

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:

**CABINET MEMBER FOR TRANSPORT &
ENVIRONMENT JOINTLY WITH THE
CORPORATE DIRECTOR, ECONOMY**

Report of:

**ASSISTANT DIRECTOR FOR TRANSPORTATION AND
CONNECTIVITY**

Date of Decision:

19 SEPTEMBER 2018

SUBJECT:

**JOINT AIR QUALITY UNIT EARLY MEASURES FUND
FOR LOCAL NO₂ COMPLIANCE – APPLICATIONS FOR
AND ACCEPTANCE OF FUNDING**

Key Decision: No

**If not in the Forward Plan:
(please "X" box)**

Relevant Cabinet Member(s) or

Relevant Executive Member:

Relevant O&S Chair:

Relevant Forward Plan Ref:

Chief Executive approved

☐

O&S Chair approved

☐

**Councillor Waseem Zaffar, Cabinet Member for
Transport & Environment**

**Councillor Liz Clements, Sustainability and Transport
Overview and Scrutiny Committee**

Wards affected:

**Ladywood, Aston, Soho, Edgbaston, Nechells,
Sparkbrook**

1. Purpose of report:

- 1.1 To seek retrospective approval for the submission of a funding application to the Government's Joint Air Quality Unit (Department for Transport and Department for Environment, Food and Rural Affairs) for the 'Early Measures Fund for Local NO₂ Compliance'. Following a successful bid the report seeks to delegate the approval of the acceptance of £2.77m of grant funding to the Assistant Director Transportation & Connectivity.

2. Decision(s) recommended:

- 2.1 Pursuant to the specific delegation by Cabinet dated 16 May 2017, that the Cabinet Member for Transport and Roads jointly with the Corporate Director, Economy, and the Corporate Director, Finance and Governance:-
- 2.2 Note the submission of the funding applications submitted to the Government's Joint Air Quality Unit (JAQU) for the Early Measures Fund for Local NO₂ Compliance, as detailed in attached documents, for capital grant funding of £2.77m pursuant to the specific delegation by Cabinet dated 16 May 2017. The application was approved by JAQU, with funding confirmed in December 2017 and March 2018 for Tranche 1 and Tranche 2 respectively.
- 2.3 Notes that there are no requirements for local funding contributions.
- 2.4 Delegates grant acceptance of the successful funding application to the Assistant Director for Transportation and Connectivity.
- 2.5 Notes that Project Definition Document (PDDs) and Full Business Case (FBCs) will be prepared in accordance with the Council's Gateway and Related Financial Approval Framework following the successful funding application.
- 2.6 Authorises the City Solicitor to negotiate, execute and complete any necessary legal documentation to give effect to the above recommendations.

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3. Consultation

3.1 Internal

- 3.1.1 Consultation has been undertaken with our transport partners TfWM, NXWM and Amey in the development of the package of works. Consultation has been undertaken with the City Council's Cabinet member for Transport and Roads who is supportive of the submission.
- 3.1.2 Local ward Councillors will be briefed and detailed consultation will be undertaken at Project Definition Document and Full Business Case stage in accordance with standard practise, subject to funding approval by JAQU.
- 3.1.3 Officers from City Finance and Legal and Governance have been involved in the preparation of this report. In line with the delegation approved at Cabinet on 16 May 2017 this report has been prepared in conjunction with the Corporate Director, Finance and Governance.

3.2 External

- 3.2.1 The measures have been developed in consultation with Bus Operators and Transport for the West Midlands who are supportive of the early measures. The Government's Joint Air Quality Unit has been engaged in the development of the proposals. Consultation with key stakeholders and the public will be undertaken at the Project Definition Document (PDD) and Full Business Case stage in accordance with the Council's project gateway process.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

- 4.1.1 The report is consistent with the Birmingham City Council Plan 2018 - 2022 and supports the following outcomes:

Birmingham is an entrepreneurial city to learn, work and invest in - this project supports investment in the buildings and transport connections of our city to provide better places to live and work and enable businesses to prosper. Priority 4 of this outcome sets out that 'We will develop our transport infrastructure, keep the city moving through walking, cycling and improved public transport.'

Birmingham is a great city to live in - this project will contribute to Birmingham being a city with clean air, safe and clean streets and green spaces. Priority 4 of this outcome sets out that 'We will improve the environment and tackle air pollution.'

Birmingham residents gain the maximum benefit from hosting the Commonwealth Games – this project supports the provision of a transport legacy created by the hosting of the Commonwealth Games. Priority 3 of this outcome sets out that 'We will deliver

high quality housing, sporting facilities and transport infrastructure for the benefit of our citizens.'

4.1.2 The project is consistent with the Council's key policies and priorities as set out in the West Midlands Strategic Transport Plan, Birmingham Development Plan and the Birmingham Connected transport strategy. In addition, the proposed package of works offers synergies with several other current projects:

- City Centre Traffic Management & Resilience
- Greenwave Project
- National Productivity Investment Fund Tranche 1 – Traffic Signal Upgrades
- National Productivity Investment Fund Tranche 2 – Birmingham Growth Point Public Transport Package.

This project therefore supports early delivery of reductions in NO₂, moving the city closer to air quality compliance.

4.2 Financial Implications (How will decisions be carried out within existing finances and Resources?)

4.2.1 Following the successful bid the capital grant has been offered under Section 31 of the Local Government Act 2003. The Grant Conditions do not include a deadline for the funding to be spent, however, it is expected that these measures will be implemented in 2018/19. Commencing May 2018, monthly budget reports are required by the Joint Air Quality Unit.. Further details will be provided through the approval of future Project Definition Documents and Full Business Cases.

4.2.2 The table below outlines the scheme costs associated with the packages in each Tranche. These will be maximum amounts and any overspends will need to either be funded from other City Council resources or through prioritisation of schemes for delivery within the available funding. The budget allocation also contains a measure of contingency within the grant provided, there is also an opportunity to value engineer each scheme element.

The funding bids were split across the following measures:

Tranche 1 Funding – December 2017 £727,500

For signing and rerouting strategy, traffic management and bus priority enhancements and traffic signals technology pilot.

Tranche 2 Funding – March 2018 £2,043,680

For bus-based traffic management measures and traffic signal technology measures.

4.2.3 There is no requirement on the Council to commit local contributions. New capital transport projects by nature attract additional ongoing costs in respect of maintaining new highway assets and the City Council will be responsible for maintaining additional highway infrastructure. Specific revenue funding implications for the City Council will be determined as part of future Full Business Cases to be subject to City Council governance processes.

4.2.4 It is proposed that the scheme development for the bus package measures is led by Transport for the West Midlands. It is proposed to work in partnership with Transport for the West Midlands to progress elements of the bus measures packages. As such this

arrangement will be subject to a funding agreement, detailed further at PDD and FBC stage.

4.3 Legal Implications

- 4.3.1 The City Council carries out transportation, highways and infrastructure related works under the relevant primary legislation including the Town and Country Planning Act 1990, Highways Act 1980, Road Traffic Regulation Act 1984, Traffic Management Act 2004, Transport Act 2000, Local Government (Miscellaneous Provisions) Act 1976, Countryside & Rights of Way Act 2000, and other related regulations, instructions, directives and general guidance.

4.4 Public Sector Equality Duty (see separate guidance note)

- 4.4.1 An initial screening for an Equality Assessment (EA) (ref EA 180314) has been undertaken and has concluded that a full EA is not required, with no adverse impacts on protected groups. The Equality Analyses is included at Appendix C to this report.

5. **Relevant background/chronology of key events:**

- 5.1 As a result of ongoing breaches of legal NO₂ limits the Government has identified 28 UK cities which must take action to achieve compliance in the shortest possible time. In urban areas like Birmingham the majority of emissions result from local transport sources. Clean Air Zones are one of the measures being considered by local authorities, including Birmingham, to deliver compliance as soon as possible as part of Government funded local air quality feasibility studies.
- 5.2 In response to local authority requests Government made additional resources available to develop packages of infrastructure measures to support local air quality improvements at key locations where exceedances are most severe through traffic management and bus priority measures.
- 5.3 Tackling air Quality is a Council priority and the Air Quality Action Plan identifies measures to support public transport and improve traffic management as key actions. Road transport is the main source of emissions and the measures proposed as within these bids are commensurate with the Council's transport strategies and the objective of delivering compliance with statutory air quality limits in the shortest possible time. In the context of the above objectives, the submission was developed in discussion with the relevant portfolio holders.
- 5.4 The Council was initially invited by the Joint Air Quality Unit (JAQU) to develop an outline package of measures to be considered for funding in early 2017. However, the overall package of measures eligible for funding was subject to an iterative process with a large amount of scrutiny from JAQU around the selection of measures and which would support delivering compliance. The process did not follow a standard bidding approach. A final proposal was put forward in November 2017 (Appendix A) and confirmation of the measures to be funded through the Tranche 1 funding was received in December 2017.
- 5.5 JAQU set out a further application process for an additional round of the Early Measures Fund for Local NO₂ Compliance on 15th December 2017. The process has been iterative with initial proposals submitted by 26th January 2018. The proposals were subsequently reviewed twice by JAQU and a final proposal resubmitted on 28th February 2018 (Appendix B). The tight timescale including the Christmas and New Year

period has led to the need to request retrospective approval for the submission of a funding application.

- 5.6 Before determining the measures to be taken forward for these funding opportunities, the Council and Transport for the West Midlands reviewed where action is already being developed around a number of key supporting measures. A key consideration for this funding is the ability to deliver scalable investment quickly to meet the compressed funding and delivery timeframe i.e. to deliver air quality improvements before 2020. The proposed measures have been selected as they aim to accelerate compliance with air quality legislation and support delivering compliance with air quality in the shortest possible time.
- 5.7 There is a significant opportunity to build upon existing work and, in particular, the Tranche 2 interventions will complement the first tranche of early measures funding. The proposal also builds on elements of the Smart City work particularly around traffic signals and variable message signing. It is critical for measures to improve air quality to be developed commensurately with the overall aims of Birmingham Connected and the BDP, building on existing work streams to support delivering inclusive sustainable growth.
- 5.8 The bus-based traffic management measures would enable a genuine transformation in bus transit across the city centre. Buses are one of the most efficient people-carriers on the road network, are flexible and able to deliver extra capacity quickly. When combined with priority measures, buses can reduce delay and promote modal shift to reduce congestion and improve air quality. All the bus measures can be delivered quickly, cost effectively and at low risk.
- 5.9 Scheme costs have been developed based on experience of other similar schemes; however, in the event that scheme costs increase or decrease there will be a need to value engineer schemes and prioritise schemes for delivery within the available funding.
- 5.10 The Highway Infrastructure measures will be coupled with measures to promote the benefit of bus travel and improve the off-board customer experience. This will see up to 34 bus stops along the highway schemes priority routes improved to provide enhanced customer comfort and information. A targeted marketing campaign to promote improved journey times and reliability, network branding, better travel information and promotion of the green credentials of our buses will also take place. Through the West Midlands Bus Alliance the City Council and TfWM will explore the potential for match-funding from Alliance partners, to complement the government investment and maximise the benefits for passengers.
- 5.11 The traffic signal technology and variable message signing package will support the efficient routing of traffic away from air pollution hotspots, particularly in discouraging north/south vehicles movements along the A38. This will be complemented by increasing capacity at key junctions via the implementation of adaptive technology and intersections including MOVA and SCOOT. Both these traffic technology elements could be delivered quickly and furthermore offer a scalable package of measures.
- 5.12 These measures will also provide benefit in the context of network resilience in and around the city centre by facilitating better journeys by public transport and improved traffic management in areas with poor air quality. This funding proposition to deliver these packages is likely to accelerate benefits realisation in promoting mode shift and is estimated to provide air quality benefits.

- 5.13 The Updated Transportation and Highways Funding Strategy 2017/18 to 2022/23 approved by Cabinet on the 16 May 2017 delegated approval of funding bids to the relevant portfolio holders jointly with the Corporate Director, Economy, in conjunction with the Chief Finance Officer to bid for and accept grant resources up to £10.0m for projects that align with the approved policies and objectives of the Council.
- 5.14 This report follows this delegated process, with PDD and FBC documents to be completed in the event of a successful bid in accordance with the Council's Gateway and Related Financial Approval Framework.
- 5.15 There are no direct procurement implications contained within this report, however, it should be noted that schemes will be delivered by the Council and works will be procured through approved frameworks or competitive tenders utilising either in house resources or partner's procurement arrangements, in accordance with Standing Orders and the Procurement Governance Arrangements. Procurement implications will be reported in individual PDD and FBC reports as per normal practise, with value for money and compliance with the Birmingham Business Charter for Social Responsibility clearly set out.
- 5.16 The Government provided confirmation of the Tranche 1 funding in December 2017 and Tranche 2 funding in March 2018.
- 5.17 The measures submitted have been selected on their deliverability and scalability, enabling the interventions to be delivered ahead of the CAZ to facilitate and embed change and allow for long-term air quality monitoring. Next steps and indicative key dates include the milestones below.

Project plan – Bus Based Traffic Management, Network Signing Strategy (including Variable Message Signing), Shelter Enhancements & Traffic Signal Technology:

September 2018	Preliminary design of bus measures / Signing strategy / Procurement of VMS
August to Sept 2018	Procurement of services and resources
September 2018	Making of TROs
September / October 2018	Consultation on TROs / Commence detailed design / Define VMS schedules
September 2018 / January 2019	Submit FBCs for early measures
November / December 2018	Completion of detailed design / Commence marketing activities
Spring / Summer 2019	Delivery
September 2019	Completion of all physical works / Opening of capital works

- 5.18 This project will be progressed by the Council's Infrastructure Projects team in partnership with Transport for the West Midlands.

6. Evaluation of alternative option(s):

- 6.1 Not proceeding with the funding application would result in a lost opportunity to advance the air quality programme and improve bus journeys in the city centre.
- 6.2 Selection of other areas and options has also been considered. However, whilst measures could be rolled out across further corridors/area within Birmingham, the city centre provides the most potential to deliver meaningful improvements in air quality through bus priority and traffic management.
- 6.3 Other options could also impact on NO₂. However, a key consideration for this funding is the ability to deliver scalable investment quickly to meet the compressed funding and delivery timeframe. The proposed package of works can be delivered quickly, cost effectively and at low risk and offers a scalable package of measures.

7. Reasons for Decision(s):

- 7.1 To note the submission of the funding applications to JAQU for the Early Measures Fund for Local NO₂ Compliance, as detailed in the attached documents, for capital grant funding of £2.77m and the subsequent approval of the funding application by JAQU.
- 7.2 To accept grant funding to progress the projects to support the move towards compliance with international air quality legislation, upgrade bus provision in the city centre and add value to other planned works and projects.

Signatures

Date

Councillor Waseem Zaffar Cabinet Member for Transport and Environment
Waheed Nazir Corporate Director, Economy
Clive Heaphy Corporate Director, Finance and Governance

List of Background Documents used to compile this Report:

Programme Definition Document for Transportation and Highways Funding Strategy 2017/18 to 2022/23 approved by Cabinet on 16th May 2017.

List of Appendices accompanying this Report (if any):

Appendix A – Early Measures Fund for Local NO₂ Compliance Submission Document – Tranche 1
Appendix B - Early Measures Fund for Local NO₂ Compliance Submission Document – Tranche 2
Appendix C – Equality Analysis

PROTOCOL PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in section 4.4 of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - equality duty (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

- 1 The Council must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) tackle prejudice, and
 - (b) promote understanding.
- 5 The relevant protected characteristics are:
 - (a) marriage & civil partnership
 - (b) age
 - (c) disability
 - (d) gender reassignment
 - (e) pregnancy and maternity
 - (f) race
 - (g) religion or belief
 - (h) sex
 - (i) sexual orientation