

ANNUAL PROGRAMME UPDATE REPORT

1. General Information

Directorate	Place, Prosperity and Sustainability	Portfolio/Committee	Transport; Finance and Resources
Project Title	Transportation & Highways Capital Programme – Annual Programme Update - 2023/24 – 2028/29	Project Code	Not applicable

Project Description

Background

The Transportation and Highways Capital Programme (THCP) performs an essential role in supporting a range of projects and programmes that contribute towards achieving the City Council's key policies, priorities and delivery plan, as set out in the emerging West Midlands Strategic Transport Plan, , emerging Birmingham Local Plan and existing Birmingham Development Plan Birmingham Connected transport strategy, and the Birmingham Transport Plan (BTP), Route to Zero Strategy, and Walking & Cycling Strategy & Investment Plan.

In the context of inclusive economic growth, the THCP supports the City Council's key priorities as defined in the Birmingham City Council Plan and Budget 2022 to 2026, namely:

- A Bold Prosperous Birmingham
- A Bold Inclusive Birmingham
- A Bold Safe Birmingham
- A Bold Healthy Birmingham
- A Bold Green Birmingham

The programme is focused on reducing congestion, enabling growth, improving road safety, improving accessibility, improving air quality, supporting delivery of the City Council's 2030 carbon neutral target, and encouraging active and sustainable modes of travel.

The THCP was previously updated and approved by Cabinet on 22 March 2022 for a rolling six-year period up to 2027/28. This Annual Programme Update Report (APU) reflects new resources, programmes, priorities, opportunities, revised project costings and expenditure profiles and policy changes that have occurred since this approval. The revised programme totals £284.853m over the next six year rolling programme. Such changes include:

- Increase in development and delivery of active travel schemes to continue the city's recovery from the COVID-19 pandemic;
- New and accelerated infrastructure schemes being a key part of the Commonwealth Games legacy; and,
- Programme alignment opportunities with WMCA, Network Rail and Highways England.

The structure of the THCP comprises the following sub-programmes as described in Appendix A: Major Schemes; Public Transport; Brum Breathes and Route to Zero, Infrastructure Development, Active Travel and Places for People. These recognise key policy themes and allow similar projects to be grouped in a more coherent manner. The also seek to make a significant contribution in mobilising the key principles of the BTP including:

- Reallocating road space;
- Transforming the city centre;
- Prioritising active travel in local neighbourhoods; and,
- Managing demand through parking measures.

Capital Funding

The total forecast capital cost of the six-year THCP 2023/24 to 2028/29 is £284.853m. This programme profile is summarised in the table below:

Programme	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Major Schemes	48.566	49.719	33.775	23.726	2.000	2.000	159.786
Public Transport	3.384	0.300	0.250	0.200	0.200	0.200	4.534
Brum Breathes & Route to Zero	3.350	7.250	11.154	5.200	0.250	0.250	27.454
Infrastructure Development	1.671	1.819	0.758	0.879	1.454	1.654	8.235
Active Travel	18.140	8.657	17.830	25.546	1.000	1.000	72.173
Places for People	4.446	2.225	1.550	1.550	1.550	1.350	12.671
TOTAL	79.557	69.970	65.317	57.101	6.454	6.454	284.853

The six-year programme is split by funding source as follows:

Funding Source	£m
LNIP Funding	37.254
Grants from Central Government	186.200
Levelling Up Fund	9.795
Contribution 3 rd Party	5.448
S278	0.244
Bus Lane Enforcement/Highways Resources/CAZ	34.140
S106	1.770
Prudential Borrowing	2.068
Prior years ITB/LNIP	3.413
Capital Grants Reserves	3.085
Enterprise Zone	1.166
Total Forecast Programme	284.853

LNIP Capital funding of £6.254m is estimated to be allocated to Birmingham for 2023/24. Total LNIP funding split across key themes within the programme structure is shown in the table below. The values for 2023/24 are an estimation and the allocations shown from 2024/25 onwards are forecasts.

	Estimated	Forecast					
LNIP & Prior Years ITB Programme Allocations	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£m	£m	£m	£m	£m	£m	£m
Major Schemes	0.010	1.510	3.459	2.713	2.000	2.000	11.692
Public Transport	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Brum Breathes & Route to Zero	0.275	0.250	0.250	0.250	0.250	0.250	1.525
Infrastructure Development	1.471	1.819	0.758	0.879	1.454	1.654	8.035
Active Travel	1.573	0.450	0.237	0.862	1.000	1.000	5.122
Places for People	2.925	2.225	1.550	1.550	1.550	1.350	11.150
TOTAL	6.254	6.254	6.254	6.254	6.254	6.254	37.524

Other Funding Sources

LNIP funding is significantly supplemented by bidding to Government, WMCA and GBSLEP for other grant funding including other City Region Sustainable Transport Settlement (CRSTS), Levelling Up Fund (LUF), Enterprise Zone (EZ), HS2 Road Safety Fund and Active Travel Fund (ATF). In addition, there is also funding from Corporate Resources including Prudential Borrowing (PB). These additional funding sources over the six-year programme are shown in the Funding Source table above alongside LNIP.

Net Bus Lane Enforcement Surplus Direct Allocation - In the development of previous iterations of the THCP a number of funding pressures were identified, and a strategy formulated to resource these projects over a number of years using direct allocation of net Bus Lane Enforcement (BLE) surplus. The 2023/24 to 2028/29 THCP continues to support this strategy.

Corporate Resources including Prudential Borrowing (PB) – The existing programme is part funded through corporate resources including PB, as detailed in the funding source table above. PB costs are funded from in year net BLE surplus as shown in Appendix B. The need to use corporate resources, including PB, will be minimised wherever possible through the wider ongoing management of the existing THCP resources and the identification of alternative funding streams/new resources. Further information on PB is provided in Appendix B.

The complete capital programme is provided in Annex F detailing projects and associated funding sources on an annual and all years' summary basis.

Revenue

Revenue Maintenance Costs

It is recognised that new capital transport schemes can by their nature attract additional ongoing maintenance costs in respect of improved or new assets and provide opportunities to remove existing assets during works to mitigate cost increases. For all schemes (excluding those deemed to be major schemes), an ongoing corporate policy contingency annual allocation is available to bid for to accommodate basic inventory growth and expenditure incurred as a result of new capital works and this is monitored to ensure the budget allocation is not exceeded. Alternative funding sources are investigated for the maintenance of enhanced assets but where these cannot be identified, the cost of maintaining

enhanced assets may have to be funded from the corporate policy contingency allocation. In this event, options to reduce costs are considered including scheme revisions and scheme deferrals. Each scheme will need to identify revenue maintenance implications and funding, as part of the scheme-specific approval process, including where relevant the use of the corporate policy contingency allocation.

Prudential Borrowing Costs

As detailed above, the existing programme is part funded through corporate resources including PB. The revenue cost of PB is funded from in year Net BLE surplus. Further information on PB is provided in Appendix B. Revenue consequences of PB will continue to be managed within Place, Prosperity & Sustainability.

Impact of Transport Schemes on Parking Income

It should be noted that the Birmingham Transport Plan will provide the step change in Council policy that is required to meet our objectives, including the Route to Zero targets. To achieve these aims previous ways of working and revenue streams will be impacted, in particular by moving away from a car dominated transport system, and reallocating transport space away from the private car, traditional revenue income from car parking may reduce. Changing objectives and associated impacts will need to be considered through the Council's future budget processes.

Structure of THCP

The structure of the THCP comprises the following programmes.

Major Schemes

This programme is split into two sub programmes, Birmingham Transport Plan Major Projects which directly support the delivery of the BTP and Legacy Major Projects which consists of post completion funding and asset maintenance schemes.

Public Transport Programme

This programme comprises projects that focus on the provision of public transport infrastructure. Measures include support of rail and metro schemes, junction improvements, public transport enhancements, bus lane enforcement, and other traffic management schemes to aid road based public transport.

Active Travel Programme

It is recognised that the use of sustainable modes of transport can significantly contribute towards reducing congestion, improving air quality, improving accessibility and also improving health and physical fitness. The Active Travel programme will take forward key projects as detailed in the City Council's Walking and Cycling Strategy including new pedestrian and cycling routes, new cycle stands, new cycle hubs and bikes, and smaller measures identified by stakeholders.

Brum Breathes and Route to Zero

This programme contains projects related to delivering the CAZ, and others related directly to reducing air pollution through zero emission technology. In 2019 Birmingham City Council declared a Climate Emergency and set up a Route to Zero Task Force. Transport schemes coming out of these workstreams will sit in this programme.

Infrastructure Development

This programme focuses upon activities to develop future year programmes to enable an overall rolling THCP, including the development of new schemes and programmes to be funded from Government or other resources. Should projects developed in this and other programmes be abortive, then expenditure will represent a revenue cost to the promoting Directorate.

Local Neighbourhoods Programme

This programme contains smaller transport projects to be delivered at a local level, with work focussed on four sub-programmes as described below:

Safety Scheme Programme

The Safety Scheme Programme targets the continued reduction of recorded killed, seriously injured and slight road traffic collisions across the city to maintain the positive downward trend achieved by both Birmingham and the West Midlands Metropolitan area.

School Streets Programme

It is proposed to continue the successful School Streets Programme over the next six financial years. Schools proposed for named highway engineering schemes are required to have an up-to-date School Travel Plan in place and then are prioritised in accordance with the safety and sustainability criteria provided as Annex B to this Options Analysis. In summary, schools will be prioritised on safety grounds by reviewing the road traffic collisions, speed data and annual average daily traffic flow. Schools prioritised on sustainability grounds are determined by the following:

- School population;
- Participation in the Modeshift STARS initiative
- Particular requirements for highway measures identified by the school in their travel plan;
- Completion of a school travel survey

Ward Minor Transport Measures

Following the changes to ward boundaries and number of ward members since May 2018 a review of how this funding is apportioned took place, with the funding being combined into one allocation per member of £6,500 per ward member and in 2020/21, this funding was increased to provide £10,000 per ward member. Allocation for 2023/24 remains at £10,000 per ward member per annum.

Governance and Delegations

In delivering the capital programme it is necessary to maximise delivery, enhance the City Council's reputation, minimise costs and offset reduced officer resources in relevant departments. Additionally there is a need to respond more expediently to external funding opportunities that become available, often at short notice, and enable more effective budget and resource management within the confines of an agreed six-year investment programme. As such, the following delegations are proposed:

Bidding and Grant Acceptance:

Delegate authority to bid for and accept external capital and revenue resources in line with City Council priorities and consistent with the policies and objectives of the West Midlands Strategic Transport Plan, Birmingham Development Plan, and Birmingham Transport Plan to the Strategic Director of Place, Prosperity & Sustainability, in conjunction with the Strategic Director of Council Management, and in consultation with the relevant portfolio holder, up to a maximum value of £2.000m.

Delegate authority to bid for and accept external capital and revenue resources in line with City Council priorities and consistent with the policies and objectives of the West Midlands Strategic Transport Plan, Birmingham Development Plan, and Birmingham Transport Plan to a report of the Strategic Director of Place, Prosperity & Sustainability and Strategic Director of Council Management to the relevant portfolio holder, up to a maximum value of £10.000m.

Project Approvals:

Delegate approval of all OBCs, FBCs and related reports including revised financial appraisals for named projects and programmes detailed in Appendix A (Annex F) of this report to the Strategic Director of Place, Prosperity & Sustainability in conjunction with the Strategic Director of Council Management and in consultation with the relevant portfolio holder, up to a maximum value of £2.000m.

Delegates approval of all OBCs, FBCs and related reports including revised financial appraisals for named projects and programmes detailed in Appendix A (Annex F) to a report of the Strategic Director of Place, Prosperity & Sustainability and Strategic Director of Council Management to the relevant portfolio holder, up to a maximum value of £10.000m.

Programme Management:

	<p>Delegates authority to approve virement of funding between named projects within Annex F of the Transport and Highways Capital Programme, to the Strategic Director of Place, Prosperity & Sustainability, in conjunction with the Strategic Director of Council Management, and in consultation with the relevant portfolio holder, up to a maximum value of £2.000m in line with City Council policies and objectives, and the City Council GRFAF.</p> <p>Delegates authority to approve virement of funding between named projects within Annex F of the Transport and Highways Capital Programme, to a report of the Strategic Director of Place, Prosperity & Sustainability and Strategic Director of Council Management to the relevant portfolio holder, up to a maximum value of £10.000m in line with City Council policies and objectives, and the City Council GRFAF.</p> <p><u>Consultation</u></p> <p>Full external consultation will be undertaken as part of individual OBCs and FBCs in accordance with normal practise including Ward Councillors, residents, emergency services, businesses, WMCA/TfWM, special interest groups and the Cycling Forum. Consultation will also be undertaken with Sutton Town Council and New Frankley in Birmingham Parish Council where appropriate.</p> <p>Consultation has been undertaken with the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) in respect of Local Growth Fund (LGF) resources who support this approach.</p> <p><u>Equalities Analysis</u></p> <p>An initial screening for an Equality Analysis (EA) has been undertaken for the THCP and has concluded that a full EA is not required at this time, with no adverse impacts on the protected groups and characteristics under the Equality Act 2010. This position will be reviewed for each composite project and/or programme at OBC and FBC stage as necessary. The initial EA screening is provided as Appendix C to this report.</p> <p><u>Risks</u></p> <p>Key risks are outlined in Appendix A (Annex E). It should be noted that we are seeing sharp rises in the cost of construction due to national and global events (Brexit, COVID-19, international unrest). The prices and shortage of materials and labour together with rising energy prices is having a major impact on projects in contract, as well as those projects which have recently been through the OBC and FBC processes. It should also be noted that as we are predicted to enter into a further recession and with interest rates rising this will continue to have an impact on future projects which are in development, as well as those that are yet to enter into construction. Such risks will be managed by senior Transportation and Highways officers in conjunction with the relevant portfolio holders.</p>
<p>Links to Corporate and Service Outcomes</p>	<p>The Transport and Highways Capital Programme performs an essential role in supporting a range of projects and programmes that contribute towards achieving the City Council's key policies and priorities, as set out in the West Midlands Strategic Transport Plan, Birmingham Development Plan, Birmingham Connected transport strategy, and the Birmingham Transport Plan (BTP), Route to Zero Strategy, and Walking & Cycling Strategy & Investment Plan.</p>
<p>Project Benefits</p>	<p>In the context of inclusive economic growth, the THCP supports the Council's key priorities as defined in the City Council Plan and Budget 2022-26;</p> <ul style="list-style-type: none"> • A Bold Prosperous Birmingham • A Bold Inclusive Birmingham • A Bold Safe Birmingham • A Bold Healthy Birmingham • A Bold Green Birmingham <p>The programme is focused on enabling growth, improving road safety, improving accessibility, improving air quality, and encouraging active and sustainable modes of travel.</p>

Project Deliverables	The THCP will deliver significant transport infrastructure over a six-year period comprising: cycling and walking schemes; road safety improvements; local accessibility projects; safer routes to schools schemes; bespoke asset life extending works to structures; and, a pipeline of future projects including the City Council's next programme of major transport schemes.		
Procurement Implications	This report seeks to delegate the approval of the procurement strategy and the award of contracts for professional services and works above the procurement threshold of £177,898 (excluding VAT) up to £10m to support the delivery of the named projects. Projects under the procurement threshold will be procured and awarded under Chief Officer delegated authority.		
Taxation Implications	There are no direct taxation implications in this report. Taxation implications are assessed as part of individual funding bids, OBCs and FBCs.		
Accountable Body	There are no direct Accountable Body implications for this report.		
Key Project Milestones		Planned Delivery Dates	
Approval of Programme Definition Document (OA)		n/a	
Approval of Full Business Cases (FBC)		n/a	
Seek Tenders & Evaluation		n/a	
Start on site		n/a	
Completion on site		n/a	
Post Implementation Reviews		n/a	
Dependencies on Other Projects or Activities	<p>There are no direct implications for this report. Specific project implications such as the examples shown below will be addressed as part of individual funding bids, OBCs and FBCs.</p> <ul style="list-style-type: none">• Approval of GBSLEP business cases;• Approval of business cases by DfT;• Approval of Housing Infrastructure Fund Bid• Securing match funding contributions;• Securing private contributions;• Acquiring necessary third-party land;• Securing funding for revenue implications;• Completing procurement and tendering processes;• Securing access to the public highway;• Phasing works in accordance with other works on the highway;• Securing necessary legal agreements and completing grant agreements; and• Contractors and Statutory Undertakers availability.		
Achievability	Similar programmes have been completed previously by the City Council using its project officer and project management resources supplemented by experienced contractors with a track record of delivering similar projects will be appointed as part of necessary procurement processes.		
Project Manager	To be confirmed as part of individual OBC and FBC reports.		
Project Accountant	Andy Price		
Project Sponsor	Philip Edwards		
Proposed Project Board Members	N/A		
Finance Business Partner (FBP)	Azhar Rafiq	Date of FBP Approval	
Other Mandatory Information			
• Has project budget been set up on Oracle?			Ongoing
• Issues and Risks updated <i>(Please attach a copy to the PDD and on Voyager)</i>			Annex E

2. Options Appraisal Records

The following sections are evidence of the different options that have been considered in arriving at the proposed solution. All options should be documented individually.

Option 1	Discontinue Transport and Highways Capital Programme
Information Considered	Birmingham City Council Priorities; West Midlands Strategic Transport Plan; Birmingham Connected Transport Strategy; Birmingham Transport Plan; Birmingham Development Plan; Greater Birmingham and Solihull Strategy for Growth and Strategic Economic Plan; Birmingham Road Safety Strategy; Relevant approved PDDs and FBCs; member and senior officer consultation; Correspondence from elected members, MPs and members of the public; congestion data; road safety data; census data; WMCA/TfWM Reports; West Midlands Devolution Deal.
Pros and Cons of Option	<p><u>Limitations</u></p> <ul style="list-style-type: none"> • Significant funding from the DfT, WMCA and GBSLEP will not be provided or would be at risk of clawback; • The City Council will not be able to demonstrate the ability to manage and deliver government transport funding, potentially affecting the further devolution of resources; • New funding would be difficult to access; Council will not be able to demonstrate the ability to manage and deliver government transport funding, potentially affecting the further devolution of resources; • Transport and Highways works to enable growth may not be delivered and restrict the creation of new employment opportunities; • Transport and Highways works to enable growth may not be delivered within necessary timescales, reducing competitiveness and failing to build confidence in key growth zones; • The City Council's economic growth zones will not be progressed in a timely fashion; • Transport benefits relating to reduced congestion and improved safety may not be achieved; • Would dissolve existing strategy to fund large projects such as Tame Valley Viaduct; • Existing commitments and pressures would still need to be funded; • Net surplus BLE income may not be used in accordance with the Civil Enforcement of Road Traffic Contraventions (Approved Devices, Charging Guidelines and General Provisions) (England) Regulations 2022; • Abortive 'sunk' development costs that may represent a revenue pressure; • Existing Government and GBSLEP funding could be at risk of clawback • Failure to deliver the Birmingham Connected Transport Strategy, West Midlands Strategic Transport Plan and Birmingham Transport Plan's • Broader reputational risks for the Council and members; • Likely to be politically and publicly unacceptable; • Severe staff implications due to loss of capital funding and fee recovery; • The full benefits of HS2 will not be realised; • The City Council will not deliver its obligations regarding air quality including a Clean Air Zone. • The City Council will not meet its zero carbon Birmingham by 2030 target • Increased revenue costs as assets deteriorate <p><u>Benefits</u></p> <ul style="list-style-type: none"> • Additional maintenance implications may not be incurred; • Potential disruption may be avoided by not delivering key improvements; • Some match funding could be used for alternative purposes. • No risk of cost over run impacting the City Council.
People Consulted	Consultation has been undertaken with the Cabinet Member for Finance and Resources, Strategic Director of Place, Prosperity & Sustainability, Director of Planning, Transport & Sustainability and Assistant Director Transport and Connectivity.
Recommendation	Do not proceed
Principal Reason for Decision	Failure to deliver the City Council's priorities, transport strategy, and associated linkages to other agendas around economic growth, employment, health and sustainability. Failure to adhere to CAZ regulations and realise benefits of HS2.

Option 2	Continue Transport and Highways Capital Programme and Implement Proposed Funding Strategy
Information Considered	Birmingham City Council Priorities; West Midlands Strategic Transport Plan; Birmingham Connected Transport Strategy; Birmingham Transport Plan, Birmingham Development Plan; Greater Birmingham and Solihull Strategy for Growth and Strategic Economic Plan; Birmingham Road Safety Strategy; Relevant approved PDDs and FBCs; member and senior officer consultation; Correspondence from elected members, MPs and members of the public; congestion data; road safety data; census data; WMCA/TfWM Reports; and, West Midlands Devolution Deal.
Pros and Cons of Option	<p><u>Limitations</u></p> <ul style="list-style-type: none"> • Additional maintenance implications will be incurred; • Disruption associated with delivering key improvements; • Match funding not available for alternative purposes; • Less focus on smaller transport improvements; • No staffing efficiencies; and • Long term commitments to repay prudential borrowing. <p><u>Benefits</u></p> <ul style="list-style-type: none"> • Significant funding from the DfT, WMCA and GBSLEP will be secured; • The City Council can demonstrate the ability to manage and deliver government transport funding, supporting the further devolution of resources; • New funding could be accessed; • Existing commitments and pressures would be funded; • Transport and Highways works to enable growth would be delivered and create new employment opportunities; • Transport and Highways works to enable growth would be delivered within necessary timescales, increasing competitiveness and building confidence in key growth zones; • The City Council's economic growth zones will be progressed in a timely fashion; • Transport benefits relating to reduced congestion and improved safety will be achieved; • Strategy to fund large projects such as Tame Valley Viaduct maintained; • Existing Government and GBSLEP funding would not be at risk of clawback; • Usage of net surplus BLE income in accordance with the Civil Enforcement of Road Traffic Contraventions (Approved Devices, Charging Guidelines and General Provisions) (England) Regulations 2022; • Delivery of the Birmingham Connected Transport Strategy, West Midlands Strategic Transport Plan, and Birmingham Transport Plan's; • No reputational risks for the City Council and members; • Politically and publicly acceptable; • No staff implications due to loss of capital funding and fee recovery; • The full benefits of HS2 be realised; • Will support the City Council in delivering its obligations regarding air quality including a Clean Air Zone; • The strategy can contribute to the City Council meeting its zero carbon Birmingham by 2030 target;
People Consulted	Consultation has been undertaken with the Cabinet Member for Finance and Resources, Strategic Director of Place, Prosperity & Sustainability, Director of Planning, Transport & Sustainability and Assistant Director Transport and Connectivity.
Recommendation	Proceed
Principal Reason for Decision	Delivery of the City Council's priorities, transport strategy, and associated linkages to other agendas around economic growth, employment, health and sustainability. Significant improvements to transport infrastructure. Risk exposure reduced in respect of securing external funding and preventing funding clawback. Ability to meet the requirements of the zero carbon Birmingham by 2030 target, CAZ regulations and realise benefits of HS2.

	Score		Weighting	Weighted Score		
Criteria	Option 1	Option 2		Option 1	Option 2	
Total Capital Cost	8	5	10%	0.8	0.5	Less capital expenditure if the programme is not progressed however this may result in additional future capital cost if infrastructure is not improved
External Funds Leveraged	1	10	10%	0.1	1	External funds will not be leveraged or there will be a significant reduction if the programme does not progress
Upfront Revenue Cost	10	10	10%	1	1	There are no material up-front revenue costs implications for either option
Full Year Revenue Consequences	8	10	10%	0.8	1	There are ongoing revenue cost implications of progressing the programme as detailed within the finance section however, there may also be ongoing future revenue cost implications if the programme is not progressed due to the deterioration of existing infrastructure
Quality Evaluation Criteria e.gs						
1)Meeting Service Requirements	2	10	20%	0.4	2	Service requirements will only be significantly met by progressing the programme
2)Contributing to Priorities	2	10	20%	0.4	2	Priorities will only be significantly met by progressing the programme
3)Compliance with Existing Obligations	2	10	20%	0.4	2	Existing obligations will only be met by progressing the programme
Total			100%	3.9	9.5	

4. Option Recommended

Option 2 is recommended as it will allow the delivery of the City Council's priorities, transport strategy, and associated linkages to other agendas around economic growth, employment, health and sustainability. It will also allow significant improvements to infrastructure. Risk exposure reduced in respect of securing external funding and preventing funding clawback. Ability to meet the requirements of the zero carbon Birmingham by 2030, and Air Quality/CAZ regulations and realise benefits of HS2.

5. Budget information

Detailed budget information by project, programme and funding source is provided as Annex F to this Options Appraisal (OA).

Notes – Revenue Consequences

Asset Management/Maintenance Implications

As part of the City Council's obligations under the Highway Maintenance and Management Private Finance Initiative (HMMPMFI) contract, Highways will be formally notified of the proposed changes to the highway inventory arising through individual project OBCs and FBCs.

Consultation with Highways will be carried out to enable coordination of the proposed works with other programmed activities on the highway network as a part of the development of individual project OBCs and FBCs.

Revenue Maintenance Costs

It is recognised that new capital transport schemes can by their nature attract additional ongoing maintenance costs in respect of improved or new assets and provide opportunities to remove existing assets during works to mitigate cost increases. For all schemes (excluding those deemed to be major schemes), an ongoing corporate policy contingency annual allocation is available to bid for to accommodate basic inventory growth and expenditure incurred as a result of new capital works and this is monitored to ensure the budget allocation is not exceeded. Alternative funding sources are investigated for the maintenance of enhanced assets but where these cannot be identified, the cost of maintaining enhanced assets may have to be funded from the corporate policy contingency allocation. In this event, options to reduce costs are considered including scheme revisions and scheme deferrals. Each scheme will need to identify revenue maintenance implications and funding, as part of the scheme-specific approval process, including where relevant the use of the corporate policy contingency allocation.

Prudential Borrowing Costs

As detailed above the existing programme is part funded through corporate resources including PB. The revenue cost of PB is funded from in year Net BLE surplus. Further information on PB is provided in Appendix B Revenue consequences of PB will continue to be managed within Place, Prosperity and Sustainability Directorate budgets.

Network Integrity Assessment

Network integrity assessments will be carried out for the highway infrastructure to identify locations where potential maintenance savings could be made.

6. Project Development Requirements/Information	
Products required to produce Full Business Case	<p>Please note the information below relates to the production of individual FBCs for specific projects detailed within this OA:</p> <ul style="list-style-type: none"> • Consultation; • Detailed design including drawings and estimate; • Road Safety Audit 2; • Internal liaison with key council officers; • Highways Change Notification; • Traffic Management Protocol and Plans; • NRSWA Notification; • Approval Reports; • Delegated Form of Authority for Traffic Regulation Orders; • Approval of GBSLEP business cases/loan applications; • Approval of business cases by DfT; • Securing match funding contributions; • Securing private contributions; • Acquiring necessary third-party land; • Securing funding for revenue implications; • Completing procurement and tendering processes; • Securing access to the public highway; • Phasing works in accordance with other works on the highway; • Securing necessary legal agreements and completing grant agreements.
Estimated time to complete project development	Rolling development
Estimated cost to complete project development	Not applicable
Funding of development costs	Development costs funded through LNIP are set out in Annex D of this report. Other development costs are funded by external funding as part of funding bids.

Planned FBC Date	Rolling	Planned Date for Technical Completion	Phased between April 2023 and March 2029
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List of Annexes accompanying this OA:

ANNEX A – LOCAL SAFETY SCHEMES PRIORITISATION AND GOVERNANCE

ANNEX B – SAFER ROUTES TO SCHOOLS – SCORING CRITERIA FOR SAFETY AND SUSTAINABILITY STRANDS/GOVERNANCE

ANNEX C – WARD MINOR TRANSPORT MEASURES AND PREVENTION OF DAMAGE TO GRASS VERGES

ANNEX D – BREAKDOWN OF DEVELOPMENT COSTS

ANNEX E – HIGH LEVEL PROGRAMME RISK ASSESSMENT

ANNEX F – FINANCIAL SUMMARY BY PROJECT AND PROGRAMME (SEPARATE ATTACHMENT)

ANNEX A – SAFETY SCHEMES PRIORITISATION AND GOVERNANCE

The Safety Scheme Programme targets the continued reduction of recorded killed, seriously injured and slight road traffic collisions across the city to maintain the positive downward trend achieved by both Birmingham and the West Midlands Metropolitan area.

Following the adoption of Birmingham Transport Plan (BTP) and emerging studies which provide a proactive rather than reactive methodology for determining the locations and mitigations for safety improvements, it has been identified that traditional individual junction highway engineering solutions do not always provide the most efficient solution to improve safety on the transport network. Therefore, the Birmingham Road Safety Strategy will be reviewed during 2023/24 to update it to meet current policy objectives.

BCC intends to revise its methodology towards a more holistic approach which considers the quality of the streetscape, using a robust Quality Audit process. This revised approach will seek to mitigate or resolve identified issues through sensitive redesign of the streetscape to prioritise quality of place, accessibility, safety and functionality for all users.

The Quality Audit process is already well established and is set out in TAL 5/11, supported by the Government's Inclusive Mobility document and Healthy Streets Tool. Together, these provide a framework to assess quality of place, user safety, accessibility and functionality objectives comprehensively, rather than the previous approach which focussed almost exclusively on safety only, often to the detriment of quality of place, accessibility and wider functionality of the streetscape.

For the 2023/24 programme, whilst Road Safety issues will continue to be identified using the adopted criteria set out below, alternative methods are being trialled currently and will be tested during 2023/24. The schemes considered will also now include both area wide as well as location specific solutions. Funding will also be able to be used for enhancements to pedestrian and cycling safety where it can be evidenced that this is the most effective solution to the issue.

Identification of Road Safety Issues:

The strategy to identify and mitigate road safety issues from previous programmes is set out below, this will continue to be used to identify priority locations for intervention, and to justify the business case for spend within the Safety Schemes budget:

Road traffic collision (RTC) studies are carried out at the following location types: priority junctions, signal junctions, roundabouts and route lengths. Collision data is collected by the Police and is compiled from the Transport for West Midlands Data Insight Service system for each location.

If a site has experienced at least nine RTCs per km in the last three years (based on the latest complete three years of data), then the site will be considered for further action. If there are a number of RTCs involving vulnerable road users (children, pedestrians, cyclists), or a site is specifically identified by the emergency services as a focus for concern, then a smaller number of RTCs will be acceptable to warrant further consideration.

This methodology only takes into account collisions where the incident is reported to the Police, and at least one person is injured. Damage-only collisions are not recorded and are not taken into account when assessing and prioritising sites.

For all locations, a treatable incident pattern is required (a site may satisfy the numerical criteria but if all the incidents have different causes, then it may be more difficult to find an engineering solution). Feasibility studies are carried out to determine a solution to the problem, identify cost savings and produce a First Year Rate of Return (FYRR). Schemes are prioritised based on the FYRR.

Individual schemes, which are all estimated to have a value below £200,000, will progress to OBC and FBC stage to be approved by the Chief Officer, without the requirement for an overarching programme OBC.

ANNEX B – SCHOOL STREETS PROGRAMME

A review of the School Streets Programme (formally Safer Routes to Schools Programme) is currently underway. The programme has traditionally sought to improve the safety of the highway and the quality of walking and cycling routes around schools through the implementation of physical measures. Going forward, this programme will offer a suite of capital measures under the banner of School Streets which could fund further phases of Car Free School Streets (CFSSs) and alternative physical minor measures (e.g. parking restrictions) at schools not suitable or eligible for CFSS.

In order to be taken for forward consideration of a scheme, schools are initially required to have signed up the online school travel planning system [Modeshift STARS](#) and be working towards the completion of a Travel Plan. A Travel Plan plays an essential role in identifying activities and opportunities which can help to ensure students can travel safely and sustainably to school.

Due to a change in data received, a review of criteria for inclusion is also being carried out; for example, postcode information is no longer recorded so this dataset cannot be analysed. Officers are currently piloting The Agilisys [Active Streets Assessment tool](#) which allows for rapid analysis of road features and characteristics to support new infrastructure and street design. The visual data and schools' layers help to create an appropriate school travel response on a school by school basis.

In summary, schools will be prioritised on safety grounds by reviewing the road traffic collisions, speed data and annual average daily traffic flow. Schools prioritised on sustainability grounds are determined by the following:

- School population;
- Participation in the Modeshift STARS initiative
- Particular requirements for highway measures identified by the school in their travel plan;
- Completion of a school travel survey

ANNEX B – SCHOOL STREETS PROGRAMME SCORING

Score systems

Speed	Score
Greater than 1.1	3
1.0 - 1.1	2
0.9 - 1.0	1
Less than 0.9	0

AADF Score	Score
>5000	3
2500-5000	2
1000-2499	1
<1000	0

Congestion	Score
Greater than 170	3
150-170	2
130-150	1
Less than 130	0

Collisions	Score
High number of collisions	3
Medium number of collisions	2
Low level of collisions	1
No collisions	0

Modeshift Registered	Score
Yes	3
No	0

Travel survey completed	Score
Yes	3
No	0

Travel plan completed	Score
Yes	3
No	0

School Population	Score
Greater Than 1000	3
Greater Than 500	2
Greater Than 250	1
Less than 250	0

ANNEX C – WARD MINOR TRANSPORT MEASURES (Local Ward Programme)

Ward Minor Transport Measures (WMTM)

This programme supports the localism agenda through the provision of an annual budget to develop and deliver schemes addressing minor transport issues identified at ward level. Works within this programme should demonstrate a contribution towards one of the core principles set out by the Birmingham Transport Plan (2021), '*Prioritising active travel in local neighbourhoods*'. This focuses on supporting people getting around their locality on foot or by bike for most of their journeys. It seeks to see cars no longer dominating street life around homes and schools. Residential neighbourhoods and local centres will be places where people are put first. Ward minor transport measures should seek to reduce congestion and improve safety and accessibility, with greater flexibility provided in terms of value for money to reflect local priorities.

The highest priority will be given to disabled bay markings and dropped crossings to facilitate mobility for the disabled as there is a statutory duty to fulfil these needs. The balance of the resources can be used for a range of improvements including prescribed and non-prescribed carriageway markings and traffic signs, traffic regulation orders, safety measures, minor highway realignments, parking measures, minor walking and cycling schemes and small public transport improvements. This programme also includes the protection of grass verges schemes identified at a ward level, with eligible use comprising:

Regulation: The Council has the powers to implement Traffic Regulation Orders (TRO). A citywide order was introduced in 2014 to tackle verge parking. However, consent is needed to introduce the required signage. Therefore, any potential sites that might be put forward for consideration of a TRO would need to address:

- Vehicle Displacement;
- Sign Clutter; and
- Enforcement.

Accommodation: With an increase in car ownership and parking problems across the city, it is inevitable that vehicles will need to be allowed to park on treated verge areas in certain instances. There are several methods that can be used to achieve this:

- Carriageway strip widening;
- Verge Strip Hardening;
- Whole Verge Replacement; and
- Verge Reinforcement.

Funding Apportionment

Following the changes to ward boundaries and number of ward members since May 2018 a review of how this funding is apportioned took place.

In 2020/21 the allocation was increased from £6,500 per single ward member or £13,000 per double ward member to £10,000 and £20,000 respectively. This increase in WMTM programme's budget was made possible through the reallocation of prior years' ITB reserves.

The apportionment strategy for 2023/24 has been agreed with the Cabinet Member for Transport and is set out below. This includes a development fee on top of the £10,000 per Councillor.

Funding Allocation for

Ward Minor Transport Measures (WMTM – Local Ward Programme)

Capital Programmes 2023/24

WMTM Allocation – 2023/24	
Development Fee	£190,000
Member Allocation	£1,010,000 (£10,000/£20,000 per single/double ward Member)
Total Allocation	£1,200,000

Funding Allocation per Ward

Allocation	WMTM - 2023/24 (works)
Per Single Ward Member*	£10,000
Per Double Ward Member**	£20,000

*37 Wards – 1 Member

**32 Wards – 2 Members

This is the total amount each ward (Member) will receive to implement locally prioritised WMTM schemes in all wards including any other miscellaneous works such as: the provision/removal of Disabled Bays, H- Bar markings, bollards, signs, road markings, guard railing, drop kerbs etc.

ANNEX D – BREAKDOWN OF DEVELOPMENT COSTS 2023/24

Scheme	Cost £m	Fund
Active Travel Scheme Development	0.241	LNIP
Birmingham Transport Plan Infrastructure	0.250	LNIP
HS2 Infrastructure Development	0.110	LNIP
Future Major & Public Transport Projects	0.200	LNIP
Network & Accessibility Development	0.200	LNIP
Planning Led Transport Development	0.170	LNIP
Traffic Modelling & Surveys	0.300	LNIP
Total	1.471	

APPENDIX

ANNEX E - HIGH LEVEL PROGRAMME RISK ASSESSMENT

No	Risk Description	Owner / Manager	Inherent Risk			Measures in place to manage	Residual Risk			Status	Further Action
			Impact	Likelihood	Exposure		Impact	Likelihood	Exposure		
1	Insufficient funding to fully deliver programme	Assistant Director Transport and Connectivity	High	Medium	High	Detailed programme and cost management. New sources of funding obtained	High	Medium	High	Same	
2	Objections from key consultees	Head of Infrastructure Projects	High	Medium	Medium	The scheme package has been discussed with senior members. Some schemes have already been consulted upon.	High	Low	Medium	Better	
3	Skills, capacity and capability insufficient to fully deliver programme	Head of Infrastructure Projects	High	Medium	High	Recruitment, training and use of consultant's framework put in place.	Medium	Medium	Medium	Better	
4	Contractors experience financial difficulties.	Contractor	High	Low	Medium	It is proposed to procure the works through current frameworks, in house resources or partner frameworks. Financial checks will be carried out during tender evaluation processes.	High	Low	Medium	Same	
5	Insufficient revenue resources to fully cover inventory growth	Assistant Director Transport and Connectivity	High	Medium	High	Revenue provision subject to Corporate/Directorate review.	High	Medium	High	Same	
6	Land Ownership.	Head of Infrastructure Projects	Medium	Medium	Medium	Land ownership has been reviewed. Some projects may require third party land or a CPO	Medium	Medium	Medium	Same	
7	Failure to meet grant conditions with funding being withheld.	Head of Infrastructure Projects	High	Low	Medium	Projects will be effectively managed to address issues affecting delivery and consequentially grant funding.	Medium	Low	Low	Better	
8	External funding bids unsuccessful	Assistant Director Transport and Connectivity	High	High	Medium	Close liaison being undertaken with external funders.	High	High	Medium	Same	Reprogramming to revised resources
9	Legal Agreements/Funding agreements with partners	Head of Infrastructure Projects	High	Low	Low	Most agreements in place. Ongoing dialogue with GBSLEP	Medium	Low	Low	Better	

APPENDIX

No	Risk Description	Owner / Manager	Inherent Risk			Measures in place to manage	Residual Risk			Status	Further Action
			Impact	Likelihood	Exposure		Impact	Likelihood	Exposure		
10	Further cost pressures identified	Assistant Director Transport and Connectivity	High	Medium	High	Continual management and review of projects and risks being undertaken.	High	Medium	High	Same	
11	Forecast net surplus bus lane enforcement income does not arise	Assistant Director Transport and Connectivity	High	Medium	High	Ongoing wider management of THCP and identification of new and windfall resources	Medium	Medium	Medium	Better	
12	Expected s106 contributions do not materialise	Assistant Director Transport and Connectivity	Medium	Medium	Medium	Regular engagement with Planning Management Service.	Medium	Medium	Medium	Same	
13	Sunk development costs become abortive and a revenue pressure	Assistant Director Transport and Connectivity	Medium	Medium	Medium	Close engagement with funder partners and provision made within revenue budgets.	Medium	Medium	Medium	Same	
14	New WMCA Mayor revises ITB budget allocations	Assistant Director Transport and Connectivity	High	Low	High	Close working with WMCA established	High	Low	High	Same	
15	CRSTS allocation reduced beyond 2028/29	Assistant Director Transport and Connectivity	Medium	Medium	Medium	Ongoing liaison with WMCA and overall management of THCP	Medium	Medium	Medium	Same	
16	Funding clawed back by funders	Assistant Director Transport and Connectivity	High	Low	High	Monitoring being undertaken to ensure compliance with grant conditions.	High	Low	High	Same	
17	A local contribution strategy cannot be identified for Tame Valley Viaduct and Dudley Road	Assistant Director Finance & Highways and Infrastructure/Transport and Connectivity	High	Medium	High	Strategy being developed and scope and delivery strategies for the projects being reviewed.	High	Medium	High	Same	

ANNEX F – ATTACHED SEPARATELY

