

SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE

**WEDNESDAY 20 MARCH 2013
7.00 PM**

Forli Room - Town Hall

AGENDA

Page No

1. Apologies for Absence

2. Declarations of Interest and Whipping Declarations

At this point Members must declare whether they have a disclosable pecuniary interest, or other interest, in any of the items on the agenda, unless it is already entered in the register of members' interests or is a "pending notification" that has been disclosed to the Solicitor to the Council.

Members must also declare if they are subject to their party group whip in relation to any items under consideration.

3. Call In of any Cabinet, Cabinet Member or Key Officer Decisions

The decision notice for each decision will bear the date on which it is published and will specify that the decision may then be implemented on the expiry of 3 working days after the publication of the decision (not including the date of publication), unless a request for call-in of the decision is received from any two Members of a Scrutiny Committee or Scrutiny Commissions. If a request for call-in of a decision is received, implementation of the decision remains suspended for consideration by the relevant Scrutiny Committee or Commission.

4. Peterborough Highways Service Contract 2013 - 2023

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5. Local Transport Plan Programme Of Works 2013/14

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6. Affordable Housing Capital Funding Policy

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There is an induction hearing loop system available in all meeting rooms. Some of the systems are infra-red operated, if you wish to use this system then please contact on as soon as possible.

Committee Members:

Councillors: M Todd (Chairman), G Casey (Vice Chairman), M Nadeem, Y Maqbool, S Martin, Thulbourn and J A Fox

Substitutes: Councillors: McKean, Forbes and C Ash

Further information about this meeting can be obtained from Paulina Ford on telephone 01733 452508 or by email – paulina.ford@peterborough.gov.uk

Emergency Evacuation Procedure – Outside Normal Office Hours

In the event of the fire alarm sounding all persons should vacate the building by way of the nearest escape route and proceed directly to the assembly point in front of the Cathedral. The duty Beadle will assume overall control during any evacuation, however in the unlikely event the Beadle is unavailable, this responsibility will be assumed by the Committee Chair.

SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE	Agenda Item No. 4
20 MARCH 2013	Public Report

Report of the Executive Director of Operations

Contact Officer(s) **Andy Tatt, Transport and Engineering Group Manager**
Contact Details **Email: andy.tatt@peterborough.gov.uk**
 Tel: 01733 453469

PETERBOROUGH HIGHWAYS SERVICE CONTRACT 2013 – 2023

1. PURPOSE

1.1 This report is to inform the Committee on progress on the consolidation of the existing four highways contracts into one contract with a single partner.

2. RECOMMENDATIONS

2.1 That the Committee notes and endorses the actions taken, and to be taken, in connection with this procurement.

3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY

3.1 The Council has identified the following core outcomes which it is seeking to achieve through the proposed partnership arrangement:

- Environmental sustainability – delivering the City’s Environment Capital agenda;
- Growth and economy– delivering the City’s growth agenda and improving the skills of the City’s communities;
- Innovation – delivering high quality solutions to highway and engineering challenges, including support for innovative technology and SME’s;
- Skills Agenda - support the educational development and career attainment of young people in Peterborough. Including working with those from troubled backgrounds, young offenders and other vulnerable groups;
- Excellent customer service, recognising and working with our diverse communities;
- Responsive highway services - flexibility throughout services to operationally prioritise works to maximise efficiencies and effectiveness of the service as a whole and to respond at short notice to all types of incidents on the network.

The project is predominantly savings led thereby helping to deliver value for money for the Council. This anticipated saving is built into the Councils Medium Term Financial Strategy. Quality of service, environmental initiatives, innovation and growth are also key elements of the new contract strategy.

4. BACKGROUND

4.1 At present the Council has individual contracts with four main suppliers (See Appendix 1 for

details) for Highways Services relating to Street Lighting Maintenance, Drainage, Highways Term Maintenance and Professional Services relating to Highways. These contracts have a common end date of July 2013, with a mechanism to extend as per Appendix 1. Discussions with each incumbent supplier have taken place and the contract periods have all been extended until 30th September 2013.

The proposal is to award a single contract for 'Peterborough Highways Services' for the period 1st October 2013 to 30th September 2023. This will provide a sustainable working partnership that delivers high quality services and year on year financial savings. The initial term of the contract will be ten years, subject to continual performance, with the option to extend for two periods of five years (10 years plus 5 years plus 5 years).

The Council, with the support of its partner Serco, is procuring the new partnership through the Competitive Dialogue procedure under Regulation 18 of the Public Contracts Regulations 2006 (as amended). A Prior Information Notice (PIN) was issued in June 2012 seeking expressions of interest from prospective contractors. Both open and restricted procedures were considered and discounted due to the complexity of the services being tendered. The procurement stage began with the publication of an OJEU Notice published on 9th October 2012. This procedure is being used to ensure that the Council and potential partners can work jointly to shape the chosen solution.

The Competitive Dialogue process consists of the following stages:

	Issue / Start date	Date due back	Results to bidders
Pre-Qualification Questionnaire (PQQ)	9 th Oct 2012	9 th Nov 2012	27 th Nov 2012
Invitation to Submit Outline Solutions (ISOS)	25 th Jan 2013	25 th Feb 2013	n/a – Bidders identified that there was too much information required to enable them to submit a priced ISOS response within the timeline. As a result a decision was made to merge ISOS and ISDS stages. Bidders have submitted a quality response that will not be scored but will be used to inform the ISDS Competitive Dialogue.
Invitation to Submit Detailed Solutions (ISDS)	11 th March 2013	18 th April 2013	20 th May 2013
Call for Final Tender (CFT)	20 th May 2013	30 th May 2013	4 th July 2013
Contract Awarded	n/a	n/a	16 th July 2013
Mobilisation	4 th July 2013	n/a	n/a

The strategy and vision for the growth and planning of the city will remain with the Council, however, the Council requires a partner that is willing to support this agenda and put forward innovative solutions for facilitating and supporting growth. The core services that will be delivered by the contract are:

- Highways Maintenance

- Street Lighting
- Drainage
- Professional Services
- Structures
- Highways specific ICT solution to include an asset register

The Council is also discussing, through Competitive Dialogue, solutions for combining other highway specific services where this will provide tangible service delivery and financial benefits to the Council, or services related to the maintenance of areas of public realm, maintenance of Council property or public open space where they see a logical fit and subject to existing contractual arrangements permitting the procurement of such services. These additional services include:

- Highway Inspections including Safety and Detailed Inspections
- New Roads and Street Works Inspections
- Public Rights of Way
- Infrastructure Delivery

5. KEY ISSUES

5.1 There are no key issues for the Committee to consider.

6. IMPLICATIONS

6.1 The Contract will deliver Highways Services, excluding capital works over £500,000, across the whole unitary authority area. The anticipated annual value of the contract, to be explored further as part of the Competitive Dialogue sessions is:

£k	Core - Schedule of Rates	Core - Winter Mtc / Incident response	Core - Target Price Schemes >£50k	Additional Services	Total
Revenue	3,700	580	-	530	4,810
Capital	1,030	-	3,860	130	5,020
	4,730	580	3,860	660	9,830

A single contract should maximise savings that would otherwise not be achievable with individual contracts, and give greater opportunity to build on innovative ideas and develop wider integration of the services provided to enhance the customer experience.

Integration of the services and provision by a single partner will reduce the overall carbon footprint through optimisation of vehicle usage and combined efficiencies in waste disposal and recycling of materials. Wider opportunities to support Peterborough's Environment Capital aspiration and climate change targets will be explored.

Effective transition to the new contract requires mobilisation during the summer and early autumn period up to 1st October 2013. This avoids mobilisation during winter months thereby ensuring an effective winter maintenance service.

Given that much of the work in the current service is undertaken by the existing providers with only a limited number of Council employees to develop the specification work, it has been necessary to employ the services of specialist highways and procurement resources to aid this process. However there is still a dependency on the service leads to input and conduct review

of the key documents and ultimately approval of those documents to progress the project.

7. CONSULTATION

7.1 Soft market testing has taken place along with a review of what approach is being taken by other local authorities.

The incumbent suppliers have also been approached.

8. NEXT STEPS

8.1 The Invitation to Submit Detailed Solutions (ISDS) will be issued to prospective bidders on 11th March and the Competitive Dialogue at detailed stage commences on 18th March with submissions relating to this document due back on the 18th April 2013. The Call for Final Tender (CFT) is due to be issued on 20th May 2013 and is due back on 30th May 2013.

8.2 This decision will be included on the forward plan (ref KEY/18APR13/01) and a key cabinet member decision notice will be sought in July 2013 to award the contract to the preferred bidder.

9. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 9.1
- The project Business Case
 - The Council's Medium Term Financial Plan
 - Notice published in Official Journal of the European Union
 - ISOS / ISDS documents

10. APPENDICES

10.1 There is one appendix to this report.

Contract Terms

Service	Supplier	Contract start date	Option to extend until	Scope
Highways Term Maintenance	Ringway Infrastructure Services Ltd	01/08/2005	31/07/2015	Routine Maintenance (localised patching repairs to the carriageway and footway and minor repairs to the highway drainage systems), Planned Maintenance (programmed scheme work (including resurfacing of footways and carriageways) and more major repairs to highway drainage systems), 24/7 Emergency Maintenance (responding to emergency situations on the highway including accidents and ensuring the safety of highway users either by affecting an immediate repair or signing and guarding the hazard until it is made safe), Winter Service (treatment of the highway network during the winter period including the pre-treatment of the precautionary network using gritting vehicles and hand spreading where necessary, localised spot treatment where unpredicted ice has formed and the removal of snow by ploughing or by hand), Safety Fencing (installation or replacement of damaged sections of safety fencing).
Highways Professional Services	Atkins Ltd	02/04/2007	31/03/2017	Design and Supervision of capital projects, Project and Performance Management, Policy and Tactical advice, Asset Management, Materials and Geotechnical advice and testing.
Street Lighting Maintenance	Volker Highways Ltd	01/04/2007	30/09/2015	Street light maintenance including illuminated signs and traffic bollards, traffic signals maintenance and monitoring.
Gully Cleansing	ADC East Anglia Ltd	01/04/2007	31/03/2014	Traffic management, emptying of gullies, manholes, catch pits, jetting, root cutting, and CCTV surveys of existing drains.

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SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE	Agenda Item No. 5
20 MARCH 2013	Public Report

Report of the Executive Director of Operations

Contact Officer(s) – Mark Speed: Transport and Infrastructure Planning Manager

Contact Details – Mark.Speed@Peterborough.gov.uk 01733 317471

LOCAL TRANSPORT PLAN PROGRAMME OF WORKS 2013/14

1. PURPOSE

- 1.1 This report contains information regarding the draft Local Transport Plan Capital Programme of Works and the highways revenue maintenance schemes 13/14.

The purpose of this report is to seek the Committee's views on programme of works prior to its consideration by the Cabinet Member for Housing, Neighbourhoods and Planning.

2. RECOMMENDATIONS

- 2.1 That the Committee scrutinise the proposed programme of works contained in annexes 1-4 and make any appropriate recommendations:

- Annex 1- Integrated Transport Programme
- Annex 2- Highway Maintenance Programme
- Annex 3- Street Lighting Maintenance Programme
- Annex 4- Bridge Maintenance Programme

3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY

- 3.1 There are a number of links to the shared objectives within the Third Peterborough Local Transport Plan (LTP) and those outlined within the Sustainable Community Strategy and Local Area Agreement (LAA), which are related to, or reliant upon the works outlined in this programme. The programme provides a co-ordinated and cost effective approach to deliver against these objectives. The Issues addressed through the programme include:

- i. Road Safety/Community Safety – accident reduction schemes, road maintenance, street lighting and CCTV systems.
- ii. Environment – congestion reduction schemes, encouraging sustainable transport through improved public transport, walking and cycling routes.
- iii. Health/education – improved information/access to services and the promotion of healthier lifestyles
- iv. Network management – developing new infrastructure/systems or improving existing facilities, to improve network efficiency and cater for and support predicted economic growth.

- 3.2 The programme for 2013/14 has also been developed to support the goals for transport set out in the LTP as adopted by full Council on the 13th of April 2011 which are as follows:

- Tackle climate change
- Support economic growth
- Improve quality of life and promote a healthy natural environment
- Contribute to better safety, security and health

- Promote equality of opportunity

4. BACKGROUND

- 4.1 The Department for Transport calculates the block allocation for highways maintenance for each local authority using a need based formula. This is based on several factors including: total road length by classification and condition; the number of bridge structures and whether they require significant maintenance or strengthening; and the number of street lighting columns over 40 years old. The block funding for integrated transport improvement schemes is available for supporting development; improving road safety; public transport patronage; tackling traffic congestion; improving accessibility; and minimising pollution.
- 4.2 The Department for Transport (DfT) is currently consulting on the future distribution of the Integrated Transport Block Funding; the department is looking into changes to the factors that are used to distribute funding between local authorities. The council has submitted a response to this consultation.
- 4.3 The Council has been awarded a total of £4,440k transport settlement for 2013/14 comprising of £1,500k Integrated Transport Block Grant and £2,940k Capital Maintenance Block Grant, (see Annex 5, the Department for Transport's 2013/14 Local Transport Settlement letter dated 21 December 2012).

The Council continues to allocated additional funding to support the maintenance of the highway network, which has been added to the transport funding allocations detailed in Table 1 below:

Table 1– Proposed Allocation of Funding

2013-14 Programme Categories	£k
Annex 1 LTP Integrated Transport Block	1,500
Annex 2 Highways Maintenance	3,309
Annex 3 Street Lighting Maintenance	499
Annex 4 Bridge Maintenance	1,100
Total	6,408

Please Note: This is a draft budget and therefore may be subject to change.

Any significant deviation (i.e. in excess of £500k) from the final programme would be referred to the Cabinet Member for Housing, Neighbourhoods and Planning for a decision. Decisions below this threshold will be taken by the Head of Planning, Transport and Engineering Services.

6. IMPLICATIONS

- 6.1 Failure to get approval of the proposed programme by March 2013 is likely to present difficulties in delivering all of the schemes. The consequent reduction in spend will have a direct and negative impact on delivering objectives.

7. CONSULTATION

- 7.1 The Local Transport Plan 3 2011-2016 (LTP) and the generic five year programme was adopted by the Council on the 13th of April 2011 following an extensive consultation with statutory consultees and a wide range of stakeholders.

The Neighbourhood Committees have been consulted, and agreed the programme for 2013/14, at a meeting on the 13 February 2013.

The programme for 2013/14 is now being submitted to scrutiny before being approved by the Cabinet Member for Housing, Neighbourhoods and Planning.

Appropriate consultation will be undertaken on individual schemes in the programme as required.

8. NEXT STEPS

- 8.1 The Cabinet Member for Housing, Neighbourhood and Planning will consider the committees recommendations prior to making a Cabinet Member Decision.

The delivery and spend on individual schemes in the programme for 2013/14 will be monitored on a regular basis through scheme highlight reports submitted to the project board. Overall programme delivery/spend will be monitored by the LTP Project Board.

9. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 9.1 **Peterborough Local Transport Plan 3 (2011 to 2016)**

<http://www.peterborough.gov.uk/ltp>

10. APPENDICES

- 10.1
- Annex 1- Integrated Transport Programme
 - Annex 2- Highway Maintenance Programme
 - Annex 3- Street Lighting Maintenance Programme
 - Annex 4- Bridge Maintenance Programme
 - Annex 5- Local Transport Settlement 2013/14- Letter from DfT Dated 21/12/12

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Annex 1: 2013/14 Integrated Transport Programme

Note: Please note that this programme is subject to budget approval and modification as schemes get developed.

Budget Head	Scheme	Description
Public Transport	Core Bus Routes	A range of measures which could include: provision of bus borders, replacement or refurbishment of bus shelters and the upgrading of existing signals or implementation of new traffic signals to facilitate bus priority.
	Interchange and Bus Stop Improvements.	Improvements to interchanges and upgrading of bus stops and bus shelters using vandal-resistant "Spacemaster". Schemes prioritised annually in accordance with the approved assessment methodology.
		Eye Rd / Burford Way - Raised kerbs - shelter relocation
		Church Street Adj Green
		Coniston Rd Opp Ambleside Gdns
	Coneygree Rd Adj Lawson Avenue	
	Coneygree Rd Opp Lawson Avenue	
	Real Time Passenger Information (RTPI)	Continuation of a programme to implement a system providing timely, accurate and reliable bus service information to passengers at the bus station, bus stop or whilst travelling. Work alongside the bus boarder programme for next year, installing displays at stops that are upgraded.
	Bus Station Capital Enhancements	Capital Improvements at the Bus Station
Walking and Cycling	Cycle Network	Implementation of a range of measures to improve cycling facilities on the local cycle network. Prioritisation as detailed in the Peterborough Cycle Network review.
		St. Johns Street City Centre Bypass - Support for LSTF Scheme
		London Road cycle infrastructure
		Burghley Square - Cities safe for cycling match funding
		Peterborough Rd Cycle Way
	Cycle Parking	Implementation of cycle parking infrastructure to reduce cycle theft and encourage cycling. Secure City Centre cycle parking
	Small Walking Infrastructure Schemes	Installation of a walking scheme prioritised through the Request Database. Werrington Walking improvements in the vicinity of the Cock Inn
Other Walking and Cycling schemes	Flax Factory - Celta Rd Bretton Spine - Signage and improvements to street furniture Lincoln Road, Walk Friendly City - LSTF support Junction 39 lining improvements to improve Crawthorne Rd Crossing	
Signalised Crossing scheme	Upgrades to signalised crossings	
City Centre	St. Johns Street Improvements - cycle bypass	
Intelligent Transport Systems (ITS)	Urban Traffic Management Control (UTMC)	Continuation of a scheme to identify and part implement a network of Intelligent Transport Systems linked to/controlled by a central computer system. This to include co-ordination of the operation of traffic signals in order to reduce delays on parts of the road network. Introduction of SCOOT routes (linked traffic signals).
Network Management	Congestion "hot spot" treatment	3 ANPR Cameras sites, 1 CCTV site and 1 VMS A Scheme to reduce congestion at a site prioritised through either the Peterborough Transportation SATURN model or Bus Punctuality data Strategic Network Review - Progress to implementation the recommendations of the study
Safer Roads	Local Safety Schemes	Safety Schemes aimed at addressing existing or emerging problems. Peterborough Rd Lincoln Rd Thistlemoor Rd Pedestrian crossing
Accessibility	City Centre Accessibility improvements	Way finding improvements including gateways, signage, way markers, LED lighting
		Way finding LTP contribution to LSTF scheme
	Mobility Improvements	Mobility Improvements Continuation of City Improvements to improve access for those with mobility difficulties Lincoln Road Walk Friendly City Improved disabled access along Bretton way, east of Jn 57
	Safer Journeys To School (SJTS)	Peterborough Rd / Stanground College
	Travel Security	Implementation of travel security measures at key locations Motorcycle Parking - sheltered in city centre
	Dropped Kerb Programme	Continuation of a rolling programme to install dropped crossing points to improve accessibility to essential services.
	Rights of Way Improvement Plan (ROWIP) implementation	New or enhanced signage, drainage and surface treatments to the local public rights of way network as identified by the ROWIP.
Innovative Travel	Contribution to a regional project to introduce charging points for electrical vehicles.	
Total		£1,500,000

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Annex 2: 2013/14 Highways Maintenance Programme

Note: Please note that this programme is subject to budget approval and modification as schemes get developed. Some of these proposed schemes may be affected by other works and utilities being carried out within Peterborough City Council Unitary Area and may have to be omitted from the programme for this financial year. Should this be the case then the next schemes of high priority will be taken from the list of assessed roads. Further changes may be required to the programme to address drought damage roads identified late in 2011.

Parish	Street		
Thorney	Church Street	Carriageway surface dressing treatment	
Thorney	The Green		
Deeping Gate	B1524 Lincoln Road		
Deeping Gate	B1162 Deeping St. James Road		
Northborough	A15 Glinton Bypass		
Northborough	Lincoln Road		
Newborough	A15 Glinton Bypass		
Eye	B1443 Bukehorn Rd		
Eye	Thorney Rd (old A47)		
Eye	Eyebury Rd		
Eye	Woolfehill Road Eye		
Stanground	B1095 Milk and Water Drive		
Eye	C52 Willow Hall Lane		
Ravensthorpe	C299 Gresley Way		
Ravensthorpe	Hartwell Way		
Ravensthorpe	Hartwell Way		
Orton with Hampton	A15 London Road		
Etton / Glinton	B1443 Helpston Road Etton /Glinton		
Marholm	C40 Stamford Road		
Orton Waterville	A605 Oundle Road		
Helpston	B1443 West Street Helpston		
Barnack	B1081 London Rd Wothorpe		
Orton Wistow	Lynchwood		
Newborough	Bridgehill Road/Drain Road junction		
Orton with Hampton	A1139 Fletton Parkway		Resurface carriageway
Eastfield	A1139 Frank Perkins Parkway		
Thorney	B1167, New Cut		
Thorney	B1040, Crowland road		
Millfield	Northfield Avenue		
Orton Wistow	Wistow Way		
Orton Waterville	A605 Oundle road		
Orton Brimbles	Bus Route, next scheme on list	Carriageway resurface	
Consultant support			
Orton Malborne	Bus Route	Resurface carriageway	
Total		£1,911,000	

Annex 2: 2013/14 Highways Maintenance Programme

Note: Please note that this programme is subject to budget approval and modification as schemes get developed. Some of these proposed schemes may be affected by other works and utilities being carried out within Peterborough City Council Unitary Area and may have to be omitted from the programme for this financial year. Should this be the case then the next schemes of high priority will be taken from the list of assessed roads. Further changes may be required to the programme to address drought damage roads identified late in 2011.

Parish	Street		
Eye	Little Close	Carriageway micro asphalt surface treatment	
Eye	The Crescent		
Eye	New Road		
Eye	Box Grove Close		
Eye Green	Newstead Close		
Eye Green	Northam Close		
Northborough	The Pingle		
Northborough	Pingle Lane		
Northborough	East Road		
Northborough	Granville Avenue		
City - Walton	Southveiv Road		
Fletton	Manor Avenue		
Millfield	Victoria Street		
Millfield	Highbury Street		
Central	Henry Street		
Central	St Marks Street		
Woodston	Wharfe Road		
Eastfield	Bedford Street		
Eastfield	Princes Gate		
Orton Waterville	Pembroke Ave		
Orton Waterville	Aboyne Ave		
Westwood	Gayton Court		
Westwood	Naseby Close		
Westwood	Everdon Way		
Westwood	Edgcote Close		
Westwood	Deene Court		
Orton Goldhay	Bardney		
Northborough	Granville Avenue		Footway slurry seal surface treatment
Northborough	Castle Drive		
Northborough	Claypole Drive		
Northborough	Clare Road		
Northborough	Crowson Crescent		
Northborough	St Andrews Road		
Northborough	Cromwell Close		
Northborough	The Pingle		
Northborough	Pingle Lane		
Maxey	Torpeil Way		
Eye	Newstead Close		
Eye	Boxgrove Close		
Woodston	Moreley Way		
Woodston	Wharf Road		
Fletton	Queens Road		
City - Stanground	Copper Beach Way		
City - Stanground	Appleyard		
City - Stanground	Burystead		
City - Stanground	Church Street		
City - Stanground	Manor Gardens		
Stanground	Andrea Close	Resurface footway	
Werrington	Goodwin Walk	Footway slab replacement	
Stanground	Coneygree Road		
Consultant support			
Stanground	Ayres Drive		
Stanground	Stuart Close		
Capital gullies			
Total		£468,000	

Footway Slab replacement Ring fenced

Parish	Street	
Longthorpe	Audley Gate, Thorpe Rd -Glamis Gnds	Footway slab replacement
Longthorpe	Audley Gate, Glamis Gdns - Ledbury Rd	
Longthorpe	Audley Gate, Ledbury Rd - Berkeley Rd	
Longthorpe	Audley Gate, Berkeley Rd - Thorpe Rd	
Gunthorpe	Cheviot Avenue	
City - Fletton	Glebe Road	
Gunthorpe	Chiltern Rise	
Gunthorpe	Mendip Grove	
Netherpton	Atherstone Ave, Buckland Cl -Bradwell Rd	
Dogsthorpe	Eastern Avenue	
Consultant support		
Total		£230,000

PCC revenue

Parish	Street	
SMART		
Inspector defined schemes		
Safety fencing		
Carriageway retexturing		
Werrington	Skaters Way	Resurface footway
Central	Lime Tree Avenue	
Marholm	Walton Road	
Consultant support		
Total		£700,000

Annex 3: Street Lighting Maintenance Programme 2013/14

Note: Please note that this programme is subject to budget approval and modification as schemes get developed.

Street	Ward		
Andrea Close	Stanground Central	Column Replacement	
Ayres Drive	Stanground Central		
Coneygree Road	Stanground Central		
Ellwood Avenue	Stanground East		
Gunthorpe Road	Paston		
Gunthorpe Road	Paston		
Guthlac Avenue	Walton		
Hadley Road	Walton		
Halfields Lane	Walton		
Harlton Close	Stanground East		
Ibbott Close	Stanground East		
Lawson Avenue	Stanground Central		
Magee Road	Walton		
Malvern Road	Paston		
Marlowe Grove	Walton		
Marne Avenue	Walton		
Newborn Close	Stanground East		
Paston Lane	Walton		
Paston Lane	Walton		
Paston Ridings	Paston		
Pennine Way	Paston		
Scott Close	Stanground East		
South View Road	Walton		
Stuart Close	Stanground Central		
Upton Close (Longthorpe)	West		
Upton Close (Stanground)	Stanground East		
Wordsworth Close	Walton		
Park Crescent	Park		
Total			£499,000

Note: The scope of work within the project may vary within the indicated budget such that the overall budget is not exceeded.

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Annex 4: 2013/14 Bridge Maintenance Programme

Note: Please note that this programme is subject to budget approval and modification as schemes get developed.

LTP	
Longthorpe Bridge	£882,000
Total	£882,000

Corporate Capital	
Longthorpe Bridge	£218,000
Total	£218,000

Note: The scope of work within the project may vary within the indicated budget such that the overall budget is not exceeded.

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**Department
for Transport**

Mostaque Ahmed
Local Transport Funding,
Growth & Delivery
Department for Transport
Room 2/14
33 Horseferry Road
London
SW1P 4DR
Direct Line: 020 7944 6451

Gillian Beasley
Chief Executive
Peterborough City Council
Sent by email to:
gillian.beasley@peterborough.gov.uk

Web Site: www.dft.gov.uk

21 December 2012

Dear Ms Beasley

LOCAL TRANSPORT SETTLEMENT 2013/14

I am writing to confirm that the capital block funding for highways maintenance and small transport improvement schemes for your authority for 2013/14 are as set out Nick Bisson's letter of 13 December 2010 and confirmed in my letter of 29 March 2012. If you wish to vire this funding between local authorities, the Department will need to be advised by the end of January of the financial year before you require these arrangements to take place.

This funding will be provided as capital grant (not supported borrowing) and is not ring-fenced. Both block allocations are calculated through a needs-based formula and the allocation for your area is given in the attached Annex A. Draft grant conditions are provided at Annex B for information and the Grant Determination and conditions will be sent in to you in March 2013 when any requested changes to the indicated allocations have been confirmed. The Department has published explanatory notes for the integrated transport and highway maintenance block formulae, as well as the individual local authority raw data used within both formulae, at:

<https://www.gov.uk/government/publications/local-transport-capital-block-funding>

Please contact the Local Transport Funding team at LT.PLANS@DFT.GSI.GOV.UK or on 0207 944 2249 for queries relating to the capital block funding allocations outlined in this letter or any other matter.

Yours sincerely,

Mostaque Ahmed

ANNEX A: CAPITAL BLOCK FUNDING ALLOCATIONS FOR Peterborough City Council

2013/14 Transport Capital Funding

The local transport block capital allocations for your authority are:

Block - <u>Final</u> Allocations	£000s
Integrated Transport	1,500
Highways Capital Maintenance	2,940

ANNEX B: GRANT CONDITIONS

1. Grant paid to a local authority under this determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.

2. The Chief Executive and Chief Internal Auditor of each of the recipient authorities are required to sign and return to the team leader of the Local Transport Funding team¹ in the Department for Transport a declaration, to be received no later than 30 September 2014, in the following terms:

“To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to Local Transport Capital Block Funding (Integrated Transport and Highway Maintenance) Specific Grant Determination 2010 No 31/1859 have been complied with”.

3. If an authority fails to comply with any of the conditions and requirements of paragraphs 1 and 2, the Minister may-

- a) reduce, suspend or withhold grant; or
- a) by notification in writing to the authority, require the repayment of the whole or any part of the grant.

4. Any sum notified by the Minister under paragraph 3(b) shall immediately become repayable to the Minister.

¹ Local Transport Funding team can be contacted at LT.PLANS@DFT.GSI.GOV.UK or on 0207 944 2249.

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SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE	Agenda Item No. 6
20 MARCH 2013	Public Report

Report of the Executive Director of Operations

Contact Officer(s) – Anne Keogh – Housing Strategy Manager
Contact Details – Tel: 863815

AFFORDABLE HOUSING CAPITAL FUNDING POLICY

1. PURPOSE

- 1.1 The primary purpose of this report is to enable the committee to scrutinise recommendations to be put before Cabinet on 25 March 2013, with the primary recommendation being the suspension of any further grant allocations from the council's Affordable Housing corporate resources part of the Capital Programme until a thorough review of the council's policy on funding schemes from this source is undertaken. Such a review is considered necessary to ensure the council gains maximum benefit and value from the use of its capital programme resources.

However, the report to cabinet will recommend that schemes that discharge obligations to provide affordable housing in accordance with individual Section 106 agreements will still be considered, and Section 106 receipts will continue to be applied to fund such schemes in accordance with the 2011 Policy framework.

2. RECOMMENDATIONS

- 2.1 The purpose of this report is to obtain committee's view on the issues raised in this agenda report before it is presented to Cabinet on 25 March 2013. Committee's views will be orally reported to Cabinet in order to assist Cabinet in reaching a decision.

3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY

- 3.1 Affordable housing provision relates directly to the Sustainable Community Strategy (SCS), especially around the priorities of achieving sustainable growth and of creating strong and supportive communities.

4. BACKGROUND AND KEY ISSUES

Introduction

- 4.1 The Affordable Housing Capital Funding Policy (adopted by Cabinet in February 2011) sets out the rules and procedures which the council will adopt when awarding grants to Registered Providers (RPs) (sometimes known as Registered Social Landlords (RSLs)), with such grants awarded to help enable the continued supply of new affordable housing in Peterborough. Such capital schemes are funded through two sources, Section 106 receipts and the affordable housing corporate resources part of the capital programme, the latter of which is supported by 'Right to Buy' receipts.
- (i) **capital receipts** (£13m uncommitted) arise as a result of the sale of the council's housing stock to Cross Keys Homes and in accordance with the stock transfer agreement which requires payments to the council as a percentage of Cross Keys Homes' income following subsequent right to buy sales to its tenants; and
 - (ii) from **Section 106 agreements with developers** (£3m uncommitted), with such agreements arising through developers and the council agreeing to the provision of off-site affordable housing as part of the developers scheme rather than affordable housing provision directly on-site (see paragraphs 4.6-4.9 for a detailed explanation of this).

4.2 In general terms the Policy is working appropriately. However, many issues have arisen since February 2011 which is prompting the recommendation that a review of the Policy is undertaken, namely:

- Grant uptake has been relatively low, perhaps as a result of the fairly constrained bidding criteria within the Policy.
- The finances of the council have, in general terms, become even tighter; there is therefore a need to review whether best value is being achieved from this funding policy.
- Adult Social Care has been brought back into the council; there is therefore a need to review whether the Policy should be revised to complement the council's amended Adult Social Care duties.
- The council has some particular areas it wishes to target investment, such as the continued transformation of the city centre; there is therefore a need to review whether the Policy should be amended to complement these priority areas.
- The council continues to support the growth of the city, including new homes, but recognises the difficult economic conditions the house building industry faces; there is therefore a need to review the Policy to see if amendments to it could further stimulate the house building market.

Proposed suspension of spend

4.3 It is therefore proposed to recommend to Cabinet that committing any further new spend from the Affordable Housing corporate resources part of the Capital Programme is suspended. It is recommended that the suspension remains in place whilst a thorough review of the Policy is undertaken and until a revised Policy is adopted by Cabinet (target date for consideration by Cabinet being its September 2013 meeting). There are no known legal impediments to agreeing to such a temporary suspension, and funding will remain allocated to the Affordable Housing corporate resources part of the capital programme prior to any agreed amendments to the Policy.

Scope of potential policy amendments

4.4 A number of options for Policy amendments have provisionally been explored, and it is in the following areas which Cabinet is to be asked to endorse officers to investigate:

- (i) investigate whether the scoring criteria within the Policy be amended so as to favour bids in specific priority locations, such as the city centre and rural areas;
- (ii) investigate whether priority can be given to those bids which assist the council in meeting its children and adult social care duties;
- (iii) investigate whether it is legally possible, and would offer better value, if the funds are made available as a loan rather than a grant, or a mixture of the two;
- (iv) investigate whether the funds can be made available to the wider house building market, rather than, as is the case with the current Policy, just Registered Providers;
- (v) investigate whether the current definition of 'affordable housing' used in the Policy can be widened so that other forms of low cost housing become eligible for funding; and
- (vi) investigate whether the Policy could be amended so as to better link with wider growth and investment possible initiatives of the council, such as a Local Housing Company, other joint ventures or making the best use of our own land and property portfolio.

4.5 The investigation of these issues will require a thorough review of the original terms of the stock transfer agreement as well as a discussion with a number of departments within the council (legal, property, housing and planning, and finance). It is also considered appropriate to discuss possible amendments with Registered Providers to ensure they understand and can see benefits for them in any possible changes to the Policy.

Section 106 Funds

4.6 As noted above, one of the sources of funding which enables the Council to help deliver new affordable homes is Section 106 funding from Developers. The council holds this funding on behalf of developers for spend on the provision of affordable housing.

4.7 Developers make Section 106 contributions in respect of affordable housing when it has been agreed between the developer and the council that less affordable housing is provided on their

development site ('on-site') than would otherwise be required in accordance with the council's planning policy and instead a commuted sum be passed to the council to enable the council to provide affordable housing elsewhere within the district (i.e. 'off-site'). The precise terms as to what sum is passed to the council, how it can be spent, and by when, varies in each individual Section 106 agreement. Ultimately, if the council fails to spend the money in accordance with each individual Section 106 agreement then it must return the funds to the developer.

- 4.8 In deciding how to allocate this funding to schemes, the council uses a two-step process. First, it ensures spend is in accordance with the Section 106 agreements. Second, where flexibility exists in a particular Section 106, it uses the Policy as discussed in this agenda report to further guide spend.
- 4.9 Due, therefore, to the more restrictive nature of Section 106 funds, it is recommended that grant allocations are still considered, where funded from this source. This is so that the council can:
- (a) continue to fulfil its legal obligations arising from individual Section 106 agreements
 - (b) continue to allocate some funding during the Policy review period on any high quality schemes which require funding support; and
 - (c) acknowledge the fact that very few, if any, of the list (i) – (vi) in paragraph 4.4 above is likely to be able to be applied to the funds held in this second pot (and therefore suspension would be futile)

5. IMPLICATIONS

- 5.1 **Financial implications:** the suspension of new allocations from the Affordable Housing corporate resources part of the capital programme to, probably, September may mean less of the funds are spent within the 2013/14 financial year than anticipated. However, this is uncertain because there will be allocations made from the Section 106 contributions during this period and the review period is only likely to last until September. Any financial implications arising from the amendment of the Policy as a result of the review will be reported in that Cabinet paper accompanying those recommended Policy changes.
- 5.2 **Community implications:** potentially, though highly unlikely, some short term negative implications arising from the suspension (due to the theoretical possibility that less affordable homes being brought on stream), but this is only likely to occur if the suspension is protracted beyond the anticipated six months. In the long term, the suspension could have positive community benefits due to the better focussing of fund spend on priority schemes which most meet community needs.
- 5.3 **Legal Implications:** any recommended policy amendments will be made in consultation with the council's Legal Department. There are no known impediments to agreeing to the suspension proposed in this report.

6. CONSULTATION

- 6.1 Committee's views on this paper will be reported to Cabinet to help inform their decision. If Cabinet agree to the recommendations in the report, then detailed investigation and consultation will take place across council departments as well as with Registered Providers. No wider public consultation is proposed on the policy changes.

8. NEXT STEPS

- 8.1 It is anticipated that the Committee will offer comments on the content of this agenda paper and any comments will be presented to Cabinet (25 March).

9. BACKGROUND DOCUMENTS

- Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
- 9.1 The current adopted policy is available at:
<http://www.peterborough.gov.uk/pdf/housing-%20Aff%20Housing%20Policy%20Adopted%207%20Feb%202011.pdf>

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