

## **DEVOLUTION OF FUNDING FOR LOCAL MAJOR TRANSPORT SCHEMES: INDICATIVE FUNDING**

In September 2012, following a period of consultation, the Department for Transport set out its firm proposals for the devolution of funding for local major transport schemes from 2015.

Since then we have, as promised, provided detailed guidance for Local Transport Bodies (LTBs) on the setting up of local assurance frameworks, including a set of minimum requirements to be met before funding is devolved.

We also invited local stakeholders to agree locally the preferred geographical basis for LTBs, so that we could then provide each with an indicative population based funding level, which would inform the development of their scheme programmes. This document includes details of those indicative funding figures.

These are purely assumptions to be used for planning purposes. They are based on the total amount of funding for local major schemes in the 2010 Spending Review, distributed between LTBs on the basis of population (2017 forecast). The actual allocations will not be determined until further spending rounds within Government. Accordingly, we are advising all LTBs to make contingency provision in their programmes for actual budget levels to be one third higher or lower than their indicative figure.

In the majority of areas there has been local agreement on LTB boundaries. However, in a small number of areas, where Local Enterprise Partnership (LEP) boundaries overlap, local partners were unable to agree the LTB boundaries between themselves. These are the boundaries between:

- the Derby, Derbyshire, Nottingham and Nottinghamshire LTB and the Sheffield City Region LTB.
- the Greater Birmingham and Solihull LTB and the Stoke and Staffordshire LTB
- the Greater Birmingham and Solihull LTB and the Worcestershire LTB

The Department has decided to provide indicative funding figures based on an appropriate share of the population of the overlapping areas taking account of travel to work patterns, which is detailed at the end of this document.

We will expect the above LTBs to develop a sensible approach to prioritisation in the overlapping areas, and to include this in their assurance frameworks. The way we have calculated indicative funding allocations should not prejudice any decisions that may be taken on LTB *membership*.

In these and other areas, we will need to be responsive to evolving agendas, particularly in relation to the Government's response to the Heseltine Review, the emergence of City Deals and the move in some areas towards Combined

Authorities. These may, in time, inform the refinement and updating of LTB boundaries, which the Department would be open minded towards. However the planning for new schemes and programmes cannot be delayed if we are to maintain the momentum of new infrastructure that is to vital to the economy.

We therefore expect all LTBs to maintain momentum and get on with developing their assurance frameworks and provisional programmes of schemes, which we have asked them to complete by February and July 2013 respectively.

**Department for Transport  
January 2013**

## **INDICATIVE FUNDING LEVELS**

Indicative funding levels for a four year period from 2015/16, based on £1.1bn (the current SR10 baseline of £1.5bn less commitments carrying forward from this SR period) allocated per capita, according to 2017 population estimates.

LTBs will be asked to contingency plan for one third above or below this figure when putting forward provisional programmes.

<b>Local Transport Body</b> <i>(in most cases this is the name of the LEP on whom the LTB geography is based, not necessarily the name the LTB will be known by)</i>	<b>Geographical coverage</b>	<b>Indicative funding from 2015/16 to 2018/19 (£m)</b>
<b>BLACK COUNTRY</b>	Dudley, Sandwell, Walsall, Wolverhampton	27.6
<b>BUCKINGHAMSHIRE THAMES VALLEY</b>	Buckinghamshire	12.4
<b>CHESHIRE AND WARRINGTON</b>	Cheshire East, Cheshire West and Chester, Warrington	21.8
<b>COAST TO CAPITAL</b>	Surrey (part), West Sussex, Brighton and Hove	36.3
<b>CORNWALL &amp; THE ISLES OF SCILLY</b>	Cornwall, Isles of Scilly	13.3
<b>COVENTRY &amp; WARWICKSHIRE</b>	Coventry, Warwickshire	21.5
<b>CUMBRIA</b>	Cumbria	11.8
<b>DERBY, DERBYSHIRE, NOTTINGHAM &amp; NOTTINGHAMSHIRE</b>	<i>for local determination</i>	46.8
<b>DORSET</b>	Dorset, Poole, Bournemouth	18.3
<b>ENTERPRISE M3</b>	Surrey (part), and Hampshire (part)	36.4
<b>GLOUCESTERSHIRE</b>	Gloucestershire	14.7
<b>GREATER BIRMINGHAM AND SOLIHULL</b>	<i>for local determination</i>	35.8
<b>GREATER CAMBRIDGE AND PETERBOROUGH</b>	Cambridgeshire, Peterborough and Rutland	21.1
<b>GREATER LINCOLNSHIRE</b>	Lincolnshire	17.9
<b>* GREATER MANCHESTER</b>	Greater Manchester metropolitan area	65.4
<b>HEART OF THE SOUTH WEST</b>	Devon, Somerset, Plymouth, Torbay	40.6
<b>HERTFORDSHIRE</b>	Hertfordshire	27.8
<b>HUMBER</b>	East Riding, Hull, North Lincs and North East Lincs	22.2
<b>LANCASHIRE</b>	Lancashire, Blackpool and	35.1

	Blackburn with Darwen	
<b>LEICESTER AND LEICESTERSHIRE</b>	Leicester and Leicestershire	24.1
<b>LIVERPOOL CITY REGION</b>	Merseyside metropolitan area and Halton	35.5
<b>THE MARCHES</b>	Shropshire, Herefordshire, Telford and Wrekin	16.0
<b>NEW ANGLIA</b>	Norfolk, Suffolk	39.0
<b>NORTH EASTERN</b>	Northumberland, Durham and the Tyne & Wear metropolitan area	46.7
<b>NORTH YORKSHIRE</b>	North Yorkshire	14.4
<b>NORTHAMPTONSHIRE</b>	Northamptonshire	17.4
<b>OXFORDSHIRE</b>	Oxfordshire	15.9
<b>* SHEFFIELD CITY REGION/SOUTH YORKSHIRE</b>	<i>for local determination</i>	37.3
<b>SOLENT</b>	Southampton, Portsmouth, Hampshire (part), Isle of Wight	28.8
<b>SOUTH EAST</b>	Essex, Kent, East Sussex, Southend on Sea, Thurrock, Medway	98.9
<b>SOUTH EAST MIDLANDS</b>	Luton, Bedford, Central Bedfordshire, Milton Keynes	22.1
<b>STOKE-ON-TRENT AND STAFFORDSHIRE</b>	<i>for local determination</i>	24.4
<b>SWINDON &amp; WILTSHIRE</b>	Swindon, Wiltshire	16.9
<b>TEES VALLEY</b>	Darlington, Hartlepool, Stockton on Tees, Middlesbrough and Redcar and Cleveland	15.9
<b>THAMES VALLEY BERKSHIRE</b>	Wokingham, Windsor, Bracknell Forest, Slough, Reading, West Berkshire	21.7
<b>* WEST OF ENGLAND</b>	Bristol, South Gloucestershire, Bath and North East Somerset, North Somerset	26.7
<b>* WEST YORKSHIRE + YORK</b>	West Yorkshire Metropolitan area and the City of York (non contiguous)	60.0
<b>WORCESTERSHIRE</b>	<i>for local determination</i>	11.5

\* These areas will receive 10 year allocations as agreed in their city deals. The four-year indicative figure is included in the above table for comparison with other areas. The 10-year indicative figures are set out below. The figures for years 5 to 10 inclusive has been based on a national total of £1.5bn.

	<b>Indicative funding from 2015/16 to 2024/25 (£m)</b>
<b>GREATER MANCHESTER</b>	199.3
<b>WEST YORKSHIRE + YORK</b>	182.8
<b>SHEFFIELD CITY REGION/SOUTH YORKSHIRE</b>	113.6
<b>WEST OF ENGLAND</b>	81.4

## **CALCULATION OF FUNDING LEVELS FOR LTBS WHOSE BOUNDARIES HAVE NOT BEEN LOCALLY AGREED**

### **SHEFFIELD CITY REGION/SOUTH YORKSHIRE LTB and DERBY, DERBYSHIRE, NOTTINGHAM AND NOTTINGHAMSHIRE**

The overlapping area between these two LEPs includes the Derbyshire districts of North East Derbyshire, Bolsover and Chesterfield and the Nottinghamshire district of Bassetlaw. The Travel to Work data does not indicate that this overlapping area has a significantly stronger relationship with one LEP than the other.

We have therefore calculated the allocations for these two LTBs on the basis of a 50/50 split of the population of the overlapping area.

However we are conscious that the Sheffield City Region's Governance Review and plans for a Combined Authority will have a bearing on the LTB geography. We will therefore expect the local partners to propose definitive LTB boundaries once the Governance Review is complete, following which revised allocations will be set accordingly.

<b>Area</b>	<b>Population (2017 estimate)</b>
<b>ENGLAND (EXCLUDING LONDON)</b>	<b>46,996,600</b>
	<b>1,392,000</b>
<b>(a) South Yorkshire Metropolitan area</b>	
Bolsover	78,500
Chesterfield	105,600
North East Derbyshire	101,500
Bassetlaw	117,000
<b>Sub-Total</b>	<b>402,600</b>
<b>(b) 50% of above</b>	<b>201,300</b>
<b>Total Population counting towards indicative funding level (a) + (b)</b>	<b>1,593,300</b> <i>(3.39% of national total)</i>
<b>Total Indicative Funding for Sheffield/South Yorkshire LTB</b> <i>(3.39% of £1.1bn)</i>	<b>£37.3m</b>

<b>Area</b>	<b>Population (2017 estimate)</b>
<b>ENGLAND (EXCLUDING LONDON)</b>	<b>46,996,600</b>
Derby	265,000
Nottingham	320,000

Amber Valley	127,100
Derbyshire Dales	72,200
Erewash	115,000
High Peak	95,100
South Derbyshire	102,600
Ashfield	124,100
Broxtowe	114,800
Gedling	117,600
Mansfield	107,700
Newark and Sherwood	120,400
Rushcliffe	117,300
<b>(a) Sub-Total</b>	<b>1,798,900</b>

Bolsover	78,500
Chesterfield	105,600
North East Derbyshire	101,500
Bassetlaw	117,000
<b>Sub-Total</b>	<b>402,600</b>
<b>(b) 50% of above</b>	<b>201,300</b>

**Total Population counting towards indicative funding level (a) + (b)** **2,000,200**  
(4.26% of national total)

**Total Indicative Funding for D2N2 LTB** **£46.8m**  
(4.26% of £1.1bn)

We considered the economic relationships within the areas of the Greater Birmingham and Solihull LEP that overlap with the Stoke-On-Trent and Staffordshire LEP and with the Worcestershire LEP. Of the seven districts in these overlap areas, travel to work data suggests that Birmingham has a significantly stronger pull on Lichfield, Tamworth, Bromsgrove and Redditch than on the other three (East Staffordshire, Cannock Chase and Wyre Forest). We have therefore decided to calculate the indicative funding level for Greater Birmingham and Solihull to take account of 50% of the population of these four districts. The allocations for the LTBs involved has therefore been calculated as follows.

### **STOKE-ON-TRENT AND STAFFORDSHIRE LTB**

<b>Area</b>	<b>Population (2017 estimate)</b>
<b>ENGLAND (EXCLUDING LONDON)</b>	<b>46,996,600</b>
Stoke-on-Trent	256,500
Newcastle-under-Lyme	128,100
South Staffordshire	110,200
Stafford	135,600
Staffordshire Moorlands	99,200
Cannock Chase	99,500

East Staffordshire	119,800
<b>(a) Sub-Total</b>	<b>948,900</b>

Lichfield	105,700
Tamworth	80,000
<b>Sub-Total</b>	<b>185,700</b>
<b>(b) 50% of above</b>	<b>92,850</b>

<b>Total Population counting towards indicative funding level (a) + (b)</b>	<b>1,041,750</b> <i>(2.22% of national total)</i>
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<b>Total Indicative Funding for Stoke-On-Trent and Staffordshire LTB</b> <i>(2.22% of £1.1bn)</i>	<b>£24.4m</b>
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### WORCESTERSHIRE LTB

<b>Area</b>	<b>Population</b>
<b>ENGLAND (EXCLUDING LONDON)</b>	<b>(2017 estimate)</b>
	<b>46,996,600</b>

Wyre Forest	100,200
Malvern Hills	77,300
Worcester	100,400
Wychavon	121,100
<b>(a) Sub-Total</b>	<b>399,000</b>

Bromsgrove	97,000
Redditch	86,500
<b>Sub-Total</b>	<b>183,500</b>
<b>(b) 50% of above</b>	<b>91,750</b>

<b>Total Population counting towards indicative funding level (a) + (b)</b>	<b>490,750</b> <i>(1.04% of national total)</i>
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<b>Total Indicative Funding for Worcestershire LTB</b> <i>(1.04% of £1.1bn)</i>	<b>£11.5m</b>
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### GREATER BIRMINGHAM AND SOLIHULL LTB

<b>Area</b>	<b>Population</b>
<b>ENGLAND (EXCLUDING LONDON)</b>	<b>(2017 estimate)</b>
	<b>46,996,600</b>

Birmingham	1,129,600
Solihull	215,200
<b>(a) Sub-Total</b>	<b>1,344,800</b>

Lichfield	105,700
Tamworth	80,000
<b>Sub-Total</b>	<b>185,700</b>



<b>(b) 50% of above</b>	<b>92,850</b>
Bromsgrove	97,000
Redditch	86,500
<b>Sub-Total</b>	<b>183,500</b>
<b>(c) 50% of above</b>	<b>91,750</b>

**Total Population counting towards indicative funding level (a) + (b) + (c)** **1,529,400**  
*(3.25% of national total)*

**Total Indicative Funding for Greater Birmingham and Solihull LTB**  
*(3.25% of £1.1bn)* **£35.8m**