



CABINET

12 JULY 2016

Subject Heading:

**2017/18 Local Implementation Plan
Annual Spending Submission**

Cabinet Member:

Councillor Osman Dervish – Cabinet Member for Environment, Regulatory Services and Community Safety.

CMT Lead:

Steve Moore – (Interim) Director of Neighbourhoods

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Policy context:

London Plan Consolidated with Alterations since 2011 (2015)
London Mayor's Transport Strategy (2010)
Havering Corporate Plan 2014-2015
Havering Local Development Framework (2008)
Havering Local Implementation Plan (2012)
Havering Local Implementation Plan 2014/15 – 2016/17 Three Year Delivery Plan (2013)

Financial summary:

This report seeks Members' approval to the principles of Havering's 2017/18 LIP Submission to Transport for London.

Is this a Key Decision?

Yes

When should this matter be reviewed?

January 2017

Reviewing OSC:

Environment

The subject matter of this report deals with the following Council Objectives

Havering will be clean and its environment will be cared for	X
People will be safe, in their homes and in the community	<input type="checkbox"/>
Residents will be proud to live in Havering	X

SUMMARY

The Council makes an annual Local Implementation Plan (LIP) Spending Submission to Transport for London (TfL) for funding transportation initiatives. This is the major source of funding for transport for the Council.

The Submission has to be consistent with the Mayor of London's Transport Strategy, and the Council's own adopted Local Implementation Plan strategy document.

This report recommends that Cabinet approval of the detailed and full LIP Submission (including its Principal Road Maintenance and Bridge Strengthening bids) is delegated to the Lead Member for Environment, Regulatory Services and Community Safety prior to it being submitted to TfL.

The report makes clear that the recent Mayoral election and the Governments Comprehensive Spending Review will have influence in the way that the submission for 2017/18 is prepared.

TfL are expected to provide guidance to boroughs on preparing the 2017/18 submission in the near future. A copy of this guidance will be placed in the Members Resource room when it becomes available. TfL are expected to inform boroughs of its indicative allocation for the 2017/18 financial year later this year. It is currently expected that TfL will confirm the funding for the proposed 2017/18 programme in late 2016 and, as in previous years, Members will be advised about the outcome.

This report confirms that, as previously, the Council will continue to explore additional opportunities for funding transport programmes/policies to supplement those from the LIP allocation such as other TfL funding streams (e.g TfL Major Schemes funding), other external funding sources and contributions from development proposals.

RECOMMENDATIONS

That Cabinet:

1. **Agree** that approval of Havering's full final LIP Funding Submission for 2017/18 to TfL be delegated to the Cabinet Member for Environment, Regulatory Services and Community Safety.
2. **Agree** that other opportunities for investment in transportation initiatives will continue to be sought from TfL outside the LIP Annual Spending Submission process and from other stakeholders and funding sources.

REPORT DETAIL

Background

1. Funding from Transport for London (TfL) under the ‘umbrella’ of the Local Implementation Plan is the major source of capital monies for transport schemes and projects in Havering.
2. Each year the Council submits a funding submission (bid) to TfL for funding for the following financial year. In recent years, the Council has also allocated significant funds from its own resources towards highway improvement works for footways, road resurfacing, street lighting and environmental improvements consistent with its objectives of making Havering an attractive, safe and convenient place to live and for businesses to operate in.
3. Previously TfL has required Havering to prepare its Annual Spending Submissions to be in line with its adopted Three Year Delivery Plans. This document:
 - sets out how Havering’s annual submission(s) would support the Mayor’s Transport Strategy Goals.
 - addresses Mayoral targets for mandatory indicators including mode share, bus service reliability, asset condition, road traffic casualties and CO2 emissions.
4. Havering’s most recent Three Year Delivery Plan has been delivered across the 2014/15 to 2016/17 financial years.

Taking Havering’s LIP Submission forward in 2017/18

5. Havering would normally have expected to receive an indicative allocation of its LIP funding for the 2017/18 financial year in May. This would usually coincide with the publication of TfL guidance setting out the criteria against which boroughs will be expected to submit their proposed funding programmes.
6. However TfL’s internal review of their finances following the governments Comprehensive Spending Review (CSR), and the election of a new Mayor for London in May 2016 has delayed both:
 - confirmation of the LIP funding announcement whilst TfL awaits Mayoral approval of the funding that will be available; and
 - the publication of the TfL guidance document which normally forms a context for the preparation of borough submissions.
7. It is also clear from the above that boroughs no longer have a current Three Year Delivery Plan in place because 2016/17 was the final year of the most recent ones being implemented.

8. Following officers informally discussing this matter with TfL officers, it is currently expected that LIP funding allocations for 2017/18 will be made on an 'interim' basis in the absence of boroughs having an up to date Three Year Delivery Plan for 2017/18 (and beyond).
9. This approach will provide a 'window' for the new Mayor to develop his new planning and transport policies and priorities. It is expected that this will be followed by boroughs being instructed to prepare their new Three Year Delivery Plans. This however cannot be confirmed at this stage.
10. In line with this approach, it is expected that TfL will write to boroughs providing guidance on how to prepare the 2017/18 Annual Spending Submission in June. This report has had to be prepared ahead of that guidance being issued. Details of the level of funding that boroughs will receive is not expected to be issued until later this year, once TfL have completed a review of their own financial position.
11. Members will be aware that the Council works very closely with Transport for London (TfL) to ensure that a high level of spend is achieved with all its LIP funding. In recent years, the level of spend achieved across the Havering LIP programme has been higher than the Council's Corporate target.

What are the expected requirements for the funding submission for 2017/18

12. Notwithstanding the uncertainties identified above, it is anticipated that Havering's LIP Annual Spending Submission for 2017/18 will have to :
 - reflect the existing Mayor's Transport Strategy (MTS)
 - reflect any new emerging priorities of the new Mayor
 - adhere to the latest annual TfL guidance on Annual Spending Submissions
 - reflect the Council's own priorities and objectives in our Local Implementation Plan (LIP) and other strategies
13. It is expected that funding will be allocated to boroughs for the 2017/18 financial year on a similar basis to previous years (although this will be dependent on the views of the new Mayor). Thus it is expected to cover:
 - Corridors Neighbourhoods and Supporting Measures,
 - Principal Road Maintenance; and
 - Local Transport Funding
14. These programme areas cover :
 - **Corridors, Neighbourhoods and Supporting Measures**
Comprehensive ('holistic') schemes and local area improvements including schemes to tackle congestion by smoothing traffic flows, measures to assist freight, contribute to regeneration, deliver environmental improvements, improve safety as well as projects

involving spaces used by several users, Controlled Parking Zones, 20 mph zones, cycling, walking, bus priority and bus stop accessibility. It also covers 'Smarter Travel' schemes such as school and workplace travel plans, travel awareness initiatives, road safety education, training and publicity schemes.

- **Principal Road Maintenance.**

Focuses on highway surface improvements to Havering's Principal Road Network (PRN). This is based on condition surveys to determine how much of the Principal Road Network across London requires structural maintenance.

- **Local Transport Funding**

Spending on projects of the Council's choice that support the delivery of the Mayor's Transport Strategy.

15. As previously, officers expect that the Council will, subject to TfL's agreement, still have a degree of modest flexibility (ie making changes to the approved list of schemes). This is potentially helpful if Member priorities change or other circumstances arise which warrant the programme being reviewed.
16. It is currently anticipated that boroughs planning to bid for Major Scheme funding (which is done outside the normal LIP process) will need to include details of these within their 2017/18 spending submission. Funding for Major Schemes is awarded through a competitive "three step" bidding process. Boroughs are also expected to need to submit funding bids for Bridge Strengthening measures.
17. Havering's submission must also have regard to it's Network Management Duty under section 16 of the Traffic Management Act 2004 to manage the borough road network to secure expeditious movement of traffic, including pedestrians, on their network and to facilitate the same on the networks of other authorities. This factor has become increasingly important as the Council has adopted an approach that is firmly geared towards growing the borough's economy and tackling issues arising from congestion such as the adverse health impacts arising from stationary traffic.
18. Officers consider that as well as meeting TfL / Mayoral requirements, the 2017/18 LIP Programme will have considerable potential to :
 - assist the Council in the delivery of projects and programmes to deliver the safe, clean and proud agenda
 - assist in ensuring that Havering is 'open for business' and has a strong and vibrant economy by tackling such issues as congestion, and the ease and convenience with which people, goods and services can get around Havering
 - help ensure that the borough's roads and pavements are in as good a condition as possible subject to resources and the relative priority for their maintenance

Cabinet 12 July 2016

- maximise value for money and ensuring the best outcomes for the borough by linking schemes (where feasible) to projects involving the investment of the Council's own capital budgets
 - support other initiatives and funding secured through complementary funding 'pots' (see below – paragraph 22)
 - respond to the views of the community
 - Promote Healthy Living across the borough by encouraging people to make active travel choices
 - Improve safety for users of the public highway
19. The detailed content of the full submission including the elements for Principal Road Maintenance, Bridge Strengthening and any Major Schemes will be prepared following approval of this Cabinet Report. As previously, it is recommended that approval of this be delegated to the appropriate Lead Member (now the Lead Member for Environment, Regulatory Services and Community Safety).
20. TfL are likely to confirm the Council's final allocations for the Corridors, Neighbourhoods and Supporting Measures, Principal Road Maintenance and Major Schemes programme areas before the end of 2016.

What additional funding opportunities may be available for transport projects and programmes

21. TfL's Major Schemes funding category is applicable to projects such as Town Centres, Streetscape and station accessibility improvements including "shared space" projects and public realm enhancements. It is intended to encompass schemes where the overall costs are more than £1 million. Officers will examine TfL's guidance to ensure that future transportation projects covering these and other regeneration areas in the Borough are channelled through the mechanism most likely to maximise the total overall TfL funding to Havering to deliver them.
22. Havering regularly bids for and receives "in year" funding from other funding "streams" that are launched by TfL and the Mayor and other agencies. This year Havering's 'in year' funding allocations include receiving over £200,000 for the Borough Cycling Programme, over £200k Crossrail Complimentary Measures around Romford, Gidea Park, and Harold Wood Stations, and £700,000 under the TfL Bus Stop Accessibility Programme. Officers continue to work closely with TfL to ensure that when such funding opportunities become available that they are maximised and they are spent in the most beneficial ways for Havering.
23. Other possible funding streams such as Section 106 contributions, European initiatives and DfT/CLG funding opportunities will also be pursued as appropriate by officers. This is in line with TfL's requirement that Boroughs should not rely exclusively for their funding on TfL and should develop alternative complementary funding sources accordingly.

24. It is recommended that approval of the final detailed LIP Submission to TfL be subsequently, delegated to the Lead Member for Environment, Regulatory Services and Community Safety.

REASONS AND OPTIONS

Reasons for the decision:

The LIP Funding Submission is a statutory requirement submitted annually to TfL in order to secure funding for a range of initiatives in the Borough with a focus on transport and also encompassing public realm, safety and the environment. Without the LIP funding, it is extremely unlikely that the Council would have the resources to take these forward.

Other options considered:

There are no alternatives if the Council wishes TfL to confirm its LIP funding award to Havering for 2017/18.

IMPLICATIONS AND RISKS

Financial implications and risks:

The funding that the Council will obtain from TfL through the LIP Submission for 2017/18 will be the main source of capital funding for transportation projects and initiatives in the Borough.

Every opportunity will continue to be taken to secure funding from other sources and programme areas, including Developer contributions, to supplement this in line with TfL's requirement that boroughs should reduce their dependency on TfL funding. The need to minimise as far as practicable on going maintenance costs will be taken into account in all schemes that are awarded funding. New schemes have the potential to reduce or increase maintenance requirements, but this net effect will need to be contained within existing budgets.

The Council Capital Programme has in recent years included funding to support capital investment in highway maintenance and improvement schemes. As far as possible within the constraints of the TfL LIP guidance and funding allocations, every opportunity will be taken to make use of the LIP funding in a way which safeguards the Council's own scarce capital resources.

Legal implications and risks:

As this report sets out the spending of funds if received from TfL, it is appropriate for approval to be sought from the Cabinet.

It is a statutory requirement for London local authorities to ensure alignment with the Mayor of London's Transport Strategy (MTS), Section 145 of the Greater London Authority Act (1999) requires all London borough councils to develop LIPs setting out how they intend to implement the Mayor of London's Transport Strategy. Councils are then required to implement the proposals within their LIP.

Under sections 147 and 153 of the Greater London Authority Act 1999 the Mayor of London has the power to issue directions to any London Borough Council as to the manner in which it is to implement the LIP. If the Mayor of London considers that a Council has failed or is likely to fail to implement the proposals, the Mayor of London may exercise on behalf of the Council the powers that the Council has in connection with the implementation of the proposals and recover from the Council as a civil debt any reasonable expenses which he has incurred by exercising these powers.

The statutory duty mentioned in Paragraph 17 is correct and consideration to that duty must be given. There are no other specific legal implications or risks arising from this report although further legal resources will need to be committed to bring into effect the measures for which funding is eventually sought.

Human Resources implications and risks:

Once schemes are selected a subsequent review will take place to consider the impact on existing resources and/or any subsequent or associated cost.

Equalities implications and risks:

An important factor in drawing up the funding Submission will be to improve the ease, convenience and safety of everyone in the Borough who needs to move around in the course of their day to day living and business.

Havering's proposal for the 2017/18 LIP Programme should include schemes that will have a positive impact on accessibility, safety and inclusion of a number of protected groups, including disabled people, women and people from different age groups. In addition to this, they should help tackle social exclusion and health inequalities by improving access to sustainable transportation modes such as cycling, walking and public transport.

When the Council decides which schemes to include within the finalised LIP submission for 2017/18, it will need to ensure that it complies with the Public Sector Equality Duty. An Equalities Analysis of the proposed schemes and their different equalities implications for all protected characteristics will be completed on an individual scheme basis.

BACKGROUND PAPERS

None