

Decision Record – Department for Transport Consultation on Integrated Transport Block Funding

Cabinet Portfolio Holder taking decision

Councillor Peter Butlin – Transport and Highways

Date of Decision:
(NOT BEFORE – 22nd February 2013)

27 FEBRUARY 2013

Decision taken

That I, as Portfolio Holder for Transport and Highways:

- 1) Approves the principle of the County Council's response to the consultation be based on Option 3, for the reasons set out within the report; and
- 2) Delegates the responsibility for preparing a detailed response to the consultation to the Strategic Director for Communities.

Reasons for Decisions

It is proposed that the County Council respond to the consultation setting out its preference for Option 3 to be adopted as the new formula calculation for the distribution of the Integrated Transport Block funding for the following reasons:

A formula based on an appropriate balance of both 'need' and 'improvement' (rather than 'need' only) would represent a fairer methodology on which to distribute the available Integrated Transport Block funding. It would remove a number of perverse incentives in the current formula that currently reward poor performance and do not recognise continual improvement over time; and

The addition of carbon emissions and economic growth to the existing six elements of the formula would provide a broader set of considerations on which to base the calculation of the Integrated Transport Block funding allocation. They also serve to respond to policy imperatives which are imperative now and are likely to remain so beyond 2015.

From a purely parochial perspective, it is worth noting that of the three options, Option 3 will maximise the potential level of resources which can be used to invest in transport within Warwickshire, which itself could result in further reward should they deliver improvement in a given area (e.g. road safety). It should be remembered however that whatever the outcome of the proposed changes to the formula, Integrated Transport Block funding will continue to arrive as non-ring-fenced capital which will be included in the wider capital pot available to the authority.

Background Information/ factors considered in arriving at these decisions - (set out below and in the officer report):

Background:

As part of the overall Local Capital Transport Settlement, the County Council receives funding for Integrated Transport schemes. These are generally small scale local transport improvements such as road safety, walking, cycling and traffic management schemes. The funding is not ring-fenced, and as such, local authorities can spend their allocations according to local priorities.

The County Council's share of Integrated Transport Block funding was £3.160m in 2011/12. This rose to £3.370m in 2012/13, and will stay at this level during the forthcoming financial year (2013/14). For the final year of the current spending period (2014/15), the County Council will receive £4.740m for Integrated Transport schemes.

Since 2005, Integrated Transport Block funding has been allocated on a needs based formula using six elements: deprivation, road safety, public transport, air quality, congestion and accessibility. Against the backdrop of the Government's 2010 Spending Review, DfT undertook a consultation on Local Transport Funding in August 2010. Whilst much of the consultation was concerned with the timeliness of data being used within the formula to establish individual allocations for transport, it was concluded there would be merit in examining the detailed structure of the formula in advance of future settlements.

In December 2012, DfT issued a consultation on potential changes to the way in which this funding could be calculated and distributed post-2015. This report sets out the County Council's proposed response to the consultation.

Financial Implications:

As referred to in the report.

Report Author:	Adrian Hart
Head of Service:	Graeme Fitton
Strategic Director:	Monica Fogarty
Portfolio Holder	Councillor Peter Butlin

Checklist

Urgent matter: yes/no*

No

Confidential or Exempt (state category of exempt information)

No

Is the decision contrary to the budget and policy framework?

No

List of Reports considered [please attach or forward a copy]

Report from author.

List of Background Papers [please include directorate contact names and numbers for access to background papers]

None

Any members and officers consulted or informed and any comments given.

Cllr Peter Butlin (Portfolio Holder)
Cllr Tilly May
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