

Councillors Briefing Note No. 298

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

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THE 'SUBSTANTIVE HIGHWAYS SCHEME FUND' BID APPLICATION PROCESS FOR 2016-17

Background

In April the Local Transport Plan Programme for Integrated Transport was agreed by the Cabinet Member for Highways and Transport. As in previous years, a Substantive Highways Scheme Fund was made available to enable Area Boards to bid for funding to deliver priority transport schemes that exceed their Discretionary Highways Budget. The Substantive Highways Scheme Fund for 2016/17 has been set at £150,000. As in previous years, bids for this funding will be assessed according to their value for money and their deliverability as set out below.

Mechanism for Awarding Substantive Highways Scheme Funding

The mechanism to be used to award Substantive Highways Scheme Funding in 2016 will again 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.

Deliverability is an assessment of how challenging a scheme would be to implement within a given 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 Highways Scheme Funding

An Area Board is eligible to bid for Substantive Highways 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 highways 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 town or parish 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 make more than one bid, although bidding more than once is likely to 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 had feasibility appraisals undertaken which demonstrate that they are feasible and deliverable within the 2016/17 financial year.

Bidding Process

Bids should be completed on the attached pro-forma application form (**Appendix 3**) and submitted by Friday 1 July 2016 to the highways officers serving the relevant Area Board Community Area Transport Group. Highway officers will then score the scheme bids in accordance with **Appendix 2**.

It is anticipated that a decision on the awarding of funding will be made by the end of July 2016 by the Cabinet Member for Highways and Transport.