

Birmingham City Council

Report to Cabinet Member for Transport

21 March 2024



Subject: GRANT ACCEPTANCE OF CAPABILITY AND AMBITION FUND – TRANCHE 2

Report of: Strategic Director of Place, Prosperity and Sustainability

Relevant Cabinet Member: Councillor Liz Clements – Transport

Relevant O &S Chair: Councillor Lee Marsham – Sustainability and Transport

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1 Executive Summary

- 1.1 Promoting active travel is a key objective of government via the Department for Transport (DfT), Active Travel England (ATE), West Midlands Combined Authority (WMCA) and the Council through its policies set out in the Birmingham Transport Plan (BTP). To date, government has provided 5 rounds of Active Travel Fund (ATF) to enable regional and local authorities to develop and deliver good quality walking and cycling schemes that meet these objectives and policies. Funding rounds have in the main come at short notice and required scheme promoters to rapidly develop, submit bids and deliver schemes at pace, with a reliance on a local pipeline of projects that are shovel ready and that have business cases prepared to a good state of readiness.

- 1.2 The DfT working with ATE has acknowledged the challenges associated with maintaining a project pipeline given funding constraints within local government and the continuous cycle of bidding and delivering active travel schemes that can introduce risks around design, cost, value for money, public acceptability and overall deliverability.
- 1.3 In this context, the Council has been awarded £327,441 of revenue funding by Transport for West Midlands (TfWM) from Tranche 2 of the DfT's Capability and Ambition Fund (CAF) for the development of good quality cycling and walking schemes. It is intended that such schemes can be submitted with a good degree of delivery certainty to future ATF rounds and/or form part of the region's proposed City Regional Sustainable Transport Fund 2 programme, which is starting to be developed by TfWM and the 7 metropolitan district councils. The CAF funding has been allocated on a pro rata basis and there are no further bidding requirements, with the funding to be administered through the WMCA via standard grant funding processes. This report seeks authority to accept the CAF funding and approve the Programme Entry Proposal (PEP) for the relevant schemes set out within.

2 Recommendations

That the Cabinet Member for Transport:

- 2.1 Approves the acceptance of revenue grant funding from TfWM to the value of £327,441.
- 2.2 Approves the PEP provided as Appendix A to this report.
- 2.3 Authorises the City Solicitor and Monitoring Officer (or their delegate) to negotiate, execute, seal and complete all the necessary documentation to give effect to the above recommendations.

3 Background

- 3.1 Promoting active travel is a key objective of government via the Department for Transport (DfT), Active Travel England (ATE), West Midlands Combined Authority (WMCA) and the Council through its policies set out in the Birmingham Transport Plan (BTP) and supplemented by the Walking and Cycling Strategy adopted in January 2020 and the associated Local Cycling and Walking Infrastructure Plan updated in March 2023.
- 3.2 Considerable funding for active travel has been made available over the last 4 years by government in the form of the Active Travel Fund (ATF), with 5 rounds of competitive funding announced to date so as to enable the delivery of good quality walking and cycling infrastructure. As stated in the executive summary, funding rounds in the main have come at short notice and required scheme promoters to rapidly develop, submit bids and deliver schemes at pace, with a reliance on a local pipeline of projects that are shovel ready and that have business cases prepared to a good state of readiness so as to be successful. In

addition, schemes are also required to be compliant with Local Transport Note (LTN) 1/20 Guidance (for local authorities on designing high-quality, safe cycle infrastructure published in July 2020).

- 3.3 The DfT working with ATE have acknowledged following engagement with combined authorities and local authorities the challenges associated with maintaining a project pipeline given funding constraints within local government. In addition, they have also recognised that the continuous cycle of bidding and delivering active travel schemes can introduce risks around design, cost, value for money, public acceptability and overall deliverability. On this basis, the Council has been awarded £327,441 of revenue funding by Transport for West Midlands (TfWM) from Tranche 2 of the DfT's Capability and Ambition Fund (CAF) for the development of good quality cycling and walking schemes in accordance with LTN 1/20 and the business case requirements of the WMCA as set out in its Single Assurance Framework (SAF), which seek to ensure value for money.
- 3.4 It is intended that such schemes can, in due course, be submitted with a good degree of delivery certainty to future ATF rounds or form part of the region's proposed City Regional Sustainable Transport Fund 2 (CRSTS2) programme, which is starting to be developed by TfWM and the 7 metropolitan district councils. The latter CRSTS2 programme is likely to form part of the West Midlands' Single Devolved Funding Settlement currently being negotiated between government and the WMCA. At present, transport funding under CRSTS2 has been estimated at circa £2.5bn for the period between 2027 and 2032, reflecting an original baseline allocation of £1.5bn to the region and supplemented by a possible further £1.0bn associated with the West Midlands Network North Funding package that has followed the cancellation of the northern leg of HS2.
- 3.5 Whilst the CAF funding is for scheme development only, it is considered that the work to be undertaken will strengthen the Council's position in securing external grant funding from sources including the above to enable physical delivery. In addition, the funding will allow the Council to work with partners such as TfWM, neighbouring councils and ATE to develop good quality and LTN 1/20 compliant proposals that can also be utilised as part of a co-design approach with key stakeholders and the wider community.
- 3.6 The approach set out above is considered to represent not only good practice, but also clearly aligns with the Council's Improvement and Recovery Plan (IRP), which seeks to strengthen partnership working and maximise external grant funding opportunities set in the context of achieving financial sustainability.
- 3.7 The funding is proposed to be used across eight corridors including seven feasibility studies and one detailed design, with adequate information produced to enable the formulation of strategic outline/outline business cases. The corridors were chosen based on priorities set out in the Council's Walking and

Cycling Strategy adopted in January 2020 and the associated Local Cycling and Walking Infrastructure Plan updated in March 2023.

Perry Barr to Sutton Coldfield, allocation of £50,000: It is proposed that this funding will be used to undertake a study to examine the feasibility of delivering a high-quality active travel corridor to support modal shift to cycling and walking. This work will be carried out in conjunction with other studies that are currently taking place, such as Aldridge Road.

Core Walking Zone: Northfield, allocation of £35,000: It is proposed that this funding will be used to undertake a study to examine a package of measures to improve active travel permeability, user safety and public realm improvements to enhance user experience. This work will be carried out in conjunction with the A38 segregated cycleway between Selly Oak to Longbridge project.

Core Walking Zone: Small Heath and Bordesley Green, allocation of £50,000: It is proposed that this funding will be used to undertake a study to identify a package of measures to improve active travel permeability, user safety and public realm improvements to enhance user experience. This work will be carried out in conjunction with the Bordesley Green Liveable Neighbourhood project.

Local links: Bearwood to Selly Oak, allocation of £60,000: It is proposed that this funding will be used to undertake a study to examine the feasibility of delivering a high-quality active travel link to support modal shift to cycling and walking. This work will be carried out in conjunction with other studies that are currently taking place, particularly the A38 segregated cycleway between Selly Oak to Longbridge project.

Hagley Road Corridor, allocation of £40,000: It is proposed that this funding will be used to undertake a study to examine the feasibility of high-quality active travel corridor on an alternative alignment to Hagley Road to support modal shift to cycling and walking. This work will be carried out in conjunction with Hagley Road Multi-modal project.

Local links: Erdington to Sutton Coldfield, allocation of £50,000: It is proposed that this funding will be used to undertake a study to examine the feasibility of delivering a high-quality active travel link to support modal shift to cycling and walking. This work will be carried out in conjunction with Sutton Gateway project.

Local links: Bromford Lane / Washwood Heath Depot, allocation of £27,441: It is proposed that this funding will be used to carry out detailed design on wayfinding signage to cycling infrastructure on Bromford Estate. This work will complement recent infrastructure improvements carried out by Environment Agency.

Green Routes, allocation of £15,000: It is proposed that this funding will be used to undertake a study to identify a package of measures to improve active travel permeability, user safety and park improvements to enhance user experience.

- 3.8 The original funding deadline was 13 January 2024, but this has been extended by TfWM such that the study work must be completed by end of July 2024. TfWM

has requested a further extension from Department for Transport/Active Travel England to December 2024, but this is yet to be confirmed. The current programme has work completed by end of July 2024 and this is considered to be realistic and achievable.

4 Options Considered and Recommended Proposal

4.1 **Option 1 – Do not accept the grant.** This would hamper the city’s ambition to increase walking and cycling as safe and healthy modes as set out within the Birmingham Transport Plan.

4.2 **Option 2 – To accept the Grant for the Capability and Ambition Fund Tranche 2 with alternate schemes.** This would not develop schemes that have been identified in the LCWIP to have the greatest impact in achieving the objectives of the Birmingham Transport Plan.

4.3 **Option 3 – To accept the Grant for the Capability and Ambition Fund Tranche 2 with proposed schemes (recommended).** This would help to develop prioritised schemes in the LCWIP that have a good possibility of delivery, providing necessary enhancements to the cycling and walking network across Birmingham and enable them to access funding in the future to deliver the interventions. All these schemes will aid the city’s ambition to increase walking and cycling as safe and healthy modes as set out within the Birmingham Transport Plan. It is therefore recommended to proceed with this option.

5 Consultation

5.1 Not applicable.

6 Risk Management

6.1 The key risks (as set out in Appendix B) relate to failing to deliver to the timescale and standard agreed in the grant agreement. Overall, the risks are tolerable with identified mitigations and will continue to be managed as part of the project management process.

7 Compliance Issues:

7.1 **How are the recommended decisions consistent with the City Council’s priorities, plans and strategies?**

7.1.1 The recommendations in this report supports the policy objectives outlined in the City Council’s Corporate Plan 2022-2026. This creates a vision to build ‘a Bolder Brighter Birmingham’ with outcomes of ‘increased levels of walking and cycling’ and ‘improved transport infrastructure’, including priorities to:

- Support inclusive economic growth;
- Make the city safer;
- Encourage and enable physical activity and healthy living;

- Improve air quality; and
- Continue the Route to Net Zero.

7.1.2 The recommendations fully support and align with the aspirations of the Birmingham Transport Plan, in particular in relation to ‘prioritising active travel in local neighbourhoods’.

7.1.3 The recommendations support the objectives of Birmingham Development Plan (BDP) 2031 including:

- ‘To provide high quality connections throughout the city and with other places including encouraging the increased use of public transport, walking and cycling’;
- ‘To create a more sustainable city that minimises its carbon footprint’; and
- ‘To encourage better health and wellbeing’.

7.1.4 The recommendations also support the following:

- Our Future City Central Birmingham Framework;
- Big City Plan (BCP);
- Route Zero Carbon Action Plan and
- Birmingham Cycling and Walking Infrastructure Plan.

7.2 Legal Implications

7.2.1 These will be specifically addressed in the formal grant acceptance process. Appropriate officers review the grant conditions, following which the formal grant acceptance will be signed by the S151 officer.

7.3 Financial Implications

7.4 This is permitted spend under the Mandatory Spend Controls Category H (Expenditure funded through ring-fenced grants) allowed under the mandatory spending restrictions and authorisation has been received from the Place, Prosperity and Sustainability Spend Control Board on 27th September 2023 and at S151 Spend Control Board on 5th October 2023.

Revenue Costs

7.4.1 The full cost of carrying out this proposal is met by the revenue funding of £327,441, which has been allocated to the Council by TfWM. This funding is for scheme development only, and further funding would be required for implementation from the various potential sources as set out in this report.

Revenue Implications

7.4.2 There are no direct revenue implications from the acceptance of this funding. However, maintenance costs and other revenue implications resulting from the schemes will be assessed as part of the development work and reported as part of future business cases brought forward for approval.

7.5 Procurement Implications (if required)

- 7.5.1 The procurement route for the professional services required to support this proposal is via the Council's Transportation and Development Professional Services Framework Agreement.

7.6 Human Resources Implications (if required)

- 7.6.1 The scheme will be managed by the Transport Planning team within current resources, supported by external consultants where required. The Transport Planning team within the wider Transport and Connectivity division of service is largely self-funding, recharging to a range of ring-fenced grants and incomes so as to require only de minimis levels of general fund support and fully contribute towards the savings agreed for the Place, Prosperity and Sustainability directorate at the March 2024 budget setting meeting of the full council.

7.7 Public Sector Equality Duty

- 7.7.1 An Equalities Assessment has been carried and is included at Appendix C. Only positive or neutral impacts are identified at this stage. Further assessments will be carried out as required when business cases are developed for individual projects.

8 Appendices

- 8.1 List of Appendices accompanying this report:
- Appendix A – PEP for Capability and Ambition Fund
 - Appendix B – Risk Register
 - Appendix C – Equality Impact Assessment

9 Background Documents

Birmingham Transport Plan
Walking and Cycling Strategy
Local Cycling and Walking Infrastructure Plan.