

# CHESHIRE EAST COUNCIL

## CABINET

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<b>Date of meeting:</b>	3 <sup>rd</sup> February 2009
<b>Report of:</b>	Chris McCarthy, Interim Strategic Director Places
<b>Title:</b>	Regional Funding Advice Transport Priorities

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### **1.0 Purpose of Report**

- 1.1 This paper considers the Region's consultation exercise on the second draft Regional Funding Advice for the North West for the period to 2018/19
- 1.2 The paper provides a summary of the proposed changes from the first process and considers the impact that this may have for Cheshire East and seeks agreement on a Cheshire East response to the draft proposals on transport priorities.

### **2.0 Decision Required**

- 2.1 To note the draft Regional Funding Advice on transport priorities and consider its possible impacts on Cheshire East.
- 2.3 To approve the suggested response to the consultation exercise relating to transport priorities.

### **3.0 Financial Implications for Transition Costs**

- 3.1 None.

### **4.0 Financial Implications 2009/10 and beyond**

- 4.1 The Regional Funding process enables local authorities to secure approval and funding for major transport schemes (i.e. those over £5 million in value).

### **5.0 Legal Implications**

- 5.1 None.

### **6.0 Risk Assessment**

- 6.1 A risk arises from the proposed advice in that the over programming of existing schemes means that not all schemes can be delivered over this period up to 2018/19. The advice does not specify criteria for the delay or deferment of schemes; however, the Regional Transport Advisory Group has suggested that those schemes that do not have Programme Entry status are very likely to be those considered for deferment. One of the consultation questions is about how to deal with the over programming.

This risk potentially impacts on both Crewe schemes. For Crewe Green Link Road the plan is to submit the Programme Entry bid to the Department for Transport within the next two months. This action will mitigate against this risk. For Crewe Rail Gateway, any bid is being delayed by Network Rail's consideration of alternative options for Crewe Railway Station. If this situation continues the risk will remain against this scheme.

## **7.0 Regional Funding Advice and the implications for Cheshire East**

7.1 Appendix 1 contains a detailed summary of the Region's proposals.

7.2 The key changes from the first Regional Funding Advice are:

- ◆ The second Regional Funding exercise extends the funding profile by three years to 2018/19.
- ◆ Local Transport Plan integrated transport and maintenance block funding is proposed to be included as part of the Regional Funding Allocation process as opposed to being allocated directly from the Department for Transport to local authorities.

7.3 The recent SEMMMS announcement could impact on the Regional Funding Allocation programme. On 25 November 2008 the Secretary of State for Transport announced that the Department for Transport would be prepared to contribute up to £165m (50%) towards the SEMMMS Relief Road to enhance access between the M56, Manchester Airport and the A6 at Hazel Grove. The implication is that if this scheme is to proceed a further £125m would probably be needed from the programme funding compounding the over programming problem and putting more pressure to delay other projects.

7.4 The SEMMMS announcement is to be welcomed but significant aspects of the funding package remain to be explored, principally the Regional commitment required, the financial implications for all three Local Highway Authorities, including Cheshire East and consideration of the Department for Transport's normal capital funding principles.

In addition, the onward funding of the remaining section of the Poynton Bypass and the northern Major Scheme section (entirely within Stockport MBC's boundary), as well as the detailed environmental and traffic impacts of a staged implementation of the scheme needs to be assessed. These considerations are at an initial stage given the limited time since the Secretary of State's announcement.

7.5 The status of SEMMMS and the other schemes in Cheshire East are detailed in Appendix 2.

7.6 The draft advice is accompanied by a series of consultation questions. These cover all aspects of the advice but a number specifically relate to transport issues.

7.7 Members are invited to consider these questions and the suggested responses contained in Appendix 3 and make recommendations on the draft Cheshire East response to this consultation exercise.

7.8 Cheshire East has a significant programme of major transport projects to be developed and delivered, including by partners, The consultation response to the Region's advice reflects the need to protect the current levels of investment in these and other major transport schemes across the Region

## **8.0 Overview of Day One, Year One and Term One Issues**

8.1 There are no significant Day One issues. Cheshire East Council is likely to be invited to support the submission of the Major Scheme Business Case for the Crewe Green Link Road

8.2 During Year One the Crewe Green Link Road bid will need to be progressed in discussions with the Department for Transport and seek to achieve a number of other key project milestones.

8.3 By Term One a new Local Transport Plan and Local Development Framework will have been prepared and an evidence base established to support the basis for promoting or consolidating major schemes proposals in future reviews of the Regional Funding Advice.

## **9.0 Reasons for Recommendation**

9.1 The RFA is the process by which all local authorities access funding for delivering major transport infrastructure priorities.

### ***For further information:***

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