

Local Transport Funding Response

The consultation period closes on Wednesday 6th October 2010. We do not require every question to be answered.

Name of Authority: **Rotherham Metropolitan Borough Council**

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Question 1 - The only change that the Department is considering in either of the two formulae in advance of this year's Local Government Finance Settlement is the option to disregard road condition in the maintenance block formula. What are consultees' views on this approach?

To disregard the road condition data is not supported. This implies that areas with poor road condition have made the conscious decision to neglect road maintenance. However, a formula based solely on road condition with updated data refresh may not take account of those authorities that have not used their previous maintenance allocations wisely and disadvantage those authorities that have.

If condition is to be used in the formula it means that relatively small changes in condition can result in a change of an authority's quartile position and have a disproportionate effect on funding. It can also be viewed as rewarding failure. However, if additional funding is not directed to authorities with the worst networks then it is difficult to see how they will improve.

We consider that a balanced approach would be to allocate half of the funding based on road length alone and the other half factored to reflect condition in line with the regions comments on previous consultation.

Question 2 – What are consultees' views on possible longer term changes to the formulae, in particular on the comments above on potential developments to the IT Block?

We are supportive of any investigative work which results in allocation formulae better reflecting actual need. We would support a change to the formula to include factors that reflect carbon reduction and supporting economic growth although the datasets for these goals would need careful consideration.

Question 3 – Do consultees agree that there should be a data refresh?

We agree that data should be refreshed as using timely, up to date information is important in any allocation formula. However, we feel that the sensitivity of the formulae needs to be considered as there are large distributional changes particularly in the e.g. -21% (St Helens) and +27% (Peterborough). As mentioned in 1 this sensitivity does appear to have a disproportionate effect on funding.

Question 4 – Do consultees have any comments on the refreshed data as set out in Annex G?

A full data check is to be undertaken by the LTP Central Team and specific comments on the accuracy of the South Yorkshire dataset related to the IT Block will be made. We have provided DfT with updated information relating to street lighting and bridge condition.

Question 5 – Do consultees wish to see transitional arrangements to mitigate the impact of the data refresh, and if so, what should these be?

Given the large scale changes to some authorities in the exemplifications, in line with other government funding (e.g. Formula Grant), there should be some transitional arrangement set at a reasonable level to allow change to come through the system, while protecting others from large sudden change. It would be helpful in managing the transition if the impact was spread over the 3 year allocation period.

Question 6 – Do consultees agree with the Department's approach for merging funding for structures on the Primary Route Network and for detrunked roads within the maintenance block formula from 2011/12?

Yes the funding for PRN Structures and detrunked roads needs to be integrated into the maintenance block but there is no detail about how this is proposed to allow for comments on whether the method is reasonable.

Question 7 – Would local authorities prefer to receive funding as grant or supported borrowing, and what are consultees' views on the priorities for paying out grant if there is a mix of grant and supported borrowing?

We would prefer to receive funding as grant.

Question 8 – What are consultees' views on the option to allocate the IT and maintenance blocks solely to Integrated Transport Authorities in the six Metropolitan Areas?

We would agree that funding for IT and maintenance blocks should be allocated directly to ITA's in the six Metropolitan areas. However, we recognise the importance of Local Highway Authorities defining their priorities for maintaining and managing their highway network whilst also seeing the benefits in working collectively across South Yorkshire to target funding at those schemes that can provide significant strategic benefit.

Should funding be allocated directly to the ITA decisions on how it is then distributed will need to be considered carefully. This could simply be done by reflecting the formula allocation for maintenance and for the current IT block arrangements to continue whereby 50% is managed at South Yorkshire ITA level on the Strategic Programme and 50% is allocated to local IT schemes. It is considered that an arduous bidding process for specific local schemes, particularly maintenance ones, would not be an efficient use of resources. However, if funding is allocated to the ITA there are likely to be associated improvements to how local funding is prioritised with potentially greater benefit in terms of the outcomes that schemes deliver.

Question 9 – Should Metropolitan Areas and other areas producing Joint Local Transport Plans be allowed to retain the flexibility to vire IT Block funding between authorities as permitted in the last funding settlement?

Yes - Metropolitan areas should be able to vire funds between authorities. In South Yorkshire 50% of the South Yorkshire LTP IT allocation is used to prioritise a Strategic Programme of schemes that are assessed and included on merit. This programme needs the potential flexibility to allow funding allocated to schemes that are not progressing to be allocated to other schemes. This approach ensures that the expenditure of the Strategic Programme is maximised to achieve greatest benefit. However, the discretion on the appropriateness of viring funding between authorities should be a decision for ITA's.

Question 10 – Do consultees have any other issues they would like to raise about the calculation or distribution of the integrated transport or highways maintenance blocks, including on the overall size of the blocks relative to other capital funding and relative to each other?

We consider the current balance between the size of the IT and maintenance block allocations to be appropriate.

Whilst acknowledging the benefit that funding for Major transport and highway improvements can bring, particularly in unlocking potential significant development and associated economic growth, we also recognise the significant impact that a broad programme of Integrated Transport schemes can have on the travel behaviour and effective management of a Local Authorities highway network for a comparatively small budget.

Please send consultation responses to:

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or

Local Transport Funding Consultation

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