

Councillors Briefing Note No. 19-018

Service: Highways and Transport **Further Enquiries to:** Spencer Drinkwater

Date Prepared: 20 June 2019 **Direct Line:** (01225) 713480

THE 'SUBSTANTIVE HIGHWAYS SCHEME FUND' BID APPLICATION PROCESS IN 2019/20

Background

A Substantive Highways Scheme Fund will again be made available in 2020/21 to enable area boards to bid (via their respective Community Area Transport Groups (CATGs)) for funding to deliver priority transport schemes that exceed their Discretionary Highways Budget.

In July 2017, a two-year design and build programme for Substantive Highways Schemes was adopted whereby area boards submit funding bids in the current year for detail design prior to implementation in the following financial year.

Subject to source funding remaining available¹, the Substantive Highways Scheme Fund for the 2020/21 financial year will again be set at £150,000.

Mechanism for awarding Substantive Highway Scheme Funding

The mechanism to be used to award Substantive Highway Scheme Funding will be that agreed by the cabinet member for highways and transport in July 2011.

With this mechanism, competing scheme bids are assessed and awarded funding according to two factors:

- Value for money
- Deliverability

Value for money is the ratio of the cost and benefit of the prospective schemes. Under this system, the benefit is determined from the priority score following assessment under the Scheme Assessment Framework (see **Appendix 1**) and the cost is that which would be borne by the council in implementing the scheme. In this way, the cost/benefit ratio of any scheme is calculated to both acknowledge and stimulate contributory funding from town/parish councils and other external bodies.

¹ Local Transport Plan Integrated Block – Annual Grant Funding from Department for Transport

Deliverability is an assessment of how challenging a scheme would be to implement within the next financial year, considering technical, legal/procedural, operational, financial and public factors. Schemes are given a 'confidence score' based on these factors.

Appendix 2 sets out the Substantive Highways Scheme Bid Evaluation Formula incorporating the above value for money and deliverability criteria. It should be noted that, as the council is looking to fund those schemes that are easily deliverable, and offer the maximum benefit for the minimum cost, the successful bids will be those that achieve the lowest score.

Eligibility to bid for Substantive Highway Scheme Funding

An area board is eligible to bid for Substantive Highway Scheme Funding when the cost of implementing a scheme is estimated to exceed its annual Discretionary Highways Budget allocation.

Schemes which can be achieved within an area board's Discretionary Highways Budget or where it is reasonable and realistic to implement discrete, stand-alone sections in phases over time are not eligible for Substantive Highways Scheme Funding. However, projects that comprise a number of separate but linked elements that form an integral highway improvement will be eligible.

Each bid must include a local financial contribution to the scheme. This can come from the relevant CATG or another source, such as a parish or town council, or be a combination of different sources. In addition, the sum of the local contribution and the bid for Substantive Highways Scheme Funding must cover the full estimated cost of implementing the scheme.

Area boards can submit up to two bids, although bidding more than once may reduce an Area board's chances of success as the bids would effectively compete against each other.

Schemes for which bids are submitted must have been developed to a stage which demonstrates that they can be designed in 2019/20 and be deliverable within the 2020/21 financial year when the funding will be available. Development of a scheme could include topographical surveys, completion of statutory processes, early stage design, and detailed cost estimates. The extent of scheme development prior to the submission of a substantive bid will depend on the type of scheme being proposed and advice should be taken from council officers.

Bidding process

Bids should be completed on the attached pro-forma application form (see **Appendix 3**) and submitted by Friday 9 August 2019 to the highways officer serving the relevant area board Community Area Transport Group. The bids will then be scored in accordance with **Appendix 2**.

It is anticipated that a provisional decision on the awarding of funding will be made in September 2019 by the cabinet member for highways, transport and waste.

INTEGRATED TRANSPORT SCHEME ASSESSMENT FRAMEWORK

OBJECTIVES	FACTOR	DESCRIPTION	SCORE
SAFETY	Accidents	Number of pedestrian/cycle accidents over proposed length of scheme (last 3 years); 2 points per accident up to a maximum of ten points for five or more accidents	(0 – 10)
	Threat and Intimidation	Traffic volumes: < 300v/hr = 0pts, 300-600v/hr = 2pts, > 600 v/hr = 3pts Traffic speeds: 0-5mph asl* = 0pts, 5-10mph asl* = 2pts, > 10mph asl* = 3pts % HGVs: < 1% = 0pts, 1-5% = 1pt, > 5% = 2pts % through traffic: < 10% = 0pts, 10-50% = 1pt, > 50% = 2pts Existing facilities: 1 point deducted for each existing facility	(0 - 10)
ACCESSIBILITY	Population Benefiting	Number of people potentially benefiting from a scheme: 0-10 = 1pt, 10-100 = 2pts, 100-200 = 3pts, 200-500 = 4pts, 500-1000 = 5pts, 1000-2000 = 6pts, 2000-4000 = 7pts, 4000-8000 = 8pts, > 8000 = 10pts	(0 – 10)
	School Travel	Would a scheme offer improved facilities or a safer environment for children walking/cycling to school(s)? Yes = 5pts; No = 0pts Does the school have a 'live' School Travel Plan? Yes = 5pts; No = 0pts	(0 – 10)
	Amenity Links	To what level would a scheme serve local amenities: 2 points each for a food shop, leisure centre, community centre, public house and Post Office	(0 – 10)
ECONOMY	Economic Considerations	Would a scheme improve pedestrian/cycle access to an urban commercial/retail area? Yes = 5pts; No = 0pts Would a scheme improve the pedestrian/shopping environment in an urban commercial/retail area? Yes = 5pts; No = 0pts	(0 – 10)
INTEGRATION	Network Linkages	Would a scheme improve existing networks? Link on a town cycle network = 5 pts (Link on a recreational cycle/walk route = 2pts) Improved pedestrian link = 5 pts Improved disabled access = 5pts Link to a bus/rail station = 5pts (link to bus stop = 2pts)	(0 – 20)
ENVIRONMENT	Environmental Considerations	Could the scheme help achieve modal shift and reduce car use? Yes = 5pts; No = 0pts Is the scheme in an Air Quality Management Area? Yes = 5pts; No = 0pts	(0 – 10)

* asl = Above speed limit

APPENDIX 2

Cost/Benefit

Scheme Name	Total Cost of Scheme (£000s)	Contribution (from CATG or other party) (£000s)	Cost to WC (£000s)	Benefit Score (from Scheme Assessment Framework)	Cost to Benefit Ratio
	A	B	A-B	0-90	A-B/Benefit Score
Example Scheme X	60	30	30	50	0.60
Example Scheme Y	60	0	60	50	1.20

Deliverability

0 = no risk
 1 = low risk
 2 = medium risk
 3 = high risk

Technical	From a technical standpoint, what is the level of confidence in our ability to implement the proposal? Are there any likely departures from standards involved in developing or implementing the proposal? Is there sufficient land to implement a scheme that meets standards?	x
Legal/Procedural	Are there any statutory procedures that are likely to prove a barrier to delivery? What is the level of confidence that they can be dealt with?	x
Operational	Are there any aspects of the proposals which would result in the Council incurring significant additional costs over its projected life?	x
Financial:	Evidence from past transport projects illustrates that there is a systematic tendency for project appraisers to be overly optimistic when estimating costs. This assessment should appraise the likelihood of the project being delivered within the estimated cost.	x
Public	Has the proposal been made public? If so, how acceptable is the proposal? Are there likely to be objections from particular sections of the community or from particular areas?	x
Deliverability Score		$\sum x \div 5$

Overall Score = Cost/Benefit x Deliverability

Application for Substantive Highways Scheme Funding

This form should be completed and submitted to the highways officer serving your Area Board's Community Area Transport Group by Friday 9 August 2019 and copied to Spencer Drinkwater in the Sustainable Transport Group

Applicant Details:

Name:	
Area Board:	
Email:	
Tel:	

Description and Location of Proposed Scheme:

Scheme name	
Town/village:	
Road name/area of town/village:	
Brief description of scheme:	

Scheme Costs and Funding Sought:

Estimated total cost of Scheme	£
Contribution from CATG's Discretionary Highways Budget	£
Contributions from third parties (e.g. town/parish councils)	£
Funding sought from Substantive Highway Scheme Fund	£

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Signature of Area Board Chair/Community Area Manager:

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Date: