

REPORT TO: Environment and Urban Renewal Policy
and Performance Board

DATE: 4th January 2012

REPORTING OFFICER: Strategic Director Policy and Resources

PORTFOLIO: Transportation

SUBJECT: Local Sustainable Transport Fund

WARDS: Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to inform the Board of the Local Sustainable Transport Fund (LSTF) and to gain approval for the approach that the Council is taking in regards to preparation of bids for this fund.

2.0 RECOMMENDATION: That

- (1) the Board approve the suggested approach for the Halton LSTF bid; and**
- (2) the Board approve the suggested approach for the joint 'Mid Mersey' bid.**

3.0 SUPPORTING INFORMATION

- 3.1 In January 2011 the Department for Transport (DfT) launched its White Paper, 'Creating Growth, Cutting Carbon – Making Sustainable Local Transport Happen'. The White Paper focuses on the Government's transport priorities of economic growth and carbon reduction. Whilst longer distance trips are acknowledged the Paper concentrates on shorter distance trips where action at a local level is emphasised. Bidding guidance for the Local Sustainable Transport Fund (LSTF) was published alongside the White Paper.
- 3.2 The Government is providing £560 million for the LSTF to challenge local authorities outside London to bid for funding to support packages of transport interventions that support economic growth and reduce carbon emissions in their communities as well as delivering cleaner environments and improved air quality, enhanced safety and reduced congestion.
- 3.3 The fund will include a mix of £350m revenue and £210m capital funding over the four years 2011/12 to 2014/15 and will maximise the options available to local authorities for sustainable transport.

- 3.4 A small proportion of the fund will be allocated to provide continued funding for the successful Bikeability scheme, which offers high quality cycle training for young people. This is a scheme that Halton uses. Due to funding being used for this and other initiatives the remaining amount left for local authorities to bid for is £502m.
- 3.5 The purpose of the LSTF is to enable local transport authorities to deliver sustainable transport solutions which support economic growth whilst reducing carbon emissions. These solutions must be geared to supporting jobs and business through effectively tackling the problems of congestion, improving the reliability and predictability of journey times, enabling economic investment, revitalising town centres and enhancing access to employment. They should at the same time bring about changing patterns of travel behaviour and greater use of more sustainable transport modes and so deliver a reduction in carbon and other harmful emissions.
- 3.6 The DfT attaches importance to a wide spectrum of community participation in decision-making and delivery, with local authorities drawing on the ideas and expertise of the community and voluntary sector and realising co-funding opportunities with the private sector and other external organisations including transport operators. In the assessment process the DfT will treat positively applications which have the support of community interests and also incorporate plans for partnership working, including working with the private sector. Applications are expected to include a local contribution towards the costs.
- 3.7 It will be for local authorities, working with their communities, to identify and design solutions which bring together the right combination of measures that will deliver the greatest benefits and secure those benefits beyond the life of the Fund period. Authorities should look holistically at their areas to identify key barriers to economic growth and carbon reduction. Local authorities need to consider how those benefits can be sustained without the need for ongoing financial support in the long term.
- 3.8 There are two types of bid that can be made and these are in essence:
- Small project bids of under £5m; and
 - Large project bids of over £5m and up to £50m.
- The bidding guidance states that only one bid will be accepted from each local authority, however, collaborative proposals would be considered by the DfT.
- 3.9 The Halton and Merseyside Chief Executives determined that two separate bids from the Liverpool City Region (LCR) were to be the preferred way forward on 11th March 2011. There would be one bid covering the five Merseyside Authorities and the Integrated Transport Authority; and one for Halton.

- 3.10 Taking into account the level of available funding, the potential number of successful bidders and Halton's small size compared with other transport authorities it is considered that a small bid is appropriate. In order for the bid to be sufficiently researched it was believed that Halton's bid should be made in Tranche 2 (Feb 2012) as opposed to Tranche 1 (April 2011). Halton's bid, therefore, will cover the financial years 2012/13 to 2014/15.
- 3.11 It is suggested that the main element of the bid should focus upon sustainable travel to employment areas. This would address the Government's transport priorities of economic growth and carbon reduction. The bid is entitled 'Routes to Prosperity' and complements the Merseyside bid and aims to be a programme of coordinated actions and interventions aimed at removing transport obstacles to employment for local residents. It will promote smarter travel choices for current and future employees at key employment sites, reduce carbon emissions, improve safety and tackle disadvantage whilst supporting economic growth. It covers the following broad areas of actions and initiatives:
- Working with partners to improve access to employment;
 - Promoting smarter transport choices and encourage behavioural change; and
 - Sustainable transport infrastructure measures to include enhanced provision for walking, cycling and public transport.
- 3.12 A great deal of work has been carried out as part of the former 'Growth Point' initiative which could have some use in a LSTF bid. Warrington and St Helens were party to a former growth point area with Halton. As such, Halton is proposing to be party to a joint bid with St Helens and Warrington, with St Helens taking the lead on bid preparation. The bid is entitled 'Mid Mersey Sustainable Cross Boundary Links'. This bid has similar aims to the Halton bid but is focused on more strategic travel to employment sites.
- 3.13 It is envisaged that Halton's bid will be in the order of £4.8m plus local contributions and the Mid Mersey bid will be in the order of £3.2m plus local contributions. The bids needs to be submitted by 24th Feb 2012 with decisions announced in May 2012.

4.0 POLICY IMPLICATIONS

- 4.1 The January 2011 Transport White Paper states: "The Government will be targeting investment in new projects that can help build the dynamic low carbon economy that is essential for our economic prosperity. The White Paper is about providing the early reduction in carbon emissions that local action is best placed to deliver, whilst facilitating the access to local jobs that will boost economic growth." Halton's Routes to Prosperity bid is focused to deliver this aim.

4.2 Halton along with the five Merseyside authorities is part of the LCR. In order to drive the economy forward, the LCR has developed five transformational programmes designed to build on the region's strengths. These are:

- Developing SuperPort, designed to build on the large freight and logistics sectors;
- Building the Visitor Economy, which has been a major legacy of Capital of Culture;
- Developing the knowledge economy;
- Developing a low carbon economy, building on the areas coastal position and natural assets; and
- Supporting small and medium sized businesses.

These priorities have been taken on by the shadow LEP as they provide a clear framework of the LCR priorities for action. The SuperPort concept contains 3MG, the Mersey Gateway Port (part of the Runcorn Waterfront site) and Mersey Gateway. The importance of SuperPort and Mersey Gateway has again been emphasised in the October 2011 report by the RT Hon the Lord Heseltine and Sir Terry Leahy, 'Rebalancing Britain: Policy or Slogan? Liverpool City Region – Building on its Strengths: An independent report.'

4.3 Halton's third Local Transport Plan (LTP3) became effective in April 2011; its long term vision is: 'To achieve sustainable, inclusive, accessible and fuel efficient transport systems that improve the quality of life for people living in Halton by sustaining economic growth and regeneration, whilst addressing climate change, by reducing carbon emissions from transport.' The implementation of the Routes to Prosperity bid will help deliver this long term vision as well as the LTP3 strategies, in particular, those relating to walking, cycling, public transport and travel plans.

4.4 The proposals in the bid are aligned with the Council's Corporate Plan in terms of regenerating the area. The proposals are also aligned with Halton's Sustainable Community Strategy (SCS). Also refer to section 6 of this report.

4.5 The important link between transport and land use planning is recognised in LTP3 and Halton's Core Strategy which is the central document within the Council's Local Development Framework. Halton submitted the Core Strategy to the Secretary of State in September 2011 for independent examination. This examination is due to finish on the 9th December.

5.0 OTHER IMPLICATIONS

5.1 Funding through the LTP has been cut considerably in the last two years, in particular that for the Integrated Transport Block (ITB). For the year 2010/11 the ITB was £1.767m, however, in June 2010 the Government announced an in year cut of 25% reducing the level to £1.325m. The subsequent ITB funding for years 2011/12 to 2014/15 are

£0.680m, £0.735m, £0.725m and £1,020m respectively. Whilst any funding through the LSTF cannot be used to reinvest lost LTP funding it can be used for integrated transport measures that are in line with the bidding guidance. Therefore, the delivery of a successful bid will have significant positive financial implications for transport in Halton.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

No direct implications.

6.2 Employment, Learning and Skills in Halton

Halton's SCS has the following aim for Employment, Learning and Skills; "To create an economically prosperous borough that encourages investment, enterprise and business growth, and improves the opportunities for learning and development together with the skills and employment prospects of residents and the workforce so that they are able to feel included socially and financially." The delivery of a successful bid would help this aim.

6.3 A Healthy Halton

The encouragement of healthy modes of transport such as walking and cycling would have significant health benefits to Halton.

6.4 A Safer Halton

Whilst the bid is primarily focussed on economic growth and carbon reduction, the delivery of a successful bid is likely to provide enhancements to road safety.

6.5 Halton's Urban Renewal

The SCS states, "A good quality transport system is critical in continuing to build a strong and vibrant Halton." The delivery of a successful bid would help this aim.

7.0 RISK ANALYSIS

The most immediate risk is for the Government not to fund the bid. In order to minimise this risk regular discussions take place with a Government representative to ensure that the bid is closely aligned with their expectations.

A range of other risks have been identified, for example, lack of cooperation of partner organisations, these will be stated in the bid along

with measures to manage these risks.

8.0 EQUALITY AND DIVERSITY ISSUES

It is aimed for the bid to be beneficial to all members of Halton's population. There will, however, be particular regard to those who suffer disproportionate levels of social disadvantage.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
White Paper for Transport 2011	2 nd floor Rutland House	Steve Eccles
LSTF bidding guidance	2 nd floor Rutland House	Steve Eccles
LTP3	2 nd floor Rutland House	Steve Eccles