



<u>Committee and date</u> Place Overview Scrutiny Committee	<u>Item</u> 8
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UPDATE ON LOCAL TRANSPORT PLAN FOR SHROPSHIRE

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1 Summary

The purpose of this briefing note is to provide the Place Overview Committee with an update on the ongoing development of the next Local Transport Plan (LTP) for Shropshire. This report builds upon previous report brought to this Committee on 11th November 2021.

The LTP will set out the long-term strategy for the progression, development, management and maintenance of Shropshire’s highway and transport systems. The LTP is being developed using a whole Council approach that recognises the key role that transport and highways have to play in maintaining sustainable communities, encouraging economic growth, and in strengthening links with environmental and health agendas. It is currently planned that the LTP will run to 2038 to coincide with the Local Plan.

In 2021, the Government announced plans to issue new guidance on LTPs with a target for Local Transport Authorities (LTAs) to have new LTPs in place by Spring 2024. This meant that the original scope of the LTP would need to be reviewed particularly in reflection of the work already carried out. Due to the then, imminent release of the new guidance, the development of the LTP was put on hold in March 2022.

The launch of the new guidance by the Department for Transport (DfT) has been subject to delay and is now expected to be released as a consultation draft early in 2023. However, some work has already been commissioned due to the opportunities presented to Shropshire by its term consultant, WSP, also being awarded the contract to produce the new DfT guidance. Therefore, it is intended that Shropshire will be able to consult on the strategic themes and objectives of its draft LTP at the earliest opportunity after the formal issue of the guidance.

2 Recommendations

That the Place Overview Committee:

- Consider the update provided and acknowledge the delay in development of the LTP.

- Consider the likely focus of the new Government guidance on LTPs and the associated risks and opportunities presented by it for Shropshire Council.
- Acknowledge the revised governance arrangements that have been put in place.

3 Risk Assessment and Opportunities Appraisal

3.1 Opportunities

An appraisal of opportunities associated with this project was carried out as part of the report to this Committee in November 2021. The following additional opportunities are highlighted based on the content of this report:

- The development of Shropshire's LTP has been commissioned to its term consultants, WSP. WSP has also won the contract to develop the next LTP guidance on behalf of the Department for Transport (DfT). This presents Shropshire Council with the opportunity to minimise abortive work and to realign the work carried out so far to the new guidance, in advance of its formal issue. This also means that Shropshire Council is ideally placed to test the emerging new guidance and demonstrate best practice going forward.
- Whilst the grant funding awarded is to be used primarily for the creation of an LTP, this can include commissioning of other work to build the evidence base for LTP preparation. This could potentially cover existing policy gaps in the department that would support the LTP but would be subject to discussion with the DfT.
- The early adoption of a whole Council approach to the development of the LTP means that the work is ideally placed to reflect the priorities of the new Shropshire Plan (2022-2025): healthy people, health economy, healthy environment and healthy organisation. It also means that Shropshire Council can reflect the DfT's aspiration for a 'vision-led' approach that enables Shropshire's highway and transport systems to better achieve intended outcomes for people, goods and places. This moves away from approaches used in the past that focussed on predicting future traffic growth and providing for it.

3.2 Risks

An appraisal of risks associated with this project was carried out as part of the report to this Committee in November 2021. The following additional risks are highlighted based on the content of this report:

- Delay to the issue of the new guidance has reduced the timeframe in which any formal public consultation and Shropshire Council approvals can be carried out before the 2024 deadline. The DfT is currently considering what this revised timeline means for implementation of LTPs, and how they will inform policy development ahead of the next spending review. There is currently no fixed date for issue of the formal consultation draft nor the final guidance which adds an additional risk in terms of forward planning both resource and Council decision making milestones.

- There will be a challenge in defining an intervention plan that is both ambitious to attract potential future funding but that is cognisant of current pressures on public funding.
- A key feature of the new guidance will be for LTAs to define Quantified Carbon Reductions (QCRs) for any proposed interventions included within the LTP (see Section 3.5). This is not only a new skill area within the industry but there is also currently some uncertainty over what can be realistically achieved at an individual LTA level. It will also be important to recognise and balance the potential wider value to some interventions, such as to health or economic growth and not focus solely on carbon reduction.
- A preliminary piece of work will be to establish Shropshire's carbon baseline, against which the potential impact of any interventions can be measured (Section 3.5). The potential scale of the gap to net zero and what can realistically be achieved in Shropshire may make it difficult to define meaningful interventions at a local level.
- Shropshire's current contract with WSP ends in March 2023, which presents a potential challenge in ensuring continuity in the development of the LTP.

3.3 Equalities

An ESIA was produced as part of the proposal to Cabinet to commission production of the LTP in 2018. It is proposed that this ESIA is reviewed and revised into an Equality, Social inclusion and Health Impact Assessment (ESHIA) as the structure of the ongoing development of the LTP and associated engagement are refined.

3.4 Community, consultation and engagement

Public engagement

Engagement with Shropshire's communities, stakeholders and partners is integral to the ongoing development of the LTP.

An Engagement Plan was produced as part of the initial LTP development work and a significant amount of preliminary stakeholder engagement has been carried out, which was outlined in the report to this Committee in November 2021. The Engagement Plan will be reviewed and updated as part of the revision to the scope of the LTP development in line with the new LTP guidance (Section 5).

It is currently planned to consult on, and subsequently seek Shropshire Council approval on, the strategic themes and objectives of the LTP at the earliest opportunity after the formal issue of the guidance by the DfT. Consultation on a supporting draft intervention delivery plan will follow approval on the above.

The decision making on when to consult, and through which mechanisms, will be through the Place Departmental Management Team (DMT) in consultation with the Cabinet Member for Highways, see below.

Governance and cross-organisational engagement

In 2020, a Project Board of officers from across the Council was set up to act as the accountable body for the success of the LTP development project in terms of

achieving corporate aims, programme and financial management and ensuring effective communication.

The announcement of the new guidance on LTPs reflects a renewed emphasis from the DfT on the importance of LTAs being able to plan for, and deliver, pipelines of cost-effective schemes and services that reflect key local and national priorities. In response, the Place DMT agreed that the governance of the LTP process needed to be controlled at a more senior level within Shropshire Council. The Place DMT, with the inclusion of the appropriate Shropshire Council Portfolio Holder, is now the formal decision-making forum and accountable body for the development of the LTP.

The previous LTP Project Board has been realigned to become a cross-organisational Project Steering Group that makes recommendations to the Place DMT, where a decision is necessary.

3.5 Environmental

A climate change appraisal was included in the report to this Committee in November 2021.

A Scoping Report (Stage A of the Sustainability Appraisal process) was undertaken as part of the preliminary LTP development work which provides baseline information on the environmental, social, and economic characteristics of the county. It identifies key issues and opportunities for the LTP and sets out sustainability objectives. It is expected this work can support the ongoing development of the LTP, regardless of the content of the new guidance.

The DfT's Transport Decarbonisation Plan (2021) made a commitment to make Quantifiable Carbon Reductions (QCRs) a fundamental part of local transport planning. As a result, it is already expected that LTPs will need to set out how ambitious QCRs will be delivered in local areas and this will form part of the anticipated guidance from the DfT.

LTAs will be required to estimate current and future user emissions in the absence of any LTP interventions which will be used to create a baseline against which the impact of the LTP can be measured. The carbon impact of the LTP's intervention pipeline in terms of user emissions will need to be calculated and LTAs are likely to also be encouraged to consider the infrastructure carbon emissions associated with proposed interventions and the maintenance of existing infrastructure. The QCR steps are likely to be as follows:

1. Estimate current and future user emissions (establish carbon baseline and local 'emission gap' in line with wider carbon reduction targets).
2. Establish a local transport decarbonisation pathway.
3. Consideration of carbon as part of the development and appraisal of LTP interventions (including policy interventions).
4. Estimation of the carbon impact of the programme of LTP interventions.
5. Adoption of a high quality LTP with ambitious carbon reduction targets.

The work to establish the Shropshire's carbon baseline (Step 1) has recently been commissioned to WSP and is due to be completed by the end of March 2023. The commission includes taking up an opportunity for collaborative working with Midlands Connect (regional transport partnership) to ensure a joined-up approach in the data used.

This initial piece of work will culminate in a workshop whereby the initial findings will be shared with key officers and Members. The purpose of this session will be to inform stakeholders of the scale of the challenge and pace of change required and to see assurance and feedback on the approach taken, areas of future focus and the level of ambition for the LTP.

4 Financial Implications

The announcement of the pending new guidance on LTPs from DfT put Shropshire's LTP development on hold in 2022. Since approval was given to commence work in 2020, £100,737 has been spent on the original LTP development commission.

In March 2022, LTAs in England received a share of £12.5m for preparation work to create LTPs in line with the new guidance. Shropshire has been awarded a grant of £178,571. Although the grant was allocated in the financial year 2021/22, the money did not need to be spent in that timeframe. LTAs will be asked to provide the DfT with a full breakdown of how the grant has been allocated. It is expected that this grant will cover the additional costs that will be incurred by Shropshire Council in procuring technical support in reviewing and updating the LTP work carried out so far and in completing any new elements of work that will be required i.e., development of QCRs (see above).

A new commission has been issued to WSP to commence the first stage of work on the further development of the LTP. This will be an iterative process and as such, each new element will be subject to review by the Strategic Highways Team, responsible for the commission management, and agreement on the associated cost estimate.

5 Background

New guidance on LTPs for Local Authorities

The Local Transport Act 2008 provides a statutory requirement for Local Transport Authorities (LTAs) to have a Local Transport Plan (LTP). In 2021, the Government announced plans to issue new guidance on LTPs with a target for LTAs to have new LTPs in place by Spring 2024. The guidance was originally anticipated to be in place by October 2022, however the Department for Transport (DfT) delayed consultation on the draft guidance to the end of 2022. This consultation has now been further delayed to early 2023 due to changes to the Ministerial team and the need to reflect the outcome of the Government's Autumn Statement.

It is understood that the need for new guidance on LTPs has been prompted by the following:

- LTPs are not being updated to reflect current priorities. The statutory requirement for LTAs to routinely update their LTPs was repealed in 2011.

- Local government pressures mean that LTAs struggle to balance priorities and to prioritise investment in planning, optioneering and developing pipeline aspirations and interventions. This reduces an LTA's ability to effectively bid for, and use, any available funding offers.
- LTAs are delivering incremental, isolated, improvements rather than strategically planned, joined-up highways and transport initiatives that meet the scale of the challenges faced.

It is anticipated that the guidance will introduce some significant changes in some areas and will move away from predicting future traffic growth and providing for it, in favour of a vision-led approach whereby LTAs can demonstrate how their transport systems can achieve better intended outcomes for people, goods, and places. It is also expected that LTPs will need to include detailed implementation plans and that the content of the LTPs will be directly linked to the allocation of central government funding in the future.

The guidance is currently expected to focus on the following strategic priorities:

- Grow and level up the economy.
- Improve transport for the user (safety, reliability and inclusivity).
- Reduce environmental impacts (climate change, air quality etc.).

Progress in Shropshire

Since work commenced on developing a new LTP for Shropshire late in 2020, engagement with a range of stakeholders, alongside the collation of an evidence base, has been used to develop an indicative vision and set of objectives for the next LTP, as well as a draft intervention plan. The approach taken has been based on understanding the access needs of people and goods rather than focusing on specific transport modes.

The development work carried out so far has been underpinned by the formation of a 'whole Council' approach to enable cross-organisational thinking and the development of integrated policy that reflects the key role that transport systems have to play in maintaining sustainable communities, place-making, encouraging economic growth, and in strengthening links with environmental and health agendas.

The early vision development work and the 'whole Council' approach means that Shropshire is well placed to realign the work already carried out to meet the expected requirements of the new DfT guidance but also to reflect priorities on the new Shropshire Plan (2022-2025) (see Section 3.1).

The development of Shropshire Council's LTP has been fully commissioned to its term consultants, WSP. The development of the LTP was put on hold in March 2022 pending issue of the new DfT guidance and the consequent need to review the scope of work, particularly in reflection of the work already carried out. WSP, has also won the contract to develop the next LTP guidance on behalf of the DfT so this has enabled some development work to be commissioned in advance of the new guidance.

As a preliminary activity, WSP has undertaken a review of the LTP work to date against the emerging guidance and produced a gap analysis. The indicative findings are shown in Table 1.

Table 1: Shropshire LTP gap analysis on potential new guidance

Activity	Status
LTP vision and objectives	Desirable to update
Evidence base (including carbon baseline, place based analysis etc.)	Essential to update
Carbon analysis	To be produced
Strategy development	Essential to update
Intervention development	Essential to update
Implementation plan (short, medium and long term)	To be produced
Monitoring and evaluation framework	To be produced

It is already known that the guidance will have a strong focus on carbon reduction. Therefore, the development of a carbon baseline for Shropshire has recently been commissioned for completion by WSP. It is acknowledged that this piece of work needs to be carried out in advance of any further work to update and develop the LTP and will also be used to measure the impact of the LTP going forward. Further information is contained in Section 3.5.

Next steps

Following completion of the carbon baseline commission, the key next steps will be to:

- Review the evidence base, vision and objectives that have already been produced, particularly in relation to wider Council aims.
- Seek approval to consult on a draft vision and set of strategic themes for the new LTP. The opportunity to carry out some work in advance of the formal issue of the guidance, as outlined above, means that that Shropshire Council could be in a strong position to consult on the draft vision and strategic themes at the earliest opportunity after the new guidance is issued.
- Identify and prioritise interventions and initiatives and carry out carbon testing.
- Develop an intervention implementation plan that will include the strategies and measures required to deliver the LTP objectives. LTAs will be required to estimate the carbon impact of the LTP's intervention pipeline (see Section 3.5). It is likely that the intervention plan will be available for consultation later in 2023, subject to the earlier approval of the vision and strategic themes elements of the draft LTP.

6 Conclusions

Work on developing the next LTP for Shropshire has been delayed pending issue of new guidance on the development of LTPs from the DfT.

Due to opportunities presented through Shropshire's term contract with WSP, it has been possible to commence a process of understanding where work already carried out on the LTP needs to be realigned and to initiate some work to understand Shropshire's carbon baseline, which will be essential going forward. This will put Shropshire Council in a strong position to carry out some public consultation on the draft content of the document at the earliest opportunity after formal of guidance by DfT.

List of Background Papers (This MUST be completed for all reports but does not include items containing exempt or confidential information)

Shropshire Council (2021) *Shropshire's Local Transport Plan (4): Report to Place Overview Scrutiny Committee 11-11-2021*. Available at: <https://www.shropshire.gov.uk/committee-services/documents/s28794/8.%20Local%20Transport%20Plan.pdf> (Accessed: 11-01-2023)

Shropshire Council (2020) *Local Transport Plan 4 (LTP4): Report to Place Overview Scrutiny Committee 09-12-2020*. Available at: <http://shropshire.gov.uk/committee-services/documents/s26114/Scrutiny%20091220%20LTP%20FINAL.pdf> (Accessed: 11-01-2023).

Shropshire Council (2018) *Local Transport Plan [LTP] 4 - Approval to proceed and consult: Report to Cabinet 17-01-2018*. Available at: <http://shropshire.gov.uk/committee-services/ieListDocuments.aspx?CId=130&MId=3428&Ver=4> (Accessed: 11-01-2023).

Cabinet Members (Portfolio Holders)

Cllr Richard Marshall Portfolio Holder for Highways and Regulatory Services

Local Member

This report relates to a proposed County wide strategy.
The Local Members' Protocol is contained at Page E45 of the Constitution.

Appendices