

LONG TERM TRANSPORT STRATEGY/TRANSPORT INNOVATION FUND BID

To: **Cabinet**

Date: **16th October 2007**

From: **Deputy Chief Executive, Environment and Community Services**

Electoral division(s): **All**

Forward Plan ref: **2007/006** *Key Decision* **Yes**

Purpose: **i) To seek Cabinet approval to submit an outline proposal to Government for funding for a package of transport improvements to tackle congestion**

Recommendation: **i) That Cabinet approves the draft outline proposal for submission for submission to the Government's Transport Innovation Fund**

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1. BACKGROUND

- 1.1 The Transport Innovation Fund (TIF) was set up by government to support the introduction of innovative packages of measures to tackle congestion. The TIF will provide some £1.4 billion nationally over the period 2008 to 2015. Local authorities are able to bid for this funding. This provides a unique opportunity for the Council to secure funding for substantial transport improvements at a time when other funding sources, including the Local Transport Plan are declining nationally.
- 1.2 To qualify for TIF monies, any package of measures must be made up of two main elements; large-scale improvements to public transport, highways and walking and cycling facilities, and demand management measures, notably the requirement for congestion charging.
- 1.3 To qualify for securing any first year funding, the Council must make a bid to government no later than October 2007, in the form of what is called an Outline Proposal for Funding. Initial guidance from Government set a deadline of July 2007, but this has been extended following discussions with DfT, reflecting the scale of the Cambridgeshire bid. Government has stated that there is no further possibility of an extension to this deadline if the county wishes to be considered for funding starting next year.
- 1.4 Cambridgeshire was one of only ten authorities to be successful in bidding for an initial round of TIF to carry out a study into how to tackle congestion, approximately £1.4 million was received. The initial stages of this work have now been completed and can be used to submit an outline proposal for funding to government. Greater Manchester has already submitted a bid for consideration for funding in 2008/09.
- 1.5 This report sets out the work so far in identifying the package of measures needed to tackle future congestion and goes on to detail how these outline proposals could be taken forward.

2. INITIAL WORK LOOKING AT HOW TO TACKLE FUTURE CONGESTION

- 2.1 57,400 new homes are planned to be built in Cambridgeshire between 1999 and 2016, some 30,000 of these homes are still to be built. In the same period, it is estimated that the population of the county will increase by around 83,000, resulting in a significant rise in trips. This growth is very important to the future of the county, but, if uncontrolled, will lead to unacceptable levels of congestion and associated detrimental effects on businesses, air quality, and journey times. Tackling these transport issues is a key council priority.
- 2.2 The potential increase in congestion in the Cambridge area associated with recent growth has been minimised by demand management measures such as the Cambridge Core Traffic Scheme and improved public transport such as Park & Ride. However, the scale of growth still to come means that existing measures will not be sufficient in the future.

- 2.3 A high-level Long Term Transport Strategy was approved by Full Council in July 2006. In preparing this, work was carried out at a strategic level and so did not identify specific measures, but in broad terms, the strategy reached a number of key conclusions which have informed the TIF study. These were:
- Existing transport proposals, as set out in the Local Transport Plan, including the Guided Busway and the widening of the A14, whilst vital and helpful, would not of themselves be sufficient to tackle future congestion
 - The worst of the future congestion will occur in and around Cambridge
 - To tackle this congestion, a package of measures will be required to meet future transport demands. This package will need to include improvements to public transport, the highway network, walking and cycling facilities and demand management measures.
 - It will not be possible to address future congestion issues unless all of these various elements are introduced: measures to widen transport choices for users, such as improvements to public transport or the highways network, must be combined with demand management measures to be effective at tackling congestion.
- 2.4 The TIF study has taken these conclusions and started the process of working them up into a detailed package of measures. This process will require a great deal of further work, but the initial conclusions are set out below.

3 KEY ELEMENTS OF THE PACKAGE OF MEASURES

- 3.1 The full capital cost of the package of measures is £517.3 million. Of this, the Council is bidding for £465.6 million of central Government funding. This represents 90% of the total capital cost of the package. Further negotiation with Government will be required regarding the exact nature of the funding allocation.
- 3.2 The proposed package of measures is intended to reduce congestion by 10%, despite the planned growth, compared to today's levels - equivalent to traffic levels experienced during school holidays. With the measures planned, it is expected that even in 2021 when many of the planned new homes will have been built, congestion will be less severe than it is today. In addition to this, the package will achieve the following objectives.
- Provide high quality, safe and realistic transport choices;
 - Improve accessibility for all;
 - Create a transport system that is fair and equitable;
 - Reduce transport related CO₂ emissions and addresses specific air quality issues caused by transport;
 - Improve safety; and
 - Promote the economy of Cambridgeshire
- 3.3 The outline proposal for funding is a bid to Government under the TIF process. Government requires that any such bid must focus on measures to tackle congestion where it is at its worst. Consequently the schemes are aimed at tackling congestion in Cambridge and improving access into the city. It does not include other measures that form part of the Long Term Transport Strategy, such as Market Town Transport Strategy initiatives, A605 Kings

Dyke improvements and Ely Southern Bypass. However, with the funding that could be secured through TIF, it is hoped that these schemes could be addressed more quickly through existing funding streams.

- 3.4 The package of measures is described in detail in the Outline Proposal for Funding, which forms **appendix 1** to this report. A summary of these measures is provided in Table 1 below.

Table 1 Summary of proposed measures

Project Delivery Area	Likely Schemes
North	Chesterton Station access
	Newmarket Rd Segregated busway
	Milton Rd to Newmarket Rd busway
	Milton Rd bus priority
	Milton Park & Ride upgrade
	Milton Rd P&R bus priority
West	Castle Street southern closure
	Bridge Street one-way, buses only
	Victoria Avenue bus bollard
	Chesterton Rd westbound busway
	Madingley Road to Huntingdon Road link
	Madingley Rd P&R segregated car access
	Huntingdon Road to Histon Road link
	Madingley Park & Ride upgrade
South	Hills Road bus bollard
	Hills Rd bus priority Station Road to Regent Street.
	Babraham Road P&R segregated car access
	Hauxton M11 P&R access improvements
	Babraham Rd Park & Ride upgrade (inc upgrade to Cherry Hinton Rd)
	Trumpington new P&R
City Centre Initiatives	Junction improvements
	Traffic management measures
	UTC infrastructure upgrade
Cycling Strategy	Comprehensive cycle network
Walking Strategy	Comprehensive walking schemes
Other	Chesterton Rail Station (inc Bay Platform)
	Huntingdon to St. Ives Cambridgeshire Guided Busway improvements

- 3.5 Substantial additional work, including extensive public consultation, will be needed before these outline proposals can be refined and finalised. This work will be carried out following the submission of the outline proposals but before any decisions are made as to which, if any, measures are to be introduced.

4 THE OUTLINE PROPOSAL FOR FUNDING

- 4.1 The outline proposal forms a bid for funding to the Government's Transport Innovation Fund (TIF). The outline proposal follows strict Government guidelines and includes the following information.
- Package description
 - Delivery governance and implementation
 - Funding and finance
 - Commercial strategy
 - Modelling and forecasting of package of measures
 - Appraisal and value for money
- 4.2 It should be emphasised that Cabinet's approval of a bid for TIF money is not a decision to introduce any of the schemes within the bid. Such an approval would need the agreement of Full Council and could only be made following extensive public consultation and following significant additional technical work to refine the draft proposals contained within the outline proposals.
- 4.3 The outline proposal for funding contains a draft timeline for the implementation of the package of measures. This timeline shows the fastest that the schemes could reasonably be delivered, since the delivery of schemes such as new segregated busways is very time consuming, requiring a full process of consultation and a number of formal events, including planning permissions and a Transport and Works Act. It is therefore quite possible that the timescale set out within the timeline could extend. What it shows, however, is that the earliest that all of the measures within the proposals could be completed would be 2016.

5 STAKEHOLDER AND PUBLIC ENGAGEMENT

- 5.1 Stakeholder and public engagement is fundamental to the development of the LTTS. Extensive public and stakeholder engagement is planned between late October 2007 and the end of January 2008. This will provide people with the opportunity to find out more about the proposals and give their views on the outline proposals, options and package of measures, including congestion charging.
- 5.2 There will be a number of ways for people to give their feedback on the outline proposals. This will include the following.
- Public roadshows, including face-to-face surveys
 - Online questionnaire
 - Stakeholder breakfast briefings
 - Stakeholder opinion polling forums
 - Focus groups for hard to reach groups
 - Councillor and MP briefings
- 5.3 Feedback from the engagement exercise will be collated centrally and will be used to help refine the package of measures. Public and stakeholders' views will be available to Members to inform all the later decisions, including any decision to introduce congestion charging. A report setting out the outcome of the consultation will be presented to Council following the consultation exercise.

6. NEXT STEPS

- 6.1 If Cabinet approves the outline proposal for funding, it will be submitted to Government later in October. Following this, there is a series of stages for Government approval that must be met. These are as follows:
- Programme entry – at this point, Government approves the outline proposals and expects to fund the package subject to conditions, such as securing necessary powers.
 - Statutory consultation, including public inquiries (if necessary).
 - Conditional approval – once necessary powers have been obtained. Government will fund the package subject to procurement and costs staying the same. Parts of the package could be approved at different times.
 - Full approval – conditions met and schemes fully approved.
- 6.2 At present, there are no set timescales for these processes. However, there is potential for implementation of certain measures which are more advanced or easier to deliver, such as Chesterton Station, Park & Ride improvements, Real Time Bus Information and cycling improvements, to begin early on in the process. Further work on this early package of schemes is taking place.
- 6.3 A timetable for future decisions is dependent upon the Government's pace in reaching decisions on funding the strategy. Council decisions about introducing major elements of the proposed package will only take place after extensive public engagement has been carried out and the results analysed and fully considered by Members.
- 6.4 Implementation of schemes, if approved by Council would follow on from the amended and further refined proposals being fully considered by Members. It is likely that Members could be presented with some of these refined proposals in 2008.
- 6.5 It is important that the Council seeks to deliver the transport improvements as quickly as possible to meet the needs of the growth agenda. However, as experience with other major projects (such as the Guided Busway and Addenbrooke's Access Road) has shown, these transport improvements can take many years to complete. The very earliest that key improvements to public transport, walking, cycling and highways could be in place would be 2011/12, with the exception of improvements in Cambridge East, which would not be needed until 2016. The Council has made it clear that any sort of charging scheme could not be introduced until these improvements are completed (excluding the Cambridge East developments).
- 6.6 In order to produce the OPF the Council has had to indicate a timescale for introducing the potential charging scheme. However it should be made clear that the Council does not have a target or deadline in mind for doing this. Until the transport improvements are completed there would be no charging scheme in Cambridge. However, for the purposes of the OPF, the very earliest a charge could conceivably be introduced is 2012.

7. CONCLUSION

7.1 Key conclusions to this report are as follows:

- The Cambridge area is faced with potentially severe transport congestion as a result of planned growth. The initial work looking at measures to address this has now been completed, but a great deal of additional work, including extensive public consultation, will be needed before these measures can be agreed.
- The responses from the consultation on the proposals will be important in gaining stakeholder support for the proposal and the Council deciding whether to proceed with the TIF proposal.
- TIF provides a substantial opportunity for the Council to secure funding to implement these measures. In order to be able to take advantage of this, a bid, in the form of an outline proposal for funding, must be made to Government no later than October 2007.
- The proposals contained within the bid are in outline form only and are likely to change substantially following extensive public consultation and further work in refining the proposals.
- The proposals are wide ranging, including substantial improvements across the transport network. The fiscal demand management elements of the bid cannot be introduced until transport improvements have been delivered.

8. FINANCIAL IMPLICATIONS

- 8.1 The financial implications of the Transport Innovation Fund could be quite substantial. If a bid were to be made and were to prove successful, this could release large sums of money – up to around £550 million – to be spent on transport improvements related to congestion. There are a number of key issues with regard to this which are still being worked on, and it is unlikely that complete clarity will be achievable until after public consultation has been carried out and the precise nature of the schemes have been identified.
- 8.2 If the County Council were to decide to introduce a congestion charging scheme, this would also release substantial amounts of money which would be spent on transport in Cambridgeshire – although the revenue raising elements are not a key aim of the scheme. Again, the exact amount that this could raise is unclear and will not be known until a later decision is made, but by way of illustration, an area scheme charging £4 per day for everyone travelling in Cambridge between 7.30 and 9.30am would generate some £30 million per annum (once operating costs have been paid).
- 8.3 The delivery of such an increased level of transport improvements will require a rethink as to how best to procure the measures needed. This too is being actively considered, drawing upon expert advice from consultants. Again, the exact nature of this will not become clear until after public consultation and further development of the measures and timescales, but it is likely that the County will need to reconsider its existing arrangements for procuring large scale transport works.

- 8.4 In the shorter term, assuming that Government accepts the initial outline proposals, there will be a need to consider how best to take the schemes forward whilst longer term arrangements are being developed. This might include the setting up of a new team and the use of external consultants, as has been the case with the delivery of the Guided Busway.
- 8.5 Delivery of the improvements to the transport network would lead to us outperforming against many of the targets and indicators included in the Local Transport Plan 2006-11.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 The risks associated with TIF and the LTTS have been identified using a risk management process carried out in accordance with the Council's risk management strategy.
- 9.2 TIF risks are included on the risk registers of the Office of Environment and Community Services and of the Sustainable infrastructure Directorate. If a bid were made and proved successful, the political implications and the scale of the funding involved would necessitate a separate TIF risk on the Corporate Risk Register.
- 9.3 The LTTS is a key document that can provide the policy framework and some of the funding package for the transport elements of the Growth Agenda. It carries the key risks shown below, which are interlinked, and all stem from corporate risk 5 – Management of the Growth Agenda. (Risks attached to the failure of the Council to adequately predict and manage the needs to support significant growth in Cambridgeshire):
- a) Funding
- If the Council does not progress the TIF study, there will be less funding available to provide the much-needed transport services and infrastructure required to support growth, hence congestion will increase.
- b) Delivery of the Growth Agenda
- If funding for improvements to the transport network are not achieved through the TIF process, the need to achieve the necessary transport capacity could prejudice or delay the delivery of the Growth Agenda. Congestion / lack of capacity on the network, or the need to achieve additional funding from developers over and above existing levels of planning obligations could both delay or stifle planned growth.
- c) Targets and Objectives
- A failure to meet locally or nationally set transport targets could result in a serious loss of transport funding from the Local Transport Plan process.
- 9.4 In order to manage these issues a number of mitigating actions are to be taken.

- a) We will continue to pursue all avenues for funding for transport schemes related to growth.
- b) We will continue to ensure that sufficient resources are available to deliver transport measures through the design of specifications and the monitoring of contracts with our framework consultants.
- c) Through our management of LTP budgets and monitoring of progress against targets, we will seek to prioritise funding in future years as required to give best opportunity to achieve LTP and corporate targets.

10. CLIMATE CHANGE IMPLICATIONS

- 10.1 The Transport Innovation Fund package of measures including peak hour congestion charging in Cambridge would, if implemented, result in a significant reduction in transport related Greenhouse Gas emissions in the medium - longer term within the Cambridge area. This drop would be in line with Kyoto protocol emission targets. Given the growth planned in the area, this would be a very significant achievement. The proposals would also bring reductions in CO₂ across the wider area, though these will be less.
- 10.2 Cambridgeshire County Council signed the Nottingham Declaration on Climate Change in 2002, and produced a Climate Change Strategy in April 2005. The strategy sets a strict CO₂ reduction target and highlights activities aimed at meeting this. The outline transport proposals will contribute significantly to the meeting of this target.

11. RECOMMENDATIONS

- 11.1 It is recommended that Cabinet:
 - i) Approves the outline proposal for funding for submission to Government

Source Documents
Local Transport Plan 2006-11

Location
A301 Castle Court
Cambridge