

Transport Capital Programme 2023/24 and 2024/25: Update and Proposed Allocation

Report of the Director of Climate Change, Environment and Transport

Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.

1) Recommendation

That the Cabinet be asked to:

- (a) Allocate budgets to the Local Transport Plan Integrated Transport Block (LTP ITB) schemes in 2023/24 and 2024/25 as included in Appendix 1, noting the level of overprogramming planned;
- (b) Approve the increase of the 2023/24 capital programme by £3.102 million, with £2.240 million funded from other external grants, £0.308 million from developer contributions and £0.554 million from external contributions. The schemes are listed in Appendix 1;
- (c) Approve the increase to the 2024/25 capital programme by £1.220 million with £0.518 million funded from other external grants, £0.084 million from external contributions and £0.618 million from developer contributions. The schemes are listed in Appendix 1;
- (d) Amendments to the Integrated Block allocations are delegated to the Director of Climate Change, Environment and Transport in consultation with the Cabinet Member for Climate Change, Environment and Transport and the Cabinet Member for Highway Management.

2) Introduction

The Transport Capital Programme sets out the short-term priority for investment in transport infrastructure. It builds on long-term commitments as detailed in adopted strategies such as Local Plans, the Local Transport Plan, the Cycling and Multi-Use Trail Network Strategy, and the Transport Infrastructure Plan. It has an important role to play in supporting the Strategic Plan objectives to make Devon the best place; the programme seeks to invest in transport interventions that responds to the climate emergency, supports sustainable economic recovery, improves health and wellbeing and helps communities to be safe, connected and resilient.

This report provides an update on the capital programme covering the current financial year and seeks approval for a two-year transport capital programme covering the financial years 2023/24 and 2024/25 (excluding maintenance).

Climate Emergency

Devon County Council declared a climate emergency in May 2019 and transport has a clear role to play in reducing carbon emissions in Devon. The Transport Capital Programme continues to build on national policy changes to support transport's contribution towards addressing the climate emergency, with a range of sustainable transport schemes included. Schemes exclusively focused on active travel or public transport represent nearly 35% of the LTP ITB allocation for 2023/24, with many other schemes delivering elements of sustainable transport within them. In 2024/25, this rises to over 70%.

Integrated Transport Block

The Integrated Transport Block (ITB) settlement from Government for 2023/24 is £3.628 million plus £0.874 million has been brought forward from 2022/23, which totals £4.502 million. The same Department for Transport settlement has been indicatively allocated for 2024/25, plus £0.139 million carried forward from 2022/23, totals £3.767 million.

Some of the ITB funds are used to secure other external sources of grant funding needed to deliver the transport infrastructure priorities across the County. Any funding available from the ITB and developer contributions remains under significant pressure to both help develop schemes for bid opportunities and provide the necessary match funding for their delivery. This is evident in the programme for 2023/24, for instance with ITB totalling £2.241 million required as match to deliver the major schemes of Marsh Barton Rail Station and A382 Widening Phase 2 which are predominantly funded by external grants. Funds are therefore limited to progress new or additional schemes in the programme where no other funding contributions from other sources are available.

Existing Government and Other Body Funding Schemes

Devon County Council has a strong track record of successfully leveraging in external funding sources, often through competitive bidding processes. This funding is vital in maximising the potential for delivery given the limited annual ITB funds and addressing the resultant significant funding gaps. Details of the extensive list of existing funding sources successfully secured, including in partnership with District Councils, are listed below (note: this covers a funding period over a number of years):

Fund	Description	Total
Housing Infrastructure Fund (HIF)	Grant funding secured towards the South West Exeter development.	£55m
	Teignbridge District Council secured funds towards Dawlish Urban Extension Link Road. DCC commenced works in August 2023.	£4.9m
Large Local Majors (LLM) Fund	Department for Transport funds for exceptionally large local schemes. North Devon Link Road commenced works in February 2021.	£60m
Major Road Network (MRN) Fund	Department for Transport funds for schemes on the Major Road Network that have been prioritised by Sub-National Transport Bodies. The A382 Drumbridges to Newton Abbot programme entry was announced in 2021 and will submit a Full Business Case this Autumn.	£38m

Levelling Up Fund (LUF)	Two transport schemes were announced as being successful in Tranche 2 of the Levelling Up Fund; Destination Exmouth (Devon County Council's bid) and West Devon Transport Hub (West Devon Borough Council's bid being delivered by DCC). Funds to be spent by March 2025.	£29.2m
Plymouth and South Devon Freeport	Full Business Case approval was received in 2022. Seed capital grant totalling £9.619m will bring forward essential infrastructure such as a crossing of the A38 for active travel, sections of spine road in Langage to facilitate employment development and upgrades to an existing roundabout.	£9.6m
Bus Service Improvement Plan (BSIP)	Department for Transport funds for capital bus improvements as detailed in the BSIP, from 2022/23 to 2024/25.	£8.8m
Active Travel Fund (Tranches 3 & 4)	Department for Transport funds released in annual tranches since 2020, initially focusing on responding to the pandemic. Tranche 4 successful schemes were confirmed in May 2023, with funds to be committed in 2023/24.	£3.3m
New Stations Fund	Department for Transport confirmed Marsh Barton Station would receive £3.1 million from the New Stations Fund. Construction commenced in 2021 and opened in July 2023.	£3.1m
Future High Streets Fund	Department for Levelling Up, Housing and Communities funds District Councils to support the transformation of underused town centres. Funding secured by Teignbridge District Council for delivery of transport elements in Newton Abbot.	£0.8m
Heritage Action Zone	Historic England funds to boost economic growth using the historic environment as a catalyst. Mid Devon District Council have been successful in securing funds for Cullompton; construction started in July 2023.	£0.5m
Total		£213.2m

Inflation

Whilst inflation in the construction industry continues to rise, the level has reduced from the extreme figures seen over the last year. Uncertainty remains around the validity of estimates and could still result in scheme costs increasing with shortfalls needing to be covered by Devon County Council's Local Transport Plan Integrated Transport Block. The capital programme will continue to be monitored and decisions made to either reduce scope to minimise shortfalls or slip some schemes into future financial years. It should be noted that the impact of inflation may present funding shortfalls for schemes and impact their expected delivery timeframe whilst alternative funding sources are sought.

Local Transport Plan 4

A new Local Transport Plan extending to 2040 is under development. This will replace the current Local Transport Plan 3 (2011 – 2026). It will take an evidence led approach to informing Devon's future investment in transport across the county as well as building on the array of existing strategies and policies, including the Devon Carbon Plan and supporting documents like the Local Cycling and Walking Infrastructure Plans and the Bus Service Improvement Plan. The approved capital programme will contribute towards informing the long list of interventions to be included in the Local Transport Plan. Once complete, the Local Transport Plan will underpin future capital programme updates to ensure the county is investing in transport infrastructure that best aligns with the vision and objectives for Devon.

3) Proposal

The proposed Transport Capital Programme is detailed in Appendix 1. It includes a range of schemes across the county covering different transport modes. During its development, consideration has been given to the cost, deliverability and availability of external match funding of individual schemes to ensure the programme represents value for money overall. The programme continues to support local strategies, such as Local Plans, the Local Transport Plan, the Cycling and Multi-Use Trail Network Strategy, Local Cycling and Walking Infrastructure Plans and the Bus Service Improvement Plan as well as being cognisant of the national policy priorities of decarbonisation, addressing the climate emergency through promotion of active and public transport and the levelling up agenda.

The County Council has been able to demonstrate a strong track record of working with partners to secure significant levels of external funding from a range of different grant opportunities. It is expected that additional external funding will need to be added to the transport capital programme over the period 2023/24 – 2024/25. In addition to the confirmed and anticipated grant funding sources outlined below, there may be further opportunities to enhance the transport capital budget over the period 2023/24 – 2024/25. Due to the competitive nature of many of the funding programmes, it is difficult to predict what the level of external funding might be, the timing of any funding announcements and what schemes might be eligible. However, the proposed Transport Capital Programme gives an indication of the schemes to be prioritised, should suitable funding opportunities be available and ITB allocations will provide a source of match funding.

The potential funding sources that may provide funds in 2023/24 and 2024/25 are as follows:

- Peninsula Transport Sub-National Transport Body: It is expected that Government will increasingly look to Sub-National Transport Bodies to submit prioritised strategic transport bids, such as the Major Road Network Fund in July 2019. A Strategic Outline Business Case (SOBC) for a major upgrade to the swing and lifting bridges over the river Exe on the A379 between Countess Wear and Matford Roundabouts plus associated pedestrian and cycle improvements was submitted in 2022. The next steps will be to wait for a decision from the Department for Transport to approve the SOBC and seek development funding to progress to Outline Business Case.

- Active Travel Fund 5: Although a multi-year settlement for active travel was expected to be announced alongside Active Travel Fund 4, this did not transpire. It is therefore expected that there will be a future active travel fund tranche, however, the timescales and the details of what will be an eligible bid is not yet known.
- Levelling Up Fund: There is the possibility that there will be a third tranche of the Levelling Up Fund. There have been a number of bids across Devon which were previously unsuccessful which may be resubmitted by their relevant Districts. No details of a Levelling Up Fund Tranche 3 have been announced.
- A382 Major Road Network: Full Business Case submission is planned for 2023/24. Upon the approval of the Full Business Case, it is expected that the Department for Transport will repay up to two-thirds of the business case development cost. This is expected to contribute towards relieving some of the overprogramming pressure on the proposed programme.

The programme contains an extensive, ambitious and diverse range of schemes. The scale of this could result in resourcing implications; the level of overprogramming is evidence of this. Should there be a lack of capacity available to progress the entire programme, time-constrained grant funded schemes will be prioritised.

4) Options / Alternatives

Continue with current approved programme

The 'do nothing' alternative to the proposed allocation would be to continue with the programme as approved in September 2022. However, a new programme will need to be in place by April 2024. Approving the programme proposed now gives in-year certainty of which projects to focus on. There have been changes in funding sources and pressures on the programme since its approval last year which are better reflected in the proposed programme. Therefore, an approval of an updated programme would ensure the capital programme allocations best reflect the current situation.

Alternative programme allocations

Funding could either be reallocated across the programme or redirected to other schemes. However, the proposed programme has been developed taking into account the availability of funding sources and reflecting the priorities identified in established strategies including the Devon and Torbay Local Transport Plan, Local Plans, Devon Carbon Plan, Transport Infrastructure Plan and Cycling and Multi-Use Trail Network Strategy. The programme seeks to achieve the greatest balance of economic, environmental and societal benefits to the communities and businesses in Devon. As demonstrated by the level of overprogramming to achieve the existing programme commitments, there is very little scope for additional schemes to be added.

Adjust level of overprogramming

The proposed programme includes a higher level of overprogramming than usually planned for. However, there are a number of anticipated external funding sources that may be

secured during this programme which can be used to relieve the overprogramming through the allocation of grant funds. A degree of overprogramming is usually incorporated to account for slippage of schemes and results in an underspend. However, it is advisable to not increase the level of overprogramming further due to the additional risk of inflationary pressures and resultant uncertainty regarding the increase in cost estimate of schemes that are in construction. Any typical programme underspend is anticipated to be absorbed by these inflationary implications. The level of overprogramming proposed is therefore considered to be a balance of these factors.

5) Consultations

In addition to the consultations undertaken for the Local Plans and Local Transport Plan, consultation for individual schemes will be considered as part of the approval process through Highways and Traffic Orders Committees (HATOCs) and Cabinet where appropriate.

6) Strategic Plan

Transport is a key mechanism to deliver the Council's Strategic Plan priorities and actions, with many cross-cutting themes evident in the transport capital programme. The programme seeks to prioritise active and sustainable travel investment across the county, whilst also supporting economic growth through the delivery of major schemes.

The table below summarises how the proposals would impact achievement of relevant Strategic Plan actions according to a seven-point scale, whereby -3 represents a large negative impact and +3 represents a large positive impact.

Strategic Plan Priority	Strategic Plan Action	Alignment
Respond to the climate emergency	Support a green recovery from COVID-19	+2 (Moderate positive)
	Prioritise sustainable travel and transport	+3 (Large positive)
	Encourage sustainable lifestyles	+3 (Large positive)
	Support the transition to low emission vehicles	+2 (Moderate positive)
Investing in Devon's economic recovery	Secure investment in transport infrastructure	+3 (Large positive)
	Maintain and, where necessary, improve our highway network and improve sustainable transport options	+3 (Large positive)
Improve health and wellbeing	Give people greater opportunities for walking and cycling to increase their physical activity	+3 (Large positive)

Helping communities to be safe, connected and resilient	Enable a range of transport options, including public transport	+3 (Large positive)
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7) Financial Considerations

LTP ITB grant budget of £4.502 million for 2023/24 has been allocated. The allocations total £5.650 million, an overprogramming of £1.148 million.

The 2024/25 LTP ITB budget will be £3.767 million as per the indicative allocation from the Department for Transport. The allocations total £3.779 million, which results in overprogramming of £0.012 million.

In 2023/24, this is a higher level of overprogramming than usual but if the A382 Major Road Network bid is successful, spend in previous financial years, funded by LTP, will be claimed from the Department for Transport major scheme grant and repaid to the LTP fund. The 2024/25 level of overprogramming is very low, to also help ensure that expenditure can be contained within the budget.

Also, historically, a number of schemes tend to slip during the year, therefore an overspend is not anticipated. In addition, a number of external funding sources could potentially be secured during the programme, relieving the LTP ITB funding requirement for some schemes. Spend will be monitored throughout the year to ensure an overspend will not materialise. Should spend approach the £4.502 million budget, schemes with grant funding and those closest aligned to the County Council's strategic goals will be prioritised with other schemes slipped to a future financial year. It should also be noted that the first instalment of the LTP grant funding is usually received in March, therefore it would not affect Devon's cashflow if an overspend should occur.

The LTP is supplemented by funding from other external sources, such as developer contributions and specific grants. The proposed programme totals £154.258 million across financial years 2023/24 and 2024/25. This includes funding of £132.811 million from external sources including grants (not LTP) and developer contributions.

Devon County Council is funding £0.964 million in 2023/24 and £12.213 million in 2024/25, which is already included in the approved capital programme.

It is anticipated that additional external funding may need to be incorporated into the programme later in the financial year, subject to determination of external funding bids and receipt of developer contributions.

8) Legal Considerations

There are no specific legal considerations. Where relevant these are considered in reports on individual schemes.

9) Environmental Impact Considerations (Including Climate Change, Sustainability and Socio-economic)

An Environmental Impact Assessment was carried out for the overall strategy contained in the Devon and Torbay Local Transport Plan 2011-2026. The environmental impacts of individual schemes are detailed in Cabinet or Highways and Traffic Orders Committee (HATOC) reports where relevant.

Transport has an important role to play in tackling the climate emergency, and schemes are developed with this in mind. The programme aspires to align with the Department for Transport's Transport Decarbonisation Plan and the Devon Carbon Plan, providing a Devon transport system with a range of sustainable transport options. This includes alleviating congestion, promoting public transport and encouraging modal shift for short journeys by providing a high-quality active travel network. The County continues to deliver infrastructure to support transition to electric vehicles to make private car usage as environmentally efficient as possible.

10) Equality Considerations

Where relevant, in coming to a decision the Equality Act 2010 Public Sector Equality Duty requires decision makers to give due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding

in relation to the protected characteristics (age, disability, gender reassignment, marriage and civil partnership (for employment), pregnancy and maternity, race/ethnicity, religion or belief, sex and sexual orientation).

A decision maker may also consider other relevant factors such as caring responsibilities, rural isolation or socio-economic disadvantage.

Detailed individual Impact Assessments are carried out on schemes where required and included with Cabinet and HATOC reports.

11) Risk Management Considerations

This programme has been assessed and all necessary safeguards or action have been taken / included to safeguard the Council's position. The overall programme includes a degree of overprogramming to allow for slippage.

Individual schemes will consider specific risks in relevant Cabinet and HATOC reports.

12) Summary

The proposed transport capital programme balances the availability of funding sources with local and national policy to give a clear focus for the 2023/24 and 2024/25 financial years. The proposed programme is extensive and ambitious which comes with its own challenges. The programme will be monitored throughout the programme, taking into account the inflationary uncertainty for construction schemes and reviewing potential new funding opportunities to supplement the existing committed schemes. The programme takes advantage of utilising external funding sources where possible to deliver impactful change to the transport system, taking into account environmental, economic and societal needs and meeting Devon County Council's Strategic Plan objectives.

Meg Booth

Director of Climate Change, Environment and Transport

Electoral Divisions: All

Cabinet Member for Climate Change, Environment and Transport: Councillor Andrea Davis

Cabinet Member for Highway Management: Councillor Stuart Hughes

Local Government Act 1972: List of background papers

Nil

Contact for enquiries:

Name: Hannah Clark

Telephone: 01392 383000

Address: Room 120, County Hall, Exeter, EX2 4QD

Transport Capital Programme 2023/24 and 2024/25: Update and Proposed Allocation – Final

Appendix 1 to CET/23/66

Countywide & Major	Total £,000	2023/24 £,000	2024/25 £,000
Active Travel			
Exmouth Gateway	4,467	329	4,138
Tarka Multi-Use Trail	1,152	384	768
Teign Estuary Multi-Use Trail	650	400	250
Public Transport			
Bus Service Improvement Plan	9,191	4,061	5,130
Devon Metro - Marsh Barton Rail Station	1,352	1,312	40
Countywide Bus Real Time Information Systems	120	60	60
Devon Metro - Bere Alston to Plymouth Railway	100	100	-
West Devon Transport Hub	73	-	73
Road Safety			
20mph Speed Limit Programme	450	300	150
Safer Roads Fund A3121	398	398	-
Casualty Severity Reduction Cluster Sites	300	150	150
Casualty Severity Reduction Routes	250	150	100

Multi-Modal Highway Improvements			
A361 North Devon Link Road Improvements	42,714	39,113	3,601
South West Exeter Housing Infrastructure Fund (HIF)	41,465	27,083	14,382
Plymouth and South Devon Freeport	17,288	5,891	11,397
Dinan Way Extension, Exmouth	12,789	4,346	8,443
Dawlish Urban Extension Link Road	5,575	5,575	-
A382 Widening Newton Abbot Phase 2	4,296	4,296	-
South Devon Highway	1,352	600	752
Tiverton EUE	172	172	-
Cullompton Town Centre Relief Road	50	50	-
Lee Mill, Ivybridge A38 Sliproad	40	20	20
Miscellaneous Works (eg electrification and car clubs)			
Minor schemes and post scheme costs	80	50	30
Electric Vehicles	20	-	20
Total	144,344	94,840	49,504

Exeter & East Devon Growth Point	Total £,000	2023/24 £,000	2024/25 £,000
Active Travel			
Exeter Strategic Cycle Routes	1,775	1,351	425
Pinhoe Access Strategy Measures	519	475	44
Magdalen Road Access Measures	374	374	-
Newtown Ped / Cycle Infrastructure	300	216	84
Queen Street, Exeter	191	191	-
Station Road, Broadclyst Footway Improvement	106	20	86
Ringswell Avenue / Ribston Avenue Footway	101	21	80
Exeter to Cranbrook Multi-Use Route	87	37	50
Langaton Lane	75	75	-
Exeter Cycle Parking	51	26	25
Exeter LCWIP Interventions	50	-	50
Rydon Lane, Woodbury	44	44	-
Clyst Valley Multi-Use Trail	20	-	20
B3174 London Road, Cranbrook	20	-	20

Public Transport			
Exeter Interim Bus Station	64	64	-
Pinhoe Rail Station Car Park Interchange	19	19	-
Newcourt Way, Exeter Bus Facilities	18	18	-
Multi-Modal Highway Improvements			
Tithebarn Way Signalisation	246	246	-
Venny Bridge Traffic Signals	47	47	-
Long Lane Enhancement	46	41	5
Miscellaneous Works (eg electrification and car clubs)			
Minor schemes and post scheme costs	157	102	55
Street Lighting Safer Streets Exeter University	39	39	-
Total	4,349	3,406	943

Market & Coastal Towns	Total £,000	2023/24 £,000	2024/25 £,000
Active Travel			
Newton Abbot Future High Street Fund	1,486	1,286	200
Seaton to Colyford Multi-Use Trail	605	605	-
Sidbury to Sidford Multi-Use Path	250	150	100

Barnstaple Longbridge Active Travel Improvements	177	86	91
Cycle Parking Facilities for Market Towns, Schools and Employers	100	50	50
Station Hill, Chudleigh Footway Improvements	80	80	-
Tiverton Road, Cullompton Footway	78	78	-
Drakes Multi-Use Trail	70	35	35
Stover Way and Wray Valley Trail	69	69	-
Clovelly Road, Bideford Footway	61	-	61
Pedestrian Crossings (Holsworthy, Barnstaple, Bideford)	53	53	-
Heart of Teignbridge LCWIP Interventions	50	-	50
Barnstaple, Bideford and Northam LCWIP Interventions	50	-	50
Stoney Lane, Axminster	25	5	20
Ruby Way Multi-Use Trail	20	-	20
Ogwell to Newton Abbot Cycle Route	10	10	-
Larkbear - Seven Brethren Barnstaple Pedestrian Cycle Bridge	3	3	-
Road Safety			
School Safety Schemes	615	445	170
Crogg Lane, Uplyme Footway Improvements	15	5	10

Multi-Modal Highway Improvements			
Cedars Roundabout, Barnstaple	1,253	825	428
Slapton Line Minor Road Network Improvements	367	100	267
Miscellaneous Works (eg electrification and car clubs)			
Cullompton High Street Improvement Works	945	945	-
Minor schemes and post scheme costs	216	166	50
Ilfracombe Regeneration Package	70	20	50
Denistone Quarry New Traffic Signals	47	47	-
Other air quality improvement measures in AQMA's	10	-	10
Total	6,725	5,063	1,662

Programme Summary	Total £,000	2023/24 £,000	2024/25 £,000
Countywide & Major	144,344	94,840	49,504
Exeter and East Devon Growth Point	4,349	3,406	943
Market and Coastal Towns	6,725	5,063	1,662
Overprogrammed	(1,160)	-1,148	-12
Total	154,258	102,161	52,097

Funded by	Total £,000	2023/24 £,000	2024/25 £,000
Integrated Block	8,269	4,502	3,767
Other Grants	107,458	77,465	29,993
Contributions	18,473	13,861	4,612
S106/CIL	6,881	5,369	1,512
DCC Resources	13,177	964	12,213
Total	154,258	102,161	52,097
Current Approved Budget	149,936	99,059	50,877
Increase in the capital programme required	4,322	3,102	1,220

Enhancements to Capital Programme	Total £,000	2023/24 £,000	2024/25 £,000
External Grant			
Active Travel 4 Schemes	1,265	747	518
A382 Widening Newton Abbot Phase 2	423	423	-
Major Road Network Grant	1,070	1,070	-
Developer Contributions			
Cedars Roundabout, Barnstaple	428	-	428
Station Road, Broadclyst Footway Improvement	104	19	86

Cullompton High Street Improvement Works	103	103	-
Barnstaple Longbridge Active Travel Improvements	86	86	-
Clovelly Road, Bideford Footway	61	-	60
Pinhoe Access Strategy Measures	44	-	44
Tiverton EUE	33	33	-
School Pedestrian Crossing Clapper Lane, Honiton	28	28	-
B3213 Exeter Road, Ivybridge Shared Use Path	15	15	-
Station Hill, Chudleigh Footway Improvements	13	13	-
S106 - Traffic calming Raleigh Park, South Molton	4	4	-
Tiverton Road, Cullompton Footway	3	3	-
Larkbear - Seven Brethren Barnstaple Pedestrian Cycle Bridge	3	3	-
External Contributions			
Newtown Ped / Cycle Infrastructure	300	216	84
Cullompton High Street Improvement Works	289	289	-
Cullompton Town Centre Relief Road	50	50	-
Total	4,322	3,102	1,220