CITY OF WOLVERHAMPTON COUNCIL	Cabinet 20 March 2024			
Report title	Major Investment in Our City's Strategic Transport Infrastructure			
Decision designation	AMBER	AMBER		
Cabinet member with lead responsibility	•	Councillor Craig Collingswood Environment and Climate Change		
Key decision	Yes			
In forward plan	Yes			
Wards affected	All Wards			
Accountable Director	John Roseblade, Director of Resident Services Stuart Everton, Black Country Director of Transport			
Originating service	Transportation			
Accountable employee	Marianne Page Tel Email	Head of Strategic Transport 01902 551798 <u>Marianne.Page@wolverhampton.gov.u</u>		
Report to be/has been considered by	Directorate Leadership Team (RSLT) Investment and Economy Matrix Group Strategic Executive Board Cabinet Member Briefing		27 February 2024 22 February 2024 5 March 2024 7 March 2024	

### **Recommendations for decision:**

The Cabinet is recommended to:

- 1. Approve the list of projects for Wolverhampton Strategic Transport and Black Country Transport development and implementation as part of the Transportation Capital Programme 2024-2025 and future years, as set out in Appendices 2 and 3.
- 2. Authorise the Head of Strategic Transport to proceed with development work for each project detailed in Appendices 2 and 3 including surveying, site investigation, options appraisal. Feasibility analysis, traffic modelling, detailed design, statutory advertising and public consultation, as appropriate.

- 3. Approve capital and revenue budgets for 2023-2024 and 2024-2025 as set out in section 6.2 subject to the confirmation of funding. Approve entering into grant agreements for those named projects for approval.
- 4. Approve revenue development schemes in section 6.5 to be funded as part of the approved revenue budgets for 2023-2024 and 2024-2025 and transfer the relevant grant to Walsall Council for development work they have undertaken.
- 5. Delegate authority to the Cabinet Member for Environment and Climate Change, in consultation with the Director of Resident Services and Director of Finance to approve the implementation of any development and delivery works on projects in Appendices 2 and 3 subject to the satisfactory outcome of public consultation, budget approval and any other relevant considerations.
- 6. Delegate authority to the Cabinet Member for Environment and Climate Change and the Cabinet Member for Resources, in consultation with the Director of Resident Services and Director of Finance to approve appropriate virements between existing approved budgets within the transport capital programme, maximising use of resources.
- 7. Authorise the Chief Operating Officer to serve all necessary notices in respect of the projects listed in Appendices 2 and 3 and, subject to there being no unresolved objections, make traffic regulation orders as required.
- 8. Authorise the Black Country Director of Transport to enter into funding agreements with Black Country Authorities to passport Black Country Transport scheme funding in accordance with the approved collaboration agreement.

### **Recommendations for noting:**

The Cabinet is asked to note:

- That the Cabinet Member for Environment and Climate Change and Cabinet Member for Resources, in consultation with the Director of Resident Services, Director of Finance and Chief Operating Officer will approve any new supplementary capital and revenue budgets for any projects from Appendices 2 and 3, fully funded through either external resources or reserves, in accordance with supplementary budget procedures.
- The inclusion of revenue funding as part of the City Region Sustainable Transport Settlements (CRSTS) Development Funding package, Capacity Funding and Capability and Ambition Fund (CAF) to support the development of the programme and the wider Black Country Transport Programme. To note the projected revenue outturn for 2023-2024 and 2024-2025 and this will be subject to ongoing review.
- 3. The Head of Strategic Transport and Black Country Director of Transport will make applications and bids for additional external funding and that agreement ahead of submission will be obtained from the Director of Finance and appropriate governance will be followed to amend budgets on receipt of such funding.

- 4. The Director of Finance will approve the Council entering into funding agreements with the various funding bodies to receive both capital and revenue grant funding in respect of the delivery of projects included in this report including the development of schemes and management of the Black Country Transport Programme.
- 5. This Black Country Transport and Wolverhampton Major Transport Investment Programme is complementary and aligns with the work of the Highways Capital Programme Report that it also scheduled to be considered by Cabinet on 20 March 2024. Note the inclusion of £100,000 of Advanced Design budget in the Highways Report for the development of schemes included in this programme.

# 1.0 Purpose

1.1 To provide an overview of the major transportation investment programme, and development activities for the wider Black Country area being undertaken by Black Country Transport (BCT). The report seeks approval for the development and delivery of a programme of capital infrastructure projects, to maintain and enhance the Wolverhampton strategic transport project pipeline and wider Black Country transportation network where relevant, for the financial year 2024-2025 and future years, subject to available resources and annual review.

# 2.0 Background

- 2.1 An efficient, safe and smooth flowing highway network that accommodates all modes of transport is an essential element of economic productivity and social connection. City of Wolverhampton along with BCT must make the most of investment opportunities to enhance and improve the transportation network, supporting businesses and helping to achieve our sustainable regeneration ambitions and climate change commitments along with the objectives of Our City, Our Plan. This report outlines the pipeline of major transportation investment planned for Wolverhampton, and progress towards securing funding and delivery.
- 2.2 As host authority for Black Country Transport, this report also outlines the substantial capital and revenue budgets associated with the organisation which operates to deliver major transport investment across the four Black Country Authorities. A breakdown of the Wolverhampton and proposed cross boundary schemes for development through 2024 2025 is included within Appendix 2, along with details of the external funding which is expected to be drawn down to support the development of priority schemes.

# 3.0 Programme Progress

- 3.1 The BCT and Wolverhampton Major Investment Programme has previously been included as part of the annual Wolverhampton Transportation Capital Programme reporting. These activities are now being reported separately due to the considerable scale of the programme and the numerous available funding sources.
- 3.2 BCT have continually supported the development of major transportation infrastructure improvements in all Black Country Authority areas. In partnership Wolverhampton continues to successfully develop and deliver an ongoing programme of multi-million-pound improvements across the city's transportation network. Appendix 1 includes the latest forecast outturn figures for the major transport schemes within Wolverhampton for 2023 2024.
- 3.3 Notable schemes that have progressed in 2023 2024 year are set out in Table 3.1 below.

Table 3.1 Notable scheme development and delivery 2023-2024			
Programme / Project	Comment		
Active Travel Funding	For Wolverhampton this has included successful completion of the A4124 cycle route, and securing £2.5 million to deliver a route cross boundary route from Noose Lane along the A454 and on towards Willenhall.		
A454 Phase 1 & 2	The Outline Business Case submission for over £45 million of Major Road Network funding to Department for Transport (DfT) and CRSTS funding from Transport for West Midlands (TfWM) has been submitted for consideration.		
City Centre Public Realm Improvements – Victoria Street and Civic Halls	The successful completion on time and within budget of circa £16 million worth of Future High Street Fund works to improve the public realm in these key city centre locations.		

- 3.4 The schemes for approval in 2024-2025 are set out in Appendix 2, these are larger scale strategic schemes across Wolverhampton and the Black Country that are mostly externally funded. The schemes specifically seeking budget approval in this report include:
  - A. Low Emission Vehicle Infrastructure (LEVI) revenue funding has been allocated to provide capacity to develop the implementation of EV infrastructure across the Black Country, totalling £246,820 in 23/24 and £246,820 for spend in 2024-2025
  - B. Black Country Active Travel schemes funded through Transforming Cities Fund (TCF) reallocated from A34 scheme to approve £115,000 of TCF Tranche 1 grant for the development of Black Country Active Travel Routes that has been redistributed by the West Midlands Combined Authority (WMCA). This funding will be used to develop the A457 and Walsall Town Centre to Sandwell Valley Park corridors. The schemes will focus on developing walking and cycling zones to encourage active travel within the area with Wolverhampton leading acting as accountable body.
  - C. A4123 Further draw down of £350,000 from the exiting CRSTS allocation for the corridor. The funding is to continue with the planned ongoing development of £29 million worth of multi modal cross boundary improvements by 2027.
- 3.5 Appendix 4 includes a plan showing the major scheme development locations, along with some of the wider cross boundary and cross service considerations for Strategic Transport. The Local Transport Plan and other regional and neighbouring strategies also

need to be considered as part of the work programme for both Wolverhampton and the Black Country team. These plans inform the direct development activities as outlined in this report, but also some of the participation in wider discussions to influence investment by other organisations such as Transport for West Midlands, West Midlands Combined Authority, Midlands Connect and Department for Transport, along with the priorities of neighbouring authorities whose decisions will impact upon our network.

- 3.6 The majority of funding will be allocated through the secured five-year City Region Sustainable Transport Settlement (CRSTS). Funding for both Highway Maintenance and the former Integrated Transport Block have also been subsumed into the CRSTS and this will be included in the separate Highways Capital Programme report. As an accountable body West Midlands Combined Authority (WMCA) will be allocating funds through its Single Assurance Framework (SAF) with incremental approvals being agreed relative to the stage each project is at within the lifecycle (i.e strategic / outline / final business case). Funding for the estimated scheme totals has not necessarily been secured but approval is sought to pursue development and funding opportunities. Table 3.2 below includes some of the key strategic priorities included in the 2024-2025 programme.
- 3.7 The strategic transport programmes focus is to support the outcomes of Our City, Our Plan by facilitating multi modal improvements on priority corridors, supporting wider economic investment through fit for purpose infrastructure, and maximising the external funding coming to Wolverhampton to deliver targeted transport improvements across network.

Table 3.2 Key strategic priorities – Wolverhampton				
Programme / Project	Comment	Estimated	Estimated	
		Scheme	Expenditure	
		Total	2024-2025	
		£000	£000	
City East Gateway Phases 1 & 2 – Walk, Cycle and bus Corridor	Major Scheme discussions ongoing with DfT, CRSTS contribution to development secured, with Local Contribution also expected.	50,000	4,320	
City Centre Public Realm – Phase 2, Access and Movement	Transformational change to City Centre, with Towns Fund contribution secured and CRSTS business case submitted along with ATF4e funding	19,102	9,072	

Active Travel	Delivery of Active Travel	6,792	6,320
Infrastructure	Fund 3 schemes at Noose		
	Lane and along the A4124		
	and City Centre Ring Road		
Zero Emission Vehicles	Electric Vehicle charging to	7,494	7,220
(ORCS/ULEV/LEVI)	be in place at supported by		
	the on street residential		
	charging scheme (ORCS)		
	through the Office for Zero		
	Emission Vehicles (OZEV)		

- 3.8 As the Host Authority for the Black Country Transport team, Wolverhampton will be facilitating the financial activities for the development of Black Country strategies and schemes. This includes securing a variety of external funding opportunities for work commissioned directly by BCT, or work to be undertaken by other Black Country Authorities.
- 3.9 Details of the capital and revenue funding sources to support the identified projects are detailed in table 3.3 below, and reference within the financial implications of this report.

### Table 3.3 Funding Sources

**City Region Sustainable Transport Settlement (CRSTS) Capital Allocations** – A five year funded programme for the region to support Local Network Improvement Plan (LNIP) delivery (Network Management, Highway Maintenance, Road Safety etc...) and deliver large scale transportation interventions. The CRSTS programme has been agreed at a regional level with work ongoing to develop and deliver the identified schemes.

# CRSTS Development Funding (Revenue) -

Alongside the CRSTS capital allocations, revenue funding to support early stage development of schemes has been allocated across Local Authorities.

### Active Travel Funding (ATF) -

Opportunity funding facilitated through Active Travel England for bids to deliver high quality cycling and walking infrastructure. We are now in ATF round 4 and Wolverhampton has successfully secured funding through all tranches of the fund.

# Major Road Network (MRN) –

Directly administered through the Department for Transport (DfT) with support from Midlands Connect, this funding is available to deliver large scale transport interventions with a regionally significant impact. Wolverhampton have 1 scheme within the current MRN Programme, the A454 Phase 1 and 2 Improvements.

### Capability and Ambition Fund (CAF) -

Revenue funding provided through the West Midlands Combined Authority (WMCA) to support the early development of schemes which demonstrate ambitious plans to deliver innovative and high quality sustainable transport infrastructure.

**Low Emission Vehicle Infrastructure (LEVI) Revenue Funding** - Capacity finding from Central Government to support delivery of the national LEVI Strategy (2019 - 2029), the objectives of which are aligned with delivery of the Black Country Low Emission Vehicle Strategy.

**On Street Residential Charging Scheme (ORCS) Capital Funding -** Launched by Office of Zero Emission Vehicles (OZEV) direct capital for implementing on street charging.

- 3.10 Future years CRSTS Development funding (revenue) is anticipated to be awarded, this will be accepted in principle according to the recommendations and be used for further development of the named schemes within Appendix 2 for Wolverhampton and BCT.
- 3.11 Total capital scheme delivery costs have been included alongside CWC Major Schemes and BCT schemes in Appendix 2, many of which are within the CRSTS programme as allocations. Whilst the CRSTS settlement has been secured regionally, specific scheme funding is currently subject to scrutiny and approval through the Single Assurance Framework of the West Midlands Combined Authority.

# 4.0 Evaluation of alternative options

4.1 Options appraisals form part of each individual project development and prioritisation and are not discussed in detail in this report. As this is a comprehensive programme of improvements to develop and improve the essential highway network – a do-nothing option is not viable.

# 5.0 Reasons for decision(s)

5.1 The decision to approve the recommendations of this report is necessary to enable development and delivery of the major transportation improvements across Wolverhampton and the Black Country in 2024-2025.

# 6.0 Financial implications

- 6.1 The Black Country Transport and Wolverhampton Major Investment Programme 2024 2025 Programme is made up of a series of individual projects and programme of works with potential schemes totalling £55.0 million (£52.7 million capital and £2.3 million revenue) in 2024-2025 per Appendix 2. These schemes have an estimated total of £305.2 million based on the current programme of resources. Significant further resources are also in the pipeline over the period as per Appendix 3.
- 6.2 This report seeks supplementary capital and revenue budget approval for those schemes in Table 6.1 below. These are fully funded through grants and approval is sought subject to signed grant agreements.

Table 6.1 Projects To Approve			
Programme / Project			
Project	Funding	2023- 2024	2024- 2025
		£000	£000
Capital			
A457 between Oldbury town centre and	TCF	58	0
Smethwick Galton Bridge Station			
BC Active Travel route	TCF	57	0
A4123 Walk, Cycle and Bus Corridor -	CRSTS	32	55
Wolverhampton			
A4123 Walk, Cycle and Bus Corridor - Dudley	CRSTS	33	55
A4123 Walk, Cycle and Bus Corridor - Sandwell	CRSTS	65	110
Total Capital For Approval		245	220
Revenue			
LEVI	LEVI	50	197
Total Revenue For Approval		50	197
Total Projects for Approval		295	417

- 6.3 These budgets seeking approvals have been included in Appendix 2 in the 'Seeking Approval' column. The 'Previously Approved/ Reported' column is currently approved in the capital programme. This includes £230,000 additional slippage on the ORCs Scheme since Quarter 3 2024/2025 Capital Programme Report was approved. It should also be noted that those schemes marked as 'IEDN)/Further Reports' are expected to be brought forward under supplementary budget processes subject to available resources. This would also be the case for any projects under development identified in Appendix 3. Any budget approvals secured by IEDN (Individual Executive Decision Notice) will be subsequently reported in the quarterly capital programme report to Cabinet and Cabinet (Resources) Panel. Whilst reviewing schemes the Director of Resident Services and Director of Finance will have due regard for all the considerations of any scheme brought forward for implementation and will arrange for any significant schemes to go forward to Cabinet (Resources) Panel for approval in principle prior to budget approval.
- 6.4 The programme included in Appendix 2 is expected to be funded through the grants set out in section 3.3 and table 3.1. These include:

**CRSTS** programme of major schemes has £157.0 million allocated to Wolverhampton schemes by WMCA. Wolverhampton is acting as accountable body for Black Country Transport and is also delivering the development work for schemes on behalf of the other

Black Country Authorities. These schemes are at various stages in the SAF process and where grant agreements have been received budget approvals have been and will be sought through the normal budgetary process and those set out in this report. WMCA are also currently working towards the development of a CRSTS 2 programme that would provide further potential resources for schemes in Appendix 2 and Appendix 3.

**Transforming Cities Fund (TCF)**/ **Black Country Active Travel Schemes/Active Travel Funding 3 and 4 / 4e (ATF)** are bid based programmes with specific schemes with bids in progress identified in appendix 2.

**Capability and Ambition Fund(CAF) (revenue)** – Approval has previously been sought for £1.3 million revenue budget funded from CAF. Wolverhampton will undertake this development work on behalf of the Black Country partners. A further round of CAF funding totalling £600,000 is expected to be awarded shortly. This funding will subject to an IEDN.

**Prior Years Funding** - Appendix 1 shows a programme of schemes totalling £30.4 have been delivered over the period 2020-2021 to 2023-2024. This includes forecast outturn of £9.8 million in 2023-2024 assuming budget approvals are granted as part of this report and £230,000 additional slippage on the ORCs Scheme since Quarter 3 2024/2025 Capital Programme Report was approved. Once outturn for 2023-2024 has been finalised, any required adjustments for budgets impacting on the 2023-2024 and future years programme, will be made in accordance with usual governance arrangements and those set out in this report. This outturn and potential slippage is funded from a variety of resources including ; previously approved borrowing and Highways Management reserves, alongside external grants, s106 agreements, and allocations from CRSTS, Department for Transport (DfT), Towns Fund, and Office for Zero Emission Vehicles.

**Borrowing** - Any additional borrowing required to support the 2024-2025 programme will go through the usual budget approval processes.

- 6.5 Alongside CRSTS capital funding Wolverhampton on behalf of the Black Country has received a revenue grant of £4.6 million CRSTS Capacity Funding to support the development of the Black Country Transport Capital Programme for scheme development and Black Country Programme management over the life of the CRSTS programme from 2021-2022 to 2026-2027. The majority of this funding will continue to be retained and managed by Wolverhampton Council. The revenue expenditure budget for 2023-2024 is £568,000 which is fully funded through Capacity Funding grant. It is now anticipated that this budget is forecast to outturn at £520,000 to take account of the project specific grant agreements awarded and due to be awarded in 2023-2024. The 2024-2025 Budget report to Cabinet 21 February 2024 and Council 28 February 2024 approved a revenue budget of £1.2 million for Black Country Transport which is fully funded through this Capacity Revenue Funding.
- 6.6 This report seeks approval to various development schemes as set out in table 6.2 below totalling £593,000 to be funded from the 2023-2024 and 2024-2025 revenue budgets.

This includes a payment of grant to Walsall Council for delivery of works associated with the A41 Moxley Gyratory. It is anticipated that during the year further specific project grants will be awarded by the WMCA based on current assumptions this could potentially reduce the revenue budget requirement to £830,000. This will be regularly monitored and reviewed with a view that any opportunities to redirect employees to management of approved capital schemes will do as soon possible upon scheme approvals. The balance of revenue funding will then remain for 2025-2026 and future years to cover Black Country Transport Team Costs and any Black Country development costs for schemes identified in Appendix 3.

6.7 It is anticipated that Wolverhampton will be awarded a further tranche of £1.7 million revenue CRSTS Capacity Funding in 2024-2025 and possibly a further tranche of the same value in 2025-2026. These will be managed and reviewed as part of the programme and any changes to the approved revenue budgets will be managed under the normal budgetary approvals process.

Table 6.2 Revenue Development Projects To Approve				
Project	t Payable to/		2024-	
	Incurred By	2024	2025	
		£000	£000	
A41 Moxley Gyratory	Walsall Council	71	0	
A41 Carters Green	Wolverhampton		50	
Wolverhampton University	Wolverhampton		30	
Wolverhampton Metro Study	Wolverhampton		12	
A461Rushall Junction Development	Wolverhampton		50	
Stourbridge Town centre Development	Wolverhampton		50	
Dudley Connectivity Package	Wolverhampton		50	
Black Country Transport Strategies	Wolverhampton		80	
Strategic Transport Review	Wolverhampton		200	
Total Projects for Approval		71	522	
Total Projects for Approval – All Years			93	

- 6.8 All WMCA funded projects, including CRSTS and Active Travel Fund, will be subject to scrutiny via the WMCA Single Assurance Framework. This offers a further layer of oversight on the financial position and value for money of any of these proposed schemes and ensures the application of public money is open and transparent. The Assurance framework sits alongside the WMCA Constitution and Financial Regulations.
- 6.9 This report focuses on development projects for 2024-2025 and future years. The proposed package of projects shown in Appendices 2 and 3 will be developed and managed with the resources available and further developed over the period 2024-2025 onwards. Cost estimates will be refined as projects are developed to produce a detailed design and identification of other costs such as service diversions. There is an intentional

'over programming' of projects to reflect the reality that some projects will inevitably be delayed due to unexpected circumstances or changes to priorities. Overprogramming aims to ensure that, as far as possible, the resources available can be fully utilised. It should be noted that indicative CRSTS allocations for Black Country schemes are included in Appendix 2 and once developed these grants may be payable directly to those Black Country local authorities involved with delivery. These arrangements for delivery of schemes will be covered in future reports.

6.10 This report seeks approval of the budgets as detailed in the appendices at programme / project level. Further to this the approved budgets will be included in the Capital Budget Outturn 2023-2024 including Quarter One Capital monitoring 2024-2025 report to be presented to the Cabinet later in the year. The final details of the 2023-2024 outturn position will also be presented to Councillors in that report. [ES/28022024/A]

# 7.0 Legal implications

- 7.1 Under section 41 of the Highways Act 1980 the Council, as the highway authority, is under a duty to maintain public highways.
- 7.2 Where appropriate, legal advice will be obtained in respect of the various projects as and when they become operational in respect of matters arising under the Highways Act 1980, The Town and Country Planning Acts and other relevant legislation. [SZ/28022024/P]

# 8.0 Equalities implications

8.1 Equalities assessments will be undertaken for projects and programmes where appropriate and in accordance with City Council policies and agreed protocols. Full and detailed consultation will be undertaken before projects are commenced and in the event of objections being received, these will be taken into consideration and the scheme modified if appropriate.

# 9.0 All other implications

- 9.1 The work programmes set out in this report generally have environmental benefits, many of the projects are aimed at reducing congestion and hence air pollution. Other projects will improve environmental safety for highway users. The 'carbon footprint' associated with carrying out this work is offset by the benefits that will be achieved. The programmes and projects identified all support the climate change and Net Zero commitments of the Council and wider WMCA, and form key elements for successfully achieving the aims of Our City, Our Plan.
- 9.2 The delivery of the programme as proposed will fully commit the existing employee resources available within both the Wolverhampton and Black Country teams.

- 9.3 The safe and efficient operation of our highway network minimises the associated adverse health implications from reduced casualties because of traffic accidents, promotion of active travel modes through new infrastructure and reduced pollution from vehicles through congestion relief and prioritising sustainable modes of transport. Improved air quality will have a direct positive impact on people's health. The attraction of investment and creation of accessible housing and jobs is facilitated by investment in our highway, which will also improve the opportunities available to and wellbeing of our citizens.
- 9.4 The safety and efficiency of our highway is essential not least to the continued economic recovery of the region, but also in supporting new lifestyle choices and accessibility needs. This programme specifically invests in the necessary improvements to support those changing demands on the network.

### 10.0 Schedule of background papers

10.1 WMCA Single Assurance Framework <u>single-assurance-framework-v3-sep-2022.pdf</u> (wmca.org.uk)

### 11.0 Appendices

- 11.1 Appendix 1: Projects Undertaken in 2023/2024
- 11.2 Appendix 2: 2024 2025 Programme
- 11.3 Appendix 3: Projects for Development for Future Years
- 11.4 Appendix 4: Wolverhampton Strategic Transport Map / Plan