



GOVERNMENT OFFICE
FOR THE SOUTH EAST

John Best
Chief Executive
Milton Keynes Council
PO Box 111
1 Saxon Gate East
Milton Keynes
MK9 3HG

Nigel Welbourn
Acting Director for Thames
Valley

Bridge House
1 Walnut Tree Close
Guildford
GU1 4GA

Switchboard: 01483 882255
Direct Tel: 01483 882 402
Fax: 01483 882 626
GTN: 3011 2402

e-mail:
Nigel.welbourn@gose.gsi.gov.uk

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Dear John,

LOCAL TRANSPORT CAPITAL SETTLEMENT 2007/08

This letter summarises the 2007/08 local transport capital settlement for your local transport plan area. It sets out the related transport capital allocations for 2007/08 and beyond - including for maintenance and the integrated transport (small schemes) block.

THE NATIONAL PICTURE

This is the first settlement since local authorities reviewed the delivery of their first five year plans and produced the final versions of the 82 second five year local transport plans, which cover England outside London.

Delivery of the Previous Plans

The delivery reports covering the achievements of the first local transport plans highlight a substantial and sustained volume of work across the country to improve transport services by tackling local priorities. The work has also contributed to addressing some key priorities shared by central and local government. There has been sustained progress, for example, in reducing local road casualties and the condition of many local road networks is improving. Authorities have made substantial investments to manage traffic more effectively and reduce its adverse impacts on residents, town centres and the environment more generally. In many areas, better infrastructure for buses, cyclists and pedestrians has been put in place and transport is making a contribution to more sustainable development and economic growth.

Some highlights are included in a report 'Delivering Better Local Transport: Key Achievements and Good Practice from the First Round of Local Transport Plans', produced for the Department for Transport. This can be viewed at http://www.dft.gov.uk/stellent/groups/dft_localtrans/documents/divisionhomepage/032393.hcsp

I encourage you to continue to work together with other authorities in your region and beyond to share good practice, learn from each other and build your capacity to deliver. My office is also keen to provide help to support continuing to improve the delivery of your plans and will be in touch to arrange a meeting to take this forward early in the New Year.

Seventeen authorities were identified as transport centres of excellence in 2005. Many of these have demonstrated excellent delivery across the whole plan period in this year's reporting. Eight other authorities have also demonstrated excellent delivery and are being invited to join the transport centres of excellence programme to build on their good practice.

Second Local Transport Plans

All this creates a solid foundation for further improvements during the second plan period. The new plans provide evidence of much good local transport planning which, supported by the funding being allocated and the experience and skills which authorities have accumulated, enhance the prospects for delivering further improvement over the next four years.

A common theme of the new plans is that partnership and behavioural change are needed to achieve many local transport plan objectives. It is therefore vital that local communities and stakeholders continue to be engaged strongly in the delivery of the second local transport plans. The local transport plan system has now been in place for seven years and the Government is substantially reducing the level of reporting in line with the principles of the recent Local Government White Paper. The challenge now is to deliver improvements that address the transport plan priorities and represent good value for the resources you have to invest.

To this end, £1,254m (£35m more than last year) is being allocated to local authorities for 2007/08 to deliver integrated transport improvements and invest in highways capital maintenance according to their local policies and priorities.

Integrated transport allocations, (which are indicative because they are subject to the outcome of the Comprehensive Spending Review) are also being made for the period 2008/09 to 2010/11. They provide increased certainty and stability for local authorities to plan ahead. These indicative allocations total £1,769m over three years and involve year on year increases nationally.

This announcement builds on the funding allocated last year. Parts of the allocations for 2007/08 have already been included in the revenue support grant settlement as supported capital expenditure (resource) - SCE (R). The rest of the funding will be provided through specific grants under section 31 of the Local Government Finance Act 2003 and form part of the single pot.

Announcements about major schemes are not being made today and this settlement does not include the funding support for them. In July the Secretary of State responded to advice from regions about their priorities for major transport projects - including those promoted by local authorities - up to 2015/16. The indicative budgets sustain the record level of investment being made over the ten year period.

THE LOCAL POSITION

Second Local Transport Plan

Each of the final second local transport plans has been classified as excellent, good, fair or weak. Your final local transport plan has been assessed as being “**fair**”

The fair classification means that a standard of transport planning equivalent to last year’s ‘promising’ category has been evidenced.

Annex 1 contains details about the assessment made of your plan and further information about the assessment process is being published on the Department for Transport website (link as above).

Delivery of the First Local Transport Plan

Each of the delivery reports about first local transport plans has been classified as being excellent, very good, good or satisfactory. In your case, delivery was assessed as being “**good**”.

Very good to satisfactory delivery was demonstrated by the wide range of authorities that were not assessed as excellent but which showed at least a satisfactory range of achievement across the strategy areas.

Your particular delivery report demonstrated a good standard of overall delivery and a positive impact on local transport provision in your area, with some strong delivery in places. There are, however, areas for improvement.

Overall, the Milton Keynes Delivery Report gives evidence of good delivery against core targets and shows strong partnership working. For example bus patronage is reported to have increased by almost 13%; the level of killed and seriously injured has decreased by some 35% during the plan period; and the Audit Commission praises the authority for using “imaginative partnership working to build capacity”. In addition the Council has made progress towards the Plan’s objectives and in the main there has been good delivery against key strategies of road safety, public transport, sustainability, parking and road maintenance.

The LTP period suffered from some unclear monitoring/reporting in respect of traffic flows across the CMK cordon. This led to local mode-split targets being dropped during the LTP period (APR5) but with a new survey method being introduced. This has led to difficulties in assessing the impact of some strategies and in regard to the parking strategy especially. The Report would also have benefited from better evidence of the actual impact or outcome of certain strategies (for example noise reduction).

It is clear that the LTP direction of travel is positive and that much is being put in place for the next Plan period including a robust approach to targets, improvements in performance monitoring, and long term planning based around the growth agenda. It is encouraging to see that as a Growth Area, Milton Keynes recognises that its vision for growth can’t be realised without great expansion and improvement in bus services and appropriate measures to manage demand for transport.

Where there are areas for improvement, the Department will offer you support and advice.

Details about the assessments are being published on the Department for Transport website (link as above).

Integrated Transport Block Allocations

The funding allocations for the integrated transport block for your plan area are as follows:

Milton Keynes	2007/08 £m	2008/09 £m	2009/10 £m	2010/11 £m
Allocation	2.008	2.290	2.612	2.939

Your 2007/08 allocation is the previously published planning guideline

There have also been changes made to the published planning guidelines for 2008/09 to 2010/11. Details are being published on the Department for Transport website (link as above).

For 2007/08 an SCE (R) covering part of your allocation (75% of the planning guideline published last year for 2007/08 – in your case **£1.506m**) has already been included in the revenue support grant settlement announced last year. The difference will be paid as direct grant within the single pot.

Maintenance

The total capital highway maintenance funding allocation for **Milton Keynes** for 2007/08 is **£ 2.469 million**, all of which is formula funding.

An SCE (R) covering part of your allocation (75% of the formula element of last year's allocation – in your case **£1.631 million**) has already been included in the revenue support grant settlement announced last year. The remainder will be paid as direct grant within the single pot.

Maintenance Arrangements for 2008/09 and Beyond

Following the spending review, the Department proposes to make a three year settlement for maintenance for the remainder of the second local transport plan period.

The Department proposes to review the arrangements for funding PRN bridge strengthening and major maintenance, together with those for exceptional maintenance schemes in future years, and to consider refreshing the maintenance formula. For this purpose the Department would like to set up a group on which we would welcome participation from local authority representatives. The Department expects that the group would meet on a couple of occasions in early 2007, with the aim of announcing any changes in the spring. If any of your highway maintenance colleagues would be interested in joining the group I shall be grateful if they would advise my colleague **Anthony Griffiths** anthony.griffiths@gose.gsi.gov.uk by 10 January 2007.

THE REGIONAL PICTURE

In total, **£200.812m** will be invested in the South East. I have included a Press Notice with this letter, which provides further detail.

CONCLUSION

I would like to thank you for all the hard work that your officers have undertaken in producing your second Local Transport Plan and first Delivery Report. I know that all my colleagues appreciate the co-operation you have given them throughout the year and we will continue to work with you as you put your second Local Transport Plan into action.

Please contact **Jane Vaughan** at jane.vaughan@gose.gsi.gov.uk if you have any queries about this letter. We hope to be able to meet with your authority early in the new year to provide more detailed feedback.

This letter is also being published on the Department for Transport website.



Nigel Welbourn

Annex1
Form LTP2 : Assessment of Final Second Local
Transport Plan

To be completed by Government Offices (reflecting DfT C and Defra input) for issue to the responsible Local Transport Authority/ies

Plan Area:

MILTON KEYNES

PART TWO: ASSESSMENT EVIDENCE

Criterion One: Context

The consistency of a plan's: objectives; targets; and programmes with wider policy and planning.

Evidence for assessment of Criterion One

Assessment = FAIR

As with the Provisional LTP the integrated Transport Strategy reflects the shared priorities, and in addition the local authority has added four local priorities of its own. The LTP has been developed in the context of their corporate priorities, whilst interventions have been formulated around the eight key themes or objectives. Targets are linked to transport objectives and are consistent with LTP guidance. The LTP makes the links to local strategies, regional and national policies, including planning, housing and economic policies. The LTP stresses the need for enhanced public transport provision. There is ample text explaining what the Regional Strategies (RTS, RES) etc are but more information would have been useful on how the LTP strategy will help to deliver the objectives within them. The structures for joint working with neighbouring local authorities are covered and should help ensure that growth area developments with implications for neighbouring regions are jointly considered.

The LTP is consistent with the national transport strategy, showing good alignments of targets and objectives. The strategy is geared towards meeting the overall aims of sustainability. It is harder to be sure of the impact of the targets (if achieved) on national policies, although there appear to be a good range of targets.

Generally, the LTP objectives are designed to take account of planning decisions related to growth, but it is harder to say whether these objectives will have a major influence on development planning decisions.

The Accessibility Strategy is thorough and looks to have been well prepared, well set out and outlines action needed to deliver the vision and the objectives.

Following discussions with GOSE and comments made in the provisional LTP decision letter, the final LTP now contains enhanced content covering the A421 scheme which is seen as a major strategy priority in connection with housing delivery and alleviation of congestion.

Criterion Two: Analysis

The plan is built on a sound analysis of local transport problems and opportunities

Evidence for assessment of Criterion Two

Assessment = FAIR

Overall the sections of the plan relating to analysis have shown a clear improvement in a number of areas and the marking accorded to this section reflects this.

The LTP contains good identification / analysis of problems in chapters 3 and 4, and on strategies to address them, but is less strong on consideration of different options to deal with them, and on prioritisation between options.

Promotion of a better quality of life is a theme which runs through the LTP, particularly in relation to accessibility. Progress has been made on the cycling strategy since the provisional LTP and the council have considered how best to utilise their existing asset of the Redways.

The sections on the learning process from LTP1 show an improvement from the draft LTP, although more could have been said about how this has then influenced particular programmes. This section is now assessed as “fair”.

Generally the LTP considers problems and opportunities across the full range of transport modes, although the needs of the mobility impaired are not considered in the walking/ cycling strategy (although there is a brief mention in relation to Redways). Bus priority measures are noted, but there is a question mark over how they will be enforced. There are clear improvements to the treatment of walking and cycling in the LTP with separate strategies in the appendices.

There is some improvement from the Draft LTP with a Rights of Way Improvement Plan report now being included. However, the Plan is not yet in place and is still at the assessment stage. The Department for Rural Affairs has assessed this as “Fair”.

Modelling has been used effectively in strategy development. Accession has been used to develop the accessibility strategy and the Milton Keynes multi modal transport model has been used to develop the overall strategy. It is clear that the air quality target is based on emission modelling, but less clear if this is also based on traffic forecasting.

The Strategic Environmental Assessment (SEA) findings are described in this final version and the LTP is said to be mainly beneficial, ie not requiring much reshaping. Some mitigation measures are recommended in the SEA report. This sub section is now stronger than in the provisional LTP.

Criterion Three – Maximising Value from Resources:

The plan will deliver the best possible results, given the likely availability of public funds and the current state of infrastructure and transport services.

Evidence for assessment of Criterion Three

Assessment = FAIR

In response to comments made at PLTP, revenue funding and funding from other sources is now listed in the LTP. The method of prioritisation between options is mentioned, although more detail on this would have been desirable. The sections on revenue are somewhat vague on timing and location and on how they will contribute to improving transport outcomes.

The Asset Management Scheme (AMP) is still at an early (framework) stage and Appendix 7 would benefit from further information on how far the AMP has influenced LTP development and whether the LTP would maintain road assets in a cost effective way.

The LTP does consider a range of options for delivering congestion, accessibility, pollution and road safety benefits as required in the guidance. However, although the bus strategy in Appendix 1 is thorough there is a concern that the amount of this strategy to be taken forward is yet to be decided. Analysis of the road safety strategy shows that it clearly outlines the contribution of education and enforcement to road casualty reduction.

The Performance management section is adequate. Positively, there is a reference in the Accessibility Strategy to £1.5m from the MK Tariff going towards public transport. However, the plan doesn't appear to contain evidence of planned partnership investment by bus operators.

Criterion Four: Involvement

The effectiveness of the consultation and involvement with stakeholders in local transport.

Evidence for assessment of Criterion Four

Assessment = FAIR

The LTP contains evidence of fairly extensive consultation but would have benefited from making clearer what the outcomes were or how the strategy has been shaped by this process, although there are some examples given of influence and outcomes.

The LTP does show some signs of enhanced involvement with other departments within the authority but, with the exception of the Environment Committee does not make explicit how this was achieved or how comprehensive it was on particular issues such as planning or education. This section is assessed as having improved since the provisional LTP.

There is a joint statement with neighbouring authorities on addressing local needs across administrative boundaries, but the evidence on what this is expected to deliver could be expanded.

Consultation with stakeholders seems to have been mainly through the Milton Keynes Transport Partnership, although how significantly they have influenced the development of the LTP, key decisions or financial allocations could be made clearer. The LTP does contain a number of other examples of partnership working, including bus partnership involvement.

Consultation with the Highways Agency, rail bodies and others is in evidence. The LTP would benefit from more evidence on how the specific concerns/ observations of these bodies were taken into account in developing the LTP.

Criterion Five - Performance Management and Local Priorities

Evidence for assessment of Criterion Five

Assessment = FAIR

The trajectories for targets LTP2 Road Traffic, LTP3 cycling, and BV102 Bus Patronage are slightly non-linear. In the case of LTP2, this is explained as a gradual slowing in predicted traffic growth. For LTP3 and BV102, these targets are said to be dependent on housing growth targets being met. There is no target or trajectory for BV223 Principal Road Condition, due to the lack of baseline data for 2005/06 since the measurement system was changed after 2003/04. However, the Plan states that a target and trajectory will be set.

- a) The target for BV102 is stretching.
- b) The target for BV99z Slight Casualties is stretching
- c) Target BV187 Footways is also stretching, although this depends on the choice of base year. It is not clear why 2003/04 has been chosen rather than 2004/05.

The target for indicator BV224b Unclassified Roads and 187 is satisfactory. There is no target for BV223.

Section 7 contains paragraphs on risks and remedial measures for each of the targets in the Plan. There is also a section on generic risks, a statement that progress will be monitored and that remedial action will be taken if trajectories are not being met. These are sufficient to meet the fair benchmark but would not count as a comprehensive risk assessment or fully developed mitigation measures that are required for a higher marking.

The LTP acknowledges quality of life issues and incorporates them all under a single Local Objective. The impacts on health, noise, climate change, landscape and biodiversity are also considered in the Strategic Environmental Assessment.

There are statements to say that the LTP received widespread support during consultation, but there is insufficient evidence to demonstrate convincingly that the Plan comprehensively reflects local priorities.

Criterion Six - Accessibility

Evidence for assessment of Criterion Six

Assessment = GOOD

Accessibility is a high priority for Milton Keynes within the LTP. The anticipation of significant increases in future population was recognised and to some extent addressed.

This strategy has taken account of a good range of evidence. Studies, modelling, mapping, consultation and partnership have all been used to determine the accessibility issues and priorities in Milton Keynes. This identified that access to hospitals is one of the priority accessibility issues, as well as estates in three areas, which were identified as being amongst the 10% highest deprived in the country.

The strategy also demonstrated a healthy level of partnership involvement in its development, and partners appear to have a role in delivering the strategy.

The LTP1 indicator has been taken as that described in section 6.2 of the Accessibility Strategy, as opposed to the indicator on page 133 of the LTP (to introduce a bus service to Newport Pagnell) which appears less robust. The indicator and target on access to health is consistent with the overall strategy, reasonably challenging, but achievable.

The action plans were in some cases rather generalised and would be difficult to tie down in any subsequent evaluation of how well they had been met. The phasing of the action plans was also not as well specified as it might have been.

Criterion Seven – Congestion

Evidence for assessment of Criterion Seven

Assessment = Fair.

Although congestion is not currently a major problem, the traffic model predicts that it will become increasingly important.

The sections on congestion in the LTP state that land use policies are designed to reduce distance travelled, but there is no other evidence that congestion is given weight in strategic planning.

The Plan contains consideration of public transport, walking and cycling and some material on traffic management. However, it contains no detailed analysis of the expected increase in demand and very few actions aimed at managing the expected worsening congestion. The proposed uptake of school and workplace travel plans is not particularly ambitious.

Targets and baselines are set for all the mandatory indicators.

Targets for BV104 Bus Satisfaction and LTP3 Cycling meet a satisfactory standard. These targets along with BV102 Bus Patronage are also consistent with the public transport strategy and the congestion strategy.

The target for BV102 Bus Patronage is stretching.

The analysis for BV102 and BV104 does refer to concessionary fares but there is no attempt to quantify their effect.

The plan considers the potential for traffic management, public transport, walking, cycling, and travel plans, although their expected contribution to addressing congestion problems is not always made clear. The potential for demand management is brief and limited mainly to parking restrictions.

The Plan shows some items as being funded from revenue budgets, but it is not clear that they are aimed at tackling congestion or how much the revenue funding contributes to the expected outcomes.

The LTP shows evidence that the local authority's developing approach is leading it to properly perform its network management duties, and is addressing the main elements of the Network Management Duty Guidance. The Network Management Duties section within the plan was marked as "Good".

Criterion 8 Air Quality

Evidence for assessment of Criterion Eight

Assessment = Good

There are no transport related AQMAs in Milton Keynes at present. However the authority does recognise the need for continued assessment and review of the air quality situation. Chapter 4 makes brief reference to air quality in Milton Keynes and says that pollutants (Nitrogen Dioxide and Particulate Matter) are below national guidelines.

The LTP does give due consideration to emerging air quality issues with concerns remaining about two locations in the authority area: in the vicinity of the M1 near Newport Pagnell, and the High Street, Olney. Particular reference is made to the latter in the Monitoring Programme section of Chapter 7.

Furthermore it is reported that the environmental impacts of the LTP have been assessed in the authority's Strategic Environmental Assessment, which is appended to the LTP.

Chapter 7 Targets and Indicators, lists a series of objectives and indicators that will impact on air quality. These include: reducing the number and length of trips / journeys as well as the need to travel across the authority area, encouraging cycling, walking and public transport use and reducing car use. This clearly shows the LTP acknowledges the link between transport and air quality.

Ongoing monitoring of annual mean NO₂ and PM₁₀ levels will take place across the authority area at 4 automatic air quality monitoring stations via diffusion tubes.

Criterion 9 - Road Safety

Evidence for assessment of Criterion Nine

Assessment = Fair.

Targets and baselines are set for the 3 mandatory indicators.

The road safety targets all meet the satisfactory standard. The plan sets out a range of practical interventions based on engineering, education and enforcement and there is evidence that local partners have been actively involved.

The targets for BV99x (KSI) and BV99y (Child KSI) are not stretching because they do not envisage sufficient reductions from 2001-2004 to 2010. Target BV99z (Slight Casualties) is stretching. However, the figure for slight casualties increased during LTP1 and there may be doubts as to whether this new target is sufficiently credible to be assessed as stretching.

The plan does not explicitly link road safety with community safety, and although some attempt is made to link it with wider policies, this is fairly brief and conceptual rather than practical.

There is a reference to the link between road safety and deprivation.

It is hard to assess the extent to which road safety influences other LTP policies and programmes.

Appendix 5 contains a significant analysis of casualty problems and there is evidence presented that interventions will be monitored.

There is evidence of partnership working, particularly with the police and the local safety camera partnership, but it is not clear how far the partners have contributed to the development of the strategy and will assist in its delivery.

Overall Comments on the Plan

Overall Assessment - FAIR

The final LTP has achieved a marking of “FAIR” overall and demonstrates a consistent level of performance throughout. We are pleased to note that some parts of the LTP have been developed since the draft stage, with the sections on analysis showing a significant improvement. We also noted improvements in the cycling strategy and in the sections dealing with lessons learnt from the first LTP. Following discussions with the Government Office the A421 scheme has now been given first priority in the major schemes promoted by the Local Authority. The Accessibility Strategy is also assessed as being a strength of the Plan as are the sections dealing with air quality.

There are a number of areas in which the Plan might have been improved and we have made comments in relation to these in our assessment. More information on how the LTP will deliver national and regional strategies, on prioritisation between options, on use of revenue and of the influence of the Asset Management Plan would have been desirable. There are comments made in relation to the influence of consultation on the LTP strategy and on risk assessment and mitigation measures in relation to targets. The Road Safety strategy would have benefited from information on how partners had contributed to strategy development and on how Road Safety has influenced other parts of the LTP.