert Goodwill MP, inviting LEPs to apply for this funding, is provided in annex 1. The aim of the fund is to support those exceptionally large and potentially transformative local schemes that are too big to be funded through the Local Growth Fund allocations and could not otherwise be funded.

Eligible schemes will need to be large and transformative, and cannot be funded with regular Local Growth Deal allocations and should not be divisible. There is a presumption against Network Rail (NR) or Strategic Road Network (SRN) schemes that could be progressed through the capital programmes of these delivery agencies. DfT are the scrutineers for the LLMT Fund, and successful proposals are expected to generate attractive levels of local finance. Dialogue has confirmed that the following categories of schemes would be eligible for funding:

- a) Light rail schemes if no other funding exists
- b) Bus rapid transit as a local road scheme
- c) Bridges and enhancements would be eligible as long as there is no other funding option.
- d) Transport hubs for passengers and freight (e.g. a focus on the park element of park and ride)
- e) Ferry infrastructure

Bids can be for development costs (to produce an Outline Business Case - OBC) or preparation/construction of a scheme (if an OBC already exists). The deadline is 31st May 2016 for "advanced" schemes requesting development funding with a decision expected by summer. The initial timetable for bids is set out in the table below.

Bid Type	Deadline for bids	Decisions by	Bids invited
2016 fast track	31 May	Summer recess 2016	Development funding only for 2016/17
2016 main round	21 July	Autumn statement 2016	Development funding or scheme funding

There will be subsequent rounds so that schemes awarded development costs in the above rounds will be considered for scheme funding at a later date. The timescales for these further rounds will be advised later this year.

Across the 39 LEPs the average minimum capital cost bid threshold is circa £50 million for a large scheme. For Solent LEP it is £69m. This would suggest that up to seven projects could be funded nationally.

Forum Members may be aware that within the March 2016 Budget, Chickenhall Link Road in Eastleigh was specifically mentioned as a scheme that may be suitable for LLMT Funding. The LEP has engaged AECOM to undertake prioritisation of the projects within the recently published [Transport Investment Plan](#), within the context of the LLMT Fund guidance. In addition, the LEP has been working with Solent Transport and the four Local Highway Authorities identify potential projects. At the time of writing this work is ongoing and an update will be provided at the SGF meeting

The Solent Growth Forum is asked to:

- **Note** the update on the Local Large Major Transport Fund.