

UPDATE TO ITEM 8 - BATH TRANSPORT PACKAGE

RESOLUTIONS AND RECOMMENDATIONS OF CABINET

The Cabinet agrees that the following elements of the BTP should not be included in the Best & Final Bid to DfT and that these changes to the BTP are recommended to Full Council on 14th July 2011:

- 2.1 The Bus Rapid Transit Segregated Route.
- 2.2 The A36 Lower Bristol Road Bus Lane.
- 2.3 The A4 London Road Lambridge Bus Lane.
- 2.4 New A4 Eastern P&R (1400 spaces), plus bus lane priority on the A4/A46 slip road.
- 2.5 And in addition reduce the size of the P&R expansion at Newbridge.

As a result the BTP would comprise of the following elements:

- 2.6 Upgrades to bus stop infrastructure on 9 service routes, including real time passenger information.
- 2.7 Expansion of Odd Down P&R by 250 spaces, of Lansdown P&R by 390 spaces and of Newbridge P&R by 250 spaces on the proposed site or a suitable alternative.
- 2.8 Variable Message signs on the main approaches to Bath, and within the city centre.
- 2.9 City centre works: High Street improvements and timed access restrictions (currently ongoing).
- 2.10 Works to support BWR including a bus rapid transit system serving the site.
- 2.11 As a result of the above the Cabinet agree to formally withdraw the CPOs agreed at its meeting on 3rd September 2008 and subsequently served to allow for the implementation of the BTP. The Cabinet agree and recommends to Full Council that the Council contribution towards the BTP would be no more £17.8m as set out in section 3 below. The schemes costs as recommended in this report have been reduced from £58.8m to £34.3m.
- 2.12 Cabinet agree and recommends to full Council that the final submission to DfT be approved by the Strategic Director Service Delivery and Chief Executive in consultation with the portfolio holder, the S151 officer and monitoring officer, and with a report back to cabinet only if necessary notably if there is a material change in the financial costs or

scope of the scheme which go beyond the parameters set out in this report.

- 2.13 Cabinet recommend to full Council additional borrowing of £3M to fully finance the costs of the Council contribution of up to £17.8M with an additional annual revenue cost of approximately £190K which will need to be included in revenue budgets for future years following completion of the scheme.
- 2.14 Cabinet note the revenue reversion risk as set out in paragraph 3.3 and the potential need to fund the costs of project work on aspects of the scheme which are no longer going ahead from reserves with the appropriate financing to be dealt with in a later report to cabinet and Council as appropriate and if the need arises.

In addition the Cabinet agrees and recommends to Full Council to instruct officers to:

- 2.15 work on alternatives to Bathampton Meadows P&R, possibly involving rail, as part of our future Transport Strategy
- 2.16 work with the Highways Agency to improve signage on the A46 to direct more traffic to an extended Lansdown Park and Ride
- 2.17 talk to Wiltshire Council about measures to remove some of the through traffic along the London Road and other cross border transport issues
- 2.18 evaluate measures to remove HGVs from London Road - this 10% of traffic creates 40% of the pollution
- 2.19 examine how we can obtain substantial "modal shift" from the private car to rail in recognition of potential for rail expansion with the electrification of the GWR and the awarding of an extended rail franchise
- 2.20 evaluate options to address the problems caused by a lack of affordable home to school transport
- 2.21 consider measures to make the whole area much more cycle friendly - we have already secured Govt funding through the Regional Sustainable Transport Fund to link Batheaston to NCR 4 on the canal towpath, thereby taking many cyclists off the London Road and encouraging others to get out of their cars and cycle into Bath.

3. FINANCIAL IMPLICATIONS (replacing section 3 of report 8)

- 3.1 In January this year the Council submitted an 'expression of interest' to DfT which indicated that we would be prepared to make a local contribution for the BTP of £17.8m and this was subsequently earmarked in Council budgets as part of the budget setting report 2011/12. The Council contribution is included at this level within the current approved Capital Budget (Hard Coded and Italics) and included

the revenue implications of the borrowing costs which are estimated to be £657,000 per annum. There is one exception to this which is set out in paragraph 3.3 below. In submitting our Best & Final Bid later this year the Council needs to reconsider the amount of its own contribution in the light of the significantly reduced scope and cost of the project i.e. without the BRT and A4 P&R. The context also includes the substantially reduced levels of Government capital grants available since the last national Comprehensive spending Review together with the increase in the level of competition for the available monies. Further detail is set out in the report.

3.2 As is indicated above DfT have emphasised that the projects in the Development Pool are in a highly competitive process where DfT wants to fund as many schemes as they can but can only do so if Local Authorities maximise their contributions. At a meeting with the Leader and Don Foster MP, Norman Baker Parliamentary Under Secretary of State for Transport, indicated his expectation that the local funding contribution to be committed in the Best & Final Bid would match the figure already stated in the Expression of Interest i.e. £17.8m. It is for the Council to decide what contribution to offer to DfT and given the reduced scope of the project (and net reduction in cost to DfT) a reduced Council contribution of less than £17.8m might be acceptable however this would appear to increase the risk of DfT rejecting the funding bid.

3.3 In the event of DfT not approving the scheme there would be a potential revenue reversion risk of commitments to date of up to £6.5m. This is a worst case scenario. There is a revenue reversion risk of up to £3.8m due to the deletion of the A4 P&R and the BRT (£1.3m & £2.5m respectively). Any revenue reversion would immediately fall as a charge to the Council's general fund balances which would then have to be repaid, if not financed through alternative means, from the annual Council budget over a period of not more than three years.

3.4 The scheme previously included a self financing element in respect of the new park and ride. The exclusion of this from the scheme to be submitted to the DfT means that there is less revenue available to support borrowing costs. The net impact of this is that £3M of capital expenditure requires additional revenue support in the region of £190K per annum based on a Council contribution of £17.8M.