

Department for Transport, Local Government and the Regions

**Local Government  
Finance (England)**

**Special Grant  
Report (No. 98)**



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Report by the Secretary of State for  
Transport, Local Government and the Regions under Section 88B  
of the Local Government Finance Act 1988.

*Ordered by The House of Commons  
to be printed on 10 April 2002*



# **SPECIAL GRANT REPORT (Maintenance of Roads Grant 2002/2003)**

## **Introduction**

1. This report is made by the Secretary of State for Transport, Local Government and the Regions ("the Secretary of State"), and laid before the House of Commons, under section 88B of the Local Government Finance Act 1988 ("the 1988 Act"), as substituted by paragraph 18 of Schedule 10 to the Local Government Finance Act 1992.
2. It specifies the Secretary of State's determination of the authorities to which he proposes paying special grant, the purposes for which the grants are to be paid and the manner in which the amount of grant to be paid to each authority is to be calculated. It also contains an explanation of the main features of the determinations, and specifies the conditions which the Secretary of State intends to impose on the payment of the grants.
3. Before making the determinations and specifying the conditions referred to, the Secretary of State obtained the consent of HM Treasury.

## **The Purpose**

4. Pursuant to section 88B(3)(b) of the 1988 Act, the Secretary of State hereby determines that the purpose for which special grants are to be paid is: –

to provide support to receiving authorities in England towards expenditure incurred during the financial year beginning on 1 April 2002 in connection with the routine maintenance of roads.

## **Amounts Payable to Authorities**

5. Pursuant to section 88B(3)(a) and (c) of the 1988 Act, the Secretary of State hereby determines as the authorities to which the grants are to be paid, the authorities listed in Annex B and as the manner in which the amounts of grant are to be calculated, the manner of calculation described in Annex B.

## **Conditions for the Payment of Grant**

6. Pursuant to section 88B(7) of the 1988 Act, the Secretary of State hereby specifies that the conditions which he intends to impose on the payment of grant are the conditions set out in Annex C.

## Main Features

7. Annex A contains an explanation of the main features of the determinations specified in this Report.

Signed by authority of the Secretary of State

19 March 2002

David Jamieson  
*Parliamentary Under Secretary of State  
for Transport, Local Government and the Regions*

The consent of the Treasury has been obtained to the making of the determinations specified in paragraphs 4 and 5 of, and Annex B to, this Report and to the imposition of the conditions referred to in paragraph 6 of, and specified in Annex C to, this Report.

26 March 2002

Tony McNulty  
Anne McGuire  
*Two of the Lords Commissioners of Her Majesty's Treasury*

## Annex A

### **Explanation of the main features of the grant**

1. The White Paper *A New Deal for Transport: Better for Everyone* and the report *A New Deal for Trunk Roads in England* (both published in July 1998) identified a core network of existing trunk roads which it was concluded continued to serve a strategic national purpose and should remain trunk roads. It was proposed that those non-core routes which appeared to serve only regional or local purposes should be transferred to local highway authority management. After consultation on the proposed core/non-core split it was confirmed that some 30% of the existing trunk road network should be de-trunked.
2. In recognition of the extra costs that would be incurred by local highway authorities taking over responsibility for de-trunked routes the Government gave a commitment to ensuring that de-trunking would be accompanied by a fair transfer of resources. Against the background of the current review of local government finance and the desire to leave the Standard Spending Assessment (SSA) formulae unchanged, including the highways maintenance SSA formula, it was agreed with the Local Government Association that the most effective way of ensuring receiving authorities were provided with resources for the routine maintenance of de-trunked routes in the interim would be by means of special grants. Supplementary credit approvals will be issued in respect of capital expenditure on de-trunked routes.
3. De-trunking of non-core routes will be phased over a number of years with the first transfers having taken place in 2001/02. Transfers take place pursuant to an Order under section 10 of the Highways Act 1980 which provides that an existing trunk road shall cease to be a trunk road from the date specified in the Order. Such an Order may provide that the date shall be the date on which the Secretary of State notifies the authority that it will become the highway authority responsible for that length of road.

## Annex B

## Authorities to which grants are to be paid and manner of calculation of amounts of grant payable

1. A maximum amount of grant payable to an authority in respect of road maintenance costs for each road to be de-trunked has been calculated in accordance with a methodology developed by the Highways Agency and agreed with the Local Government Association. The methodology is based on a broadly typical unit rate for routine maintenance, expressed in terms of £/km of two-lane carriageway, with adjustments made for significant local factors including traffic levels and differences between urban and rural locations and enhanced by 2.5% per annum to allow for inflation. A basic unit rate of £7,500 per two-lane carriageway kilometre at 1999/2000 prices was derived from a study of expenditure on routine maintenance of trunk roads in three of the Highways Agency's maintenance areas covering parts of the South West, East Anglia and Lancashire. These areas were considered to give a good cross-section of geographic and climatological conditions.

### Authorities to which the grants are to be paid, and manner of calculation of grants, for roads de-trunked before 1 April 2002

2. The authorities to which the grants are to be paid, in respect of roads de-trunked in the authority's area in 2001/02 are the authorities listed in Table 1 below. The amount of grant that will be paid to an authority for 2002/03 for each road de-trunked in the authority's area in 2001/02 is the amount shown against the name of the authority in Table 1 below. Where more than one road in an authority's area was de-trunked during 2001/02, the total amount that will be paid to the authority for 2002/03 is the total of the amount for each of these roads, and is shown in bold in Table 1 below.

**Table 1**

|  |                 |
|--|-----------------|
| Bedfordshire County Council                    |                 |
| A6   | £588,475        |
| A428   | <u>£317,887</u> |
| Total  | <b>£906,362</b> |
| City of Bradford Metropolitan District Council |                 |
| A650   | £28,147         |
| A58  | <u>£42,887</u>  |
| Total  | <b>£71,034</b>  |
| Calderdale Metropolitan Borough Council        |                 |
| A58  | £64,594         |
| Cambridgeshire County Council                  |                 |
| A10  | £631,741        |
| Doncaster Metropolitan Borough Council         |                 |
| A638 (St. Marys – Redhouse)                    | £137,304        |



**Table 1 (continued)**

|  |                   |
|--|-------------------|
| East Riding of Yorkshire Council<br>A15                    | £28,027           |
| Halton Borough Council<br>A557                             | £179,888          |
| Kirklees Council<br>A58                                    | £47,651           |
| Leeds City Council<br>A650                                 | £48,476           |
| Lincolnshire County Council<br>A43                         | £7,688            |
| B1525  | <u>£53,300</u>    |
| Total  | <b>£60,988</b>    |
| Milton Keynes Borough Council<br>A428                      | £51,047           |
| Norfolk County Council<br>A10                              | £315,952          |
| A134   | £317,252          |
| A140   | <u>£347,960</u>   |
| Total  | <b>£981,164</b>   |
| North Lincolnshire Council<br>A15 (North of M180)          | £259,821          |
| Northamptonshire County Council<br>A43                     | £58,938           |
| Oxfordshire County Council<br>A423/A361 (North of Banbury) | £79,738           |
| Peterborough City Council<br>A43                           | £10,250           |
| St. Helens Metropolitan Borough Council<br>A557            | £38,950           |
| Suffolk County Council<br>A140                             | £303,926          |
| A12  | <u>£1,261,835</u> |
| Total  | <b>£1,565,761</b> |
| Warwickshire County Council<br>A423                        | £247,706          |

### Authorities to which the grants are to be paid and manner of calculation for roads de-trunked on or after 1 April 2002 and before 1 April 2003

3. The authorities to which the grants are to be paid, in respect of roads to be de-trunked in the authority's area in 2002/03 are the authorities listed in Table 2 below, save that an authority listed in Table 2 below will only be paid a special grant under this report in respect of a length of road shown below its name, if it becomes responsible for that length of road on or after 1 April 2002 and before 1 April 2003, pursuant to a de-trunking order.
4. The maximum amount of grant that may be payable to an authority for 2002/03 for each road to be de-trunked in the authority's area in 2002/03 is the amount shown against the name of the authority in Table 2 below. Where more than one road in an authority's area will be de-trunked during 2002/03, the maximum total amount that may be payable to the authority for 2002/03 is the total of the amount for each of these roads, and is shown in bold in Table 2 below.

#### Table 2

|  |                   |
|--|-------------------|
| Birmingham City Council                          |                   |
| A452 (part of the junction with A4041 and B4138) | £1,111            |
| Buckinghamshire County Council                   |                   |
| A41 (Bucks/Oxon boundary – Weston Mead Farm)     | £423,603          |
| Cheshire County Council                          |                   |
| A41 (Vicars Cross – Grindley Brook)              | £218,071          |
| A49 (Whitchurch – Stretton)                      | £347,298          |
| A51 (Chester – Nantwich)                         | £234,351          |
| A54 (Tarvin – Kelsall)                           | £104,997          |
| A500 (A51 –Cheerbrook roundabout)                | £32,422           |
| A556 (Kelsall – Tabley)                          | £308,206          |
| A6   | £129,161          |
| A523   | £412,162          |
|  | <b>£1,786,668</b> |
| Cornwall County Council                          |                   |
| A39  | £646,134          |
| Derby City Council                               |                   |
| A6   | £57,483           |
| A52  | £39,639           |
|  | <b>£97,122</b>    |
| Derbyshire County Council                        |                   |
| A6   | £1,049,210        |
| A61  | £716,070          |
| A52  | £230,136          |
| A516   | £121,421          |
|  | <b>£2,116,837</b> |
| Devon County Council                             |                   |
| A39/A361   | £925,000          |

**Table 2 (continued)**

|   |  |                   |
|---|--|-------------------|
| Gloucestershire County Council                    |  |                   |
| A38   |  | £10,763           |
| Hampshire County Council                          |  |                   |
| A339  |  | £400,000          |
| Hertfordshire County Council                      |  |                   |
| A41 (Including A414 Two Waters)                   |  | £1,186,183        |
| A405 (Including M10 – M25 J21A & M1J6 – A41)      |  | £198,147          |
| A414 (A1(M) Hatfield – M10 St Albans)             |  | £255,422          |
| A1001 (A1(M) J2 – A1(M) J4)                       |  | £131,380          |
|   |  | <b>£1,771,132</b> |
| Leicestershire County Council                     |  |                   |
| A6  |  | £415,000          |
| Lincolnshire County Council                       |  |                   |
| A15   |  | £225,000          |
| A16   |  | £1,332,000        |
| A17   |  | £1,100,000        |
| A46   |  | £61,000           |
| A57   |  | £132,000          |
|   |  | <b>£2,850,000</b> |
| Norfolk County Council                            |  |                   |
| A17   |  | £120,000          |
| North Lincolnshire Council                        |  |                   |
| A15 (South of M180)                               |  | £82,000           |
| North Yorkshire County Council                    |  |                   |
| A64 (Musham Bank – Queen Margaret's r/bout)       |  | £15,000           |
| Northamptonshire County Council                   |  |                   |
| A45   |  | £213,978          |
| North-East Lincolnshire Council                   |  |                   |
| A16   |  | £10,000           |
| Nottinghamshire County Council                    |  |                   |
| A57 (M1 J31 – J with A1 at Apleyhead r/bout)      |  | £125,000          |
| A60   |  | £120,000          |
| A606  |  | £113,000          |
| A614  |  | £442,000          |
| A17   |  | £50,000           |
| A57 (J with A1 at Markham Moor – Lincs. boundary) |  | £85,000           |
|   |  | <b>£935,000</b>   |
| Oxfordshire County Council                        |  |                   |
| A40   |  | £346,543          |
| A41   |  | £150,226          |
| A44   |  | £29,830           |
|   |  | <b>£526,599</b>   |

**Table 2 (continued)**

|  |                   |
|--|-------------------|
| Rotherham Metropolitan Borough Council |                   |
| A57                                    | £125,000          |
| Shropshire County Council              |                   |
| A41                                    | £344,875          |
| A49 (Prees Heath – Shrewsbury)         | <u>£239,070</u>   |
|  | <b>£583,945</b>   |
| Slough Borough Council                 |                   |
| A4 (M4 junction 5 – GLA boundary)      | £67,843           |
| A4 (M4 junction 5 roundabout)          | <u>£23,450</u>    |
|  | <b>£91,293</b>    |
| Staffordshire County Council           |                   |
| A5011                                  | £11,088           |
| A34                                    | £601,118          |
| A449                                   | £184,726          |
| A52                                    | £136,484          |
| A523                                   | <u>£222,248</u>   |
|  | <b>£1,155,664</b> |
| Stockport Metropolitan Borough Council |                   |
| A6                                     | £222,806          |
| A523                                   | <u>£45,560</u>    |
|  | <b>£268,366</b>   |
| Stoke City Council                     |                   |
| A34                                    | £95,476           |
| Tameside Council                       |                   |
| A57 (M60 J24 – Manchester boundary)    | £44,557           |
| Telford & Wrekin Council               |                   |
| A41 (North of Newport – M54)           | £108,228          |
| Walsall Metropolitan Borough Council   |                   |
| A452                                   | £91,624           |
| Warrington Borough Council             |                   |
| A49 (South of M56)                     | £13,730           |
| Warwickshire County Council            |                   |
| A45 (East of Dunchurch)                | £45,223           |
| West Berkshire Council                 |                   |
| A339                                   | £39,984           |
| Wirral Metropolitan Borough Council    |                   |
| A41 (M53 Hooton – New Ferry)           | £243,802          |
| Worcestershire County Council          |                   |
| A38                                    | £328,506          |

5. The amount paid to each authority for each length of road specified in Table 2 above will be the amount specified against the name of the road pro-rated to reflect the proportion of the financial year 2002/03 remaining on the date that the authority becomes responsible for that length of road pursuant to a de-trunking order.

## Annex C

### Conditions

1. No grant will be paid to an authority in respect of a length of road listed for that authority in Table 2 in Annex B to this report unless that authority becomes responsible for maintaining the length of road pursuant to a de-trunking order on or after 1 April 2002 and before 1 April 2003.
2. Any grant payable to an authority in accordance with this report shall only be used by the authority for the purposes of expenditure on routine maintenance of roads for which the authority is the highway authority (including, but not limited to, the road or roads de-trunked in 2001/02 and 2002/03).
3. Grant will be paid to an authority within 8 weeks after the authority becomes responsible for maintaining the length of road in question, pursuant to a de-trunking order, or within 8 weeks of Parliamentary approval of this Report if later.
4. By 31 July 2003, the chief finance officer of each authority to which special grant has been paid shall provide the Secretary of State with a statement certified by an external auditor appointed by the Audit Commission that the grant has been used for the routine maintenance of roads.
5. The authority shall supply to the Secretary of State such information as may be required by him for the purposes of determining whether it has complied with these conditions.
6. If an authority fails to comply with any of these conditions then the Secretary of State may require the repayment of the whole or any part of the grant monies paid to that authority, as may be determined by the Secretary of State and notified in writing to the authority. Such sum as has been notified shall immediately become repayable to the Secretary of State.



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