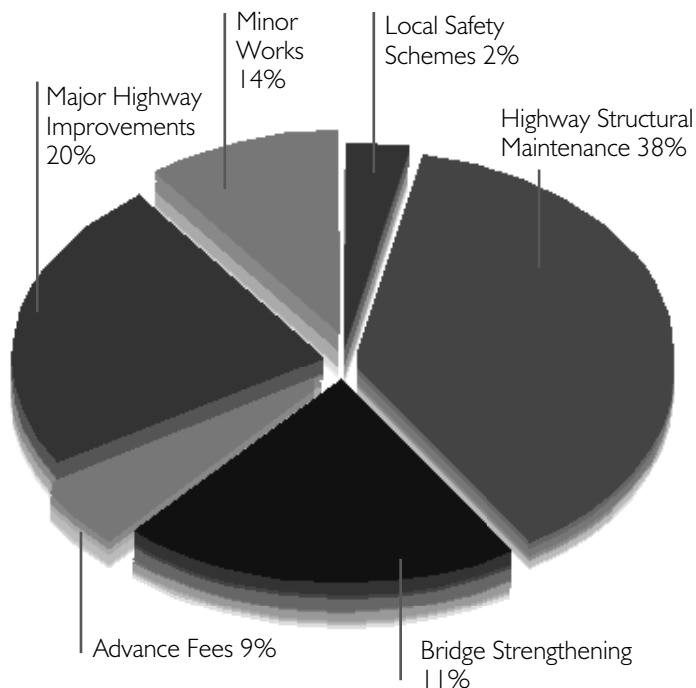


7 CAPITAL PROGRAMME

7.1 FUNDING CAPITAL PROJECTS

The County Council's capital expenditure on transport for 1999/2000 is shown in the Figure 7.1.1. It can be seen that, currently, for capital expenditure, the main areas are highways structural maintenance and associated bridge strengthening.

Figure 7.1.1 Distribution of Transport and Highways Capital Expenditure 2000/2001



This document is primarily a bid for capital funding which may be available from a number of sources including:-

- **Local Authorities (County, District, Parish & Town Councils):** raised by Council Tax and from central government grants;
- **European Union Funds:** such as Konver for the redevelopment of areas suffering as a result of decline in defence activity;

- **developer contributions:** in association with new developments companies may contribute to improved infrastructure;
- **the 'Private Finance Initiative' (PFI):** this enables Local Authorities to enter into contracts with companies to supply transport infrastructure which is then 'leased back' or 'rented' over a long period (normally 30 years)
- **Rail Passenger Partnerships:** to support improvements to the rail network; and
- **Government Funds through the Local Transport Plan:**
 - i) **Transport Supplementary Grant (TSG):** 50% of the cost of schemes over £5.0m in value.
 - ii) **Annual Capital Guidelines (ACG):** allocated to balance schemes accepted for TSG
 - iii) **Supplementary Credit Approvals (SCA):** a credit approval which allows authorities to borrow money.

The most important of these have traditionally been the Council's own funds and support from Government through the TSG/ACG and SCA. However, in recent years public sector finances have been under increasing pressure and the budgeting process has seen transport funding at national level shift to support new legislative requirements. At the same time the County Council has shifted its funding emphasis toward education and social services.

In particular, the funds available from Government have been spread more thinly to encompass new requirements such as bridge assessment and strengthening. In some areas, such as for general minor works, funds ceased altogether for a time. Table 7.1.1 identifies the trend in specific funding under the various allocation headings for the current Wiltshire County Council administrative area.

Table 7.1.1: Specific Central Government Funding (£000s)					
Allocation	1996/97	1997/98	1998/99	1999/00	2000/01
New Roads	291	0	0	0	0
Bridge Assessment	689	857	891	0	0
Bridge Strengthening	476	526	185	644	615
Maintenance of Principal Roads	734	715	640	1,536	1,640
Local Safety Schemes	528	270	104	116	100
Integrated Transport	495	0	250	600	948
Sub Total	3,213	2,368	2,070	2,896	3,303
Chippenham Bypass	NA	1,719	2,888	2,269	0
Total	3,213	4,087	4,958	5,165	3,303

Implications

The overall picture is distorted by the success of securing Capital Challenge funds for Chippenham Western Bypass outside the LTP process. If this allocation is disregarded, it can be seen that there has been a decline in the availability of capital funds through the process which has recently reversed and indications are that this improvement will continue over the next few years.

Reinstatement of funds to implement integrated transport initiatives is most welcome and greater progress will now be possible on implementing measures identified in the Salisbury and Western Wiltshire areas. However, the level of funding available to date falls well short of that which is necessary to make real progress.

Future Funding Opportunities

Given the historical position set out above it is necessary to develop a realistic programme if public expectations are not to be raised unrealistically and public funds are to be targeted effectively.

In the guidance on LTPs (April 1999) the Government set great store in 'financial realism' and indicated that those authorities who submitted unrealistic bids would be penalised. In the event, there was more money available than the Government had anticipated and in this Region the sum was higher still. The result of this unexpected settlement was a considerable increase in maintenance funds which many authorities had not predicted in calculating the realism of their bids; as a result the Government gave this windfall to those authorities who had over-bid on maintenance, in direct contradiction to the guidance.

Wiltshire County is extremely disappointed that this reallocation was so clearly inequitable and has discussed the issue at the highest level with the GOSW. In response to this criticism, the GOSW have suggested that the Final LTP should take a more relaxed view on bidding limits and that it should be prioritised to take advantage of a range of potential allocations to the region.

The Provisional Local Transport Plan settlements for the region averaged £3.9m (excluding Major Schemes TSG) and the top three averaged £7.7m. Previous guidance has suggested that allocations could grow by 40-50% nationally in 2001 -2002 and it is clear that there is scope for this to be further increased in the light of the next Comprehensive Spending Review and changes to the fuel duty escalator, which will be hypothecated to transport.

It is difficult to assess the implications of these growth items but a reasonable assessment would appear to be about 60 - 70% above the 2000/2001 national allocation. This would result in a Regional average of about £6.5m with the best performers receiving up to £13.0m or better.

Wiltshire believes its funding has been suppressed for a considerable period of time and aims to be one of the most positive authorities in implementing capital investment to achieve its wider objectives. To this end, the authority will consider a bid for transport (excluding Major Schemes TSG) of upto £15.0m as realistic in this respect and has developed a programme well within these constraints.

It is clear from this assessment that the funding for Transport Projects that might normally be anticipated through the Local Transport Plan process will be restricted to around £75m over the five year programme period (excluding Major Schemes).

7.2 PRIORITY CAPITAL INVESTMENT PROGRAMME

The geographical and county-wide capital programmes set out in Chapter 6 must be considered in the light of available resources. The county wide and geographically based strategies discussed earlier in Chapter 6 represent only a very small part of the aspirations of Wiltshire's residents, reducing the programme to this scale has required hard choices to be made and clear priorities to be defined.

The programme is prioritised and detailed in Table 7.2.1 and sums to around £124m including Major Schemes in Western Wiltshire and Salisbury, which is considered to be a special case (see below). This is the best estimate that can currently be made of the likely availability of funding and any shortfall will have to be met from other sources if this programme is to be achieved.

SALISBURY: It should be noted that the County Council consider Salisbury to be a special case. The abandonment of the Salisbury Southern Bypass has left the city with severe transport problems to be resolved which were the subject of a GOSW study. Ministers have suggested that the funds that would have been spent on the bypass should be brought to bear in resolving the problems that its abandonment has left. This position has been discussed with GOSW who have indicated that this is a reasonable line to take in the development of the Final LTP.

Table 7.2.1: Capital Investment Priorities: Supplementary Credit Approval (SCA: £000s):

Item	2001/02	2002/03	2003/04	2004/05	2005/06	Total
PRIORITY 1						
Corsham Rail Station	(1) 1,800					1,800
Key Bus Route Enhancements	(2) 1,978	2,128	1,428	500	500	6,534
South West Info Project	50					50
Principal Road Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Bridge Strengthening	3,000	3,000	3,000	3,000	3,000	15,000
Sub Total	11,828	10,128	9,428	8,500	8,500	48,384
PRIORITY 2						
Local Safety Schemes	500	500	500	500	500	2,500
Street Lighting Renewal	200	200	200	200	200	1,000
Sub Total	700	700	700	700	700	3,500
PRIORITY 3						
Devizes Strategy	455	445	420	460	420	2,200
Rural Bus facilities	150	150	150	150	150	750
Small Towns: Cycle/Walk schemes	250	500	500	500	500	2,250
Bus Info Services	10	10	10	10	10	50
Countywide Traffic Management	250	500	500	500	500	2,250
Motorcycle Security	50	50	50	50	50	250
Sub Total	1,115	1,605	1,580	1,620	1,580	7,500

Capital Investment Priorities: Major Schemes (TSG/PFI: £000s)

Major Scheme	2001/02	2002/03	2003/04	2004/05	2005/06	Total
WWSTS	6,000	6,000	8,000	8,000	13,000	41,000
Salisbury	4,127	6,678	6,378	4,038	3,843	25,061
LTP bid	21,862	25,161	26,131	22,408	27,673	123,737

(3)

(3)

N.B.

1. Corsham Station RRP bid being finalised

2. Includes £158k committed Rural Bus Challenge Funds

3. Excludes Corsham RPP bid and committed Rural Bus Challenge Funds