

<b>Report title</b>	Transportation Capital Programme, 2018-2019 and future years	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Steve Evans City Environment	
<b>Corporate Plan priority</b>	Place - Stronger Economy	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Ross Cook, Service Director, City Environment	
<b>Originating service</b>	Transportation	
<b>Accountable employee</b>	John Roseblade Tel Email	Head of City Transport 01902 555755 john.roseblade@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Keeping the City Moving Board Place Leadership Team Strategic Executive Board	22 March 2018 26 March 2018 10 April 2018

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### Recommendations for decision:

The Cabinet is recommended to:

1. Agree the list of projects for development and implementation as part of the Transportation Capital Programme 2018-2019 and future years, as set out in appendices 2 and 3 to the report.
2. Authorise the Head of City Transport to proceed with development work for each project on the list including surveying, site investigation, options appraisal, feasibility analysis, traffic modelling, detailed design, statutory advertising and public consultation, as appropriate.
3. Approve the projects marked 'Approve' in the 'Approval' column of appendix 2 to the report for implementation, subject to the availability of funding.

4. Authorise the Cabinet Member for City Environment, in consultation with the Service Director for City Environment to approve, through an Individual Executive Decision Notice, implementation of the projects on the list marked 'IEDN' in the 'Approval' column of appendix 2 to the report, subject to the satisfactory outcome of public consultation, availability of funding and any other relevant considerations.
5. Authorise the Cabinet Member for City Environment, in consultation with the Service Director for City Environment to approve, through an Individual Executive Decision Notice, the bringing forward of projects from appendix 3 to appendix 2 to the report and thereafter to approve them for implementation during 2018-2019 subject to the satisfactory outcome of public consultation, availability of funding and any other relevant considerations.
6. Agree to receive further reports at the appropriate times in order to obtain the necessary authority to construct the projects marked 'Cabinet' in the 'Approval' column of appendix 2 to the report.
7. Authorise the Director of Governance to serve all necessary notices in respect of the projects listed in appendix 2 to the report and, subject to there being no unresolved objections, make traffic regulation orders as required.
8. Authorise the Director of Finance to enter into funding agreements with the various funding bodies to receive grant funding in respect of the projects included in the report.
9. Approve the delegation of authority to the Cabinet Member for City Environment and the Cabinet Member for Resources, in consultation with the Strategic Director for Place and Director of Finance to approve capital budgets for transport projects upon receipt of a grant offer letter.

### **Recommendations for noting:**

The Cabinet is asked to note:

1. The expenditure and progress made in delivering the projects in the Transportation Capital Programme during 2016-2017 and 2017-2018, as set out in appendix 1 to the report.
2. The Council's continuing success in bidding for additional funding and delivering new projects through the Highway Maintenance Challenge Fund, the Local Pinch Point Fund, the Access to Growth Fund, the Managing Short Trips programme and more recently the National Productivity Investment Fund.

## **1.0 Purpose**

- 1.1 To seek approval to a programme of capital funded projects to develop and maintain the transportation network for the financial year 2018-2019 and future years, subject to available resources and annual review. Cabinet is also asked to note the expenditure and progress made in delivering the projects in the Transportation Capital Programme during 2016-2017 and 2017-2018.

## **2.0 Background**

- 2.1 An efficient safe and smooth flowing highway network is an essential element of economic productivity and social connection. City of Wolverhampton must make the most of the investment opportunities to enhance and improve its road network, supporting businesses and helping achieve our substantial regeneration ambition.
- 2.2 The Transportation Capital Programme has been developed to take account of a number of 'key transport priorities' for the City of Wolverhampton that have been developed in conjunction with the Council's regional partners to support the regeneration of the city and the wider Combined Authority agenda. These include the Stafford Road, Willenhall Road and Birmingham Road corridors; improvements to the ring road and arterial route network; further development of the city's cycle network; and enhancing the public realm in the city centre.
- 2.3 Of equal importance is the maintenance of our existing Highways. There is national recognition that the level of investment in highway maintenance has been significantly insufficient for many years. The Local Government Association estimate that the current funding gap between what is available and what would be needed to keep our roads in a reasonable condition is over £9 billion nationally. Putting this into context, the amount needed to bring the roads in City of Wolverhampton to a reasonable condition would be circa £20 million whereas the annual available maintenance budget is in the region of £3 million. This emphasises the need for the City to make the absolute most of its resources and prioritise its activities carefully and efficiently.
- 2.4 The capital programme includes separate allocations each year for the development of the highways network and for capital maintenance of the existing network. The programmes are predominantly funded by Central Government via annual grant allocations from the Department for Transport (DfT), known as the Integrated Transport Block Grant and the Highways Maintenance Block Grant. These grants are supplemented by Council prudential borrowing and third party funding secured through planning obligations or agreements through section 278 or section 38 of the Highways Act.
- 2.5 In recent years the level of grant funding available to highway authorities via the annual block grants has been in decline. At the same time there has been a corresponding increase in the funding available through competitive bidding processes, either directly from DfT (e.g. Local Pinch Point Fund, Local Sustainable Transport Fund, Highway

Maintenance Challenge Fund) or via other organisations (e.g. Local Growth Fund, managed by the Black Country Local Enterprise Partnership).

- 2.6 This report seeks approval of a list of projects for implementation during the financial year 2018-2019 and a further list of projects for which development work should be authorised with a view to implementation in future years subject to funding availability.
- 2.7 This approach recognises the need to develop a 'pipeline' of future projects by undertaking the initial work that might be necessary to get projects 'shovel ready'. Such work might include traffic modelling, feasibility, site investigation, detailed design and public consultation, among other activities. This preparatory work is important as it enables the programme to be flexible, dynamic and enables the Council to respond to changing circumstances for example when competitive funding allocations are announced at short notice or to support the regeneration ambitions of our City.
- 2.8 This approach also allows flexible management of budgets with the ability to bring forward alternative projects to accommodate any slippage within the programme or to react to changing circumstances or new funding opportunities. This flexibility and 'pipeline' approach has allowed the Council to bid successfully for a number of major projects and secure more than £67 million in additional external funding for transport projects in Wolverhampton since 2012.
- 2.9 The priority given to each project will depend on a number of factors including objective analysis such as accident and speed data, highway condition surveys, lifecycle planning, public consultation results etc Relative priority will also be governed by the project's merits in terms of supporting local and regional objectives, regeneration ambition and contributing to the overarching priorities of the City Council.
- 2.10 Progress reports will be submitted to councillors at least annually to provide an update on the work completed; review the priorities for future work; add further projects to the List of Projects for Development; and to seek the necessary approvals for the development and delivery of projects as required.
- 2.11 The Interchange project is now well under way and includes redevelopment of the railway station and extension of Midland Metro to the station. The project is being delivered with external partners and largely falls outside the Transportation Capital Programme but it remains a key transport priority for the City and officers are working with partners to assist their delivery.
- 2.12 The projects undertaken during 2016-2017 and 2017-2018, and the anticipated outturn on each, are set out in the table at appendix 1. Councillors are requested to note the successful delivery of the many and varied Transportation Capital Programme over the previous two years. It is worth noting that a large proportion of this investment is directed at the local economy with use of local contractors and Social Value contributions.

- 2.13 The proposed projects that form the Transportation Capital Programme for 2018-2019 are set out in appendix 2, while the projects for development for future years are set out in appendix 3. The estimated cost of each project is indicated, although costs will be refined as each scheme progresses through the feasibility/design/consultation process. 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. The various work programmes, and the individual projects which make up those programmes, will be managed within the available resources for the relevant financial year and in accordance with the Authority's developing priorities. All works on the highway are coordinated by traffic managers to ensure that any disruption is minimised.
- 2.14 Plans A to D attached as appendix 4 show the locations of many of the key projects included in the programme. Plan A shows projects undertaken during 2016-2017 and 2017-2018. Plan B aligns with appendix 2 and shows this year's main projects. Plan C shows projects for development in future years, in accordance with appendix 3. Plan D is a composite 'all years' plan. There is also a plan titled 'Cycle Strategy' which illustrates how proposed cycle improvement projects link with the existing cycle network.

### **3.0 Progress**

- 3.1 The right-hand column in appendix 2 indicates the approval status of each project in the programme.
- Projects marked 'Approve' indicate that Cabinet is requested to approve the project for implementation (or to confirm approval in the case of projects that were previously approved); this category typically applies to projects where a separate consultation with local residents/businesses is not required because they do not involve any significant change to the network.
  - Projects marked 'IEDN' are generally those which require a public consultation exercise to be undertaken before the design can be finalised and therefore this report seeks delegated authority to the Cabinet Member for City Environment, in consultation with the Service Director for City Environment to approve implementation through an Individual Executive Decision Notice.
  - Projects marked 'Cabinet' are those for which a separate report is intended to be brought to Cabinet at the appropriate time, seeking approval to implement the project. These are generally projects with a high value (in excess of £1.0 million) or a high public profile.
- 3.2 Cabinet is requested to approve the projects in appendix 3 for development in anticipation of them being implemented in future years. 'Development' may include surveying, site investigation, options appraisal, feasibility analysis, traffic modelling, detailed design, statutory advertising and public consultation, among other activities. Approval is also requested to delegate authority, by means of an IEDN, for projects in appendix 3 to be brought forward into 2018-2019 if necessary to respond to changes in priorities and provide the necessary flexibility in the programme.

- 3.3 Delivery of the programme will be achieved using a combination of the Council's own employees and external contractors.
- 3.4 Employees will seek to deliver the programme in the most cost effective way and minimise the impact on communities and highway users by, wherever possible, co-ordinating maintenance projects with those for developing and improving the highway network.
- 3.5 The programme contains nine separate components of which five relate to network development and four are capital maintenance. These are as follows:

(i) **Network Development**

- 3.6 **Local Growth Fund.** The programme includes a number of major projects funded (or intended to be funded) through the Local Growth Fund's 'Access to Growth' and 'Managing Short Trips' packages. These projects aim to unlock growth and development through investment in transport infrastructure. The fund is managed by the Black Country Local Enterprise Partnership (LEP). Access to Growth projects referred to in this report include the proposed Wolverhampton to Willenhall Metro Extension and Stafford Road M54 to Springfield Lane, Cannock Road Cross Street North Junction, Westside Link development.
- 3.7 **Highway Improvement Programme.** This category includes projects that will have a significant impact on the network in reducing congestion and improving access to regeneration and development sites, thereby helping to encourage economic growth. Such projects tend to be medium to large in scale and significant in both cost and benefit terms. They are funded primarily through the Integrated Transport (IT) Block grant, supplemented in some cases by developers' contributions or individual project grants direct Via the Combined Authority.
- 3.8 **Local Safety Programme.** This programme has been a major contributory factor in the reduced number and severity of road traffic personal injury accidents in Wolverhampton; from more than 1000 in 2001 to 440 in 2016. The programme is developed using a prioritisation process in which each location is assessed on a range of factors including accident history, traffic flow, vehicle speeds and community surroundings. Potential projects are included in the programme based on issues that have been identified, often by local residents and businesses, as traffic management or road safety concerns. However, the list of projects requested is extensive and the prioritisation process means that some locations may remain on the list for many years.
- It should be noted that the Combined Authority have committed to support Road Safety schemes on the Key Route Network. They have made £750,000 available for 2018-2019 and £1 million for the following 2 financial years 2019-2020 and 2020-2021.
- 3.9 **Cycling Programme.** This is a programme of projects to assist cyclists and promote cycling. Many of the projects are identified through liaison with local cycling groups regional partners and the City Council's Cycle Forum and all accord with the adopted Cycle Strategy and West Midlands Cycle Charter. It is worth noting that there is an

inclusion to approve some enabling expenditure to support the regional introduction of the West Midlands bike share scheme.

- 3.10 ***Safer Routes to Schools Programme.*** This programme contains projects which are developed in conjunction with schools with the aim of tackling road safety concerns, reducing traffic congestion, improving air quality, and localised on-street parking problems. The programme contributes to the Council's objectives in relation to tackling child obesity and improved fitness by encouraging children to walk and cycle to school rather than being driven to school.

**(ii) Capital Maintenance**

- 3.11 The Highway Capital Maintenance Block Grant is the primary source of funding for highway maintenance projects, this includes both carriageways and footways, some additional funding is provided from local resources. These programmes are developed from data collected before the worst of the winter weather. It is essential to build in flexibility to allow for exaggerated deterioration and conflicting issues such as utility works, or major project/developments.
- 3.12 ***Capital Maintenance of Classified Roads.*** This programme involves reconstruction and resurfacing of classified (A, B and C class) roads and is funded primarily from the Highway Capital Maintenance Block Grant for highways. The priority given to each scheme will depend on a number of factors including condition survey data, maintenance records, visual inspections, customer complaints and ward councillor requests. The approach accords with the Council's Highway Asset Management Plan and incorporates the principles of lifecycle planning. The programme will be managed within the available resources each financial year and in accordance with developing priorities. This programme has been boosted during the past three years by the Council's successful bid to the Highway Maintenance Challenge Fund (see 3.16 below). Whilst this has resulted in a significant improvement in the condition of the City's priority routes the project has now reached conclusion and no further funding from this stream is available in 2018-2019.
- 3.13 ***Capital Maintenance of Unclassified Roads.*** This programme covers the 'minor' roads in the network and includes both carriageway and footway resurfacing. As with classified roads, the projects to be implemented each year will depend on the availability of funding and the relative priority of each project. A life cycle based planning programme has been developed for 2018-2019. It follows similar logic to that previously used for the classified network and strengthens our asset management approach. The programme includes previously identified projects within the City Centre's core retail area such as Dudley Street, Lichfield Street and Victoria Street. These projects will build on the work already undertaken to enhance the city centre public realm and make the retail core a more attractive, vibrant place for shoppers and visitors.
- 3.14 ***Highway Structures.*** The Council is responsible for approximately 120 bridges, subway, footbridges and retaining walls, which are inspected on a two year cycle. Defects identified are then programmed to be dealt with, where practical, from this budget. Larger projects such as bridge strengthening or replacement will usually require separate funding and will involve applying for specific government grants.

- 3.15 **Other Programmes.** The **Disabled Access** programme is a package of measures to improve the accessibility of our footway network for users with physical or sensory disabilities. The **Street Lighting Replacement Programme** has been developed and approved using the established street lighting prioritisation process for replacing worn out columns and upgrading to new energy efficient lighting. The business case for the major replacement of all street lighting with LEDs is currently being reviewed in order to explore the potential to expand the programme to enable Smart City functions. **Non-highway Structures** relates to maintenance work on bridges that are within the Council's ownership but not part of the adopted highway and therefore not funded from Transportation budgets. The work is nevertheless managed through the Transportation Capital Programme.
- 3.16 The programme for capital maintenance of classified roads has received a substantial boost from the Highway Maintenance Challenge Fund. Wolverhampton submitted a successful joint bid to DfT with the other West Midland authorities for the 'West Midlands Classified Network Renewal Project'. Wolverhampton's share of the award was £5.9 million spread over a three year period, 2015-2016 to 2017-2018, with the bulk of the money being available in years two and three. The money was in addition to the Highway Capital Maintenance Block grant and it allowed the Council to make significant progress in addressing the backlog of highway maintenance work on the classified road network.
- 3.17 This year's programme includes one flood relief project to address persistent flooding of properties at Waterhead Brook, Underhill. The brook is on the boundary with Staffordshire and the project will be promoted in partnership with Staffordshire County Council. It is expected to be funded primarily through central government grant funding available to deal with local flooding issues.
- 3.18 The capital expenditure on the reconstruction and resurfacing of roads and footways, as part of a planned Asset Management programme, has the effect of reducing the need for reactive maintenance and hence the pressure on the Council's revenue budget for maintaining the highway network. It has also been shown to reduce the number (and cost) of insurance claims against the Council.

#### **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.

#### **5.0 Reasons for Decision**

- 5.1 The decision to approve the recommendations of this report is necessary to enable delivery of the Capital programme in 2018-2019.

#### **6.0 Financial implications**

- 6.1 The Capital Programme 2017-2018 to 2021-2022 quarter three review and 2018-2019 to 2022-2023 budget strategy was approved by Council on 7 March 2018. The Transportation capital programme (Network Development programme and Capital Maintenance programme) is made up of a series of individual projects and programmes



of works totalling £35.5 million over the period of 2017-2018 to 2022-2023. For 2018-2019 the approved budget is in the region of £12.1 million.

- 6.2 These budgets are funded from a range of sources including Prudential Borrowing, DfT Integrated Transport and Highways Capital Maintenance block grants, section 278 / section 38 funding, section 106 contributions, as well as Department for Transport (DfT) grants for individual major projects. DfT Integrated Transport allocations available for use across the workstreams are held within the Highway Improvements workstream until projects are developed against this and the other workstreams. Similarly, DfT Highways Capital Maintenance block allocations are held against the Maintenance of Unclassified Roads workstream until projects are developed against this and the other workstreams.
- 6.3 The programme is predominately funded from DfT grant, developer contributions and other external grants. However, the Council utilises borrowing to fund a number of development projects either as match funding or in relation to the inclusion of 'spend to save' investment work programmes.
- 6.4 This report focuses on development projects for 2018-2019 and future years and the anticipated outturn for 2017-2018. Appendix 1 provides the latest forecast for 2017-2018 indicating a total outturn of £10.1 million against an approved budget of £13.3 million. The details of the final outturn position, along with any associated slippage will be reported to Councillors as part of the capital budget outturn 2017-2018 including quarter one capital budget monitoring 2018-2019 report.
- 6.5 The proposed package of projects shown in the table at Appendices 2 and 3 will be developed and managed within the resources available and further developed over the period 2018-2019 to 2019-2020. Cost estimates will be refined as projects are developed to produce a detailed design and identification of other costs such as service diversions. As indicated in paragraph 2.11, 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. Also included are some schemes that are subject to recent additional grant confirmation or are awaiting a confirmed grant offer. Over-programming aims to ensure that, as far as possible, the resources available are fully utilised.

[TT/13042018/N]

## **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.

[RB10042018/G]

## **8.0 Equalities implications**

- 8.1 Equalities assessments will be undertaken for projects and programmes as 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 Environmental implications**

- 9.1 The work programmes set out in this report generally have environmental benefits. Many of the Network Development 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 considered to be offset by the benefits that will be achieved. The replacement of street lights with LED lamps has a significant energy/carbon saving which is incorporated in to the supporting business case.

## **10.0 Human resources implications**

- 10.1 The delivery of the programme as proposed will fully commit the existing employee resources available to support the Transportation Capital Programme.

## **11.0 Corporate landlord implications**

- 11.1 The programme includes a line for 'Non-highway structures' which relates to strengthening and maintenance of structures owned by the Council but not part of the adopted highway. The structures (bridges and/or retaining walls) form part of the Corporate Landlord portfolio but the work will be managed by employees within the Strategic Transportation Service and, for convenience, is included within the Transportation Capital Programme.

## **12.0 Appendices**

Appendix 1 – Projects undertaken during 2016-2017 and 2017-2018  
Appendix 2 – Projects for implementation in 2018-2019  
Appendix 3 – Projects for Development for Future Years  
Appendix 4 – Plans