

Briefing Note for Great Waltham Parish Council Meeting 22nd May 2023

For agenda item: 'To agree that the Council seeks to secure a loan to fund one-half of the costs to install an average speed camera system on the B1008 through Ford End village'.

Background

1. For a number of years GWPC has held the sum of £10,000 in its budget as a contribution towards the installation of an average speed camera (ASC) system on the B1008 through Ford End.
2. Because of the B1008's priority (PR1) status the only traffic calming measure to which Essex Highways is receptive (barring intervention by the ECC's cabinet member for Highways Maintenance and Sustainable Transport, which is regarded as unlikely) is the installation of an ASC system.
3. Discussions with ECC representatives resulted in a revised overall projected cost for the scheme of £120,920.
4. In addition, ECC Highways Maintenance and Sustainable Transport cabinet members indicated a willingness to facilitate a matched funding arrangement whereby the Local Highways Panel (LHP) would fund 50% of the project cost (£60,460) once GWPC raised the remainder.
5. GWPC efforts to raise its share (50% less the £10,000 in the budget) were stalled by the pandemic and any momentum to move forward with the project has only more recently been built up again. The scheme has been downgraded by LHP in terms of its spending discussions (it is now listed as 'awaiting funding').
6. The LHP budget for 2023/24 has already been agreed, so any resolution by GWPC now to fund its 50% would, at best with all other things being equal, mean a scheme beginning no earlier than 2024/25 (unless other sources of funding become accessible, e.g. unused or other LHP/ECC funds, donations from local residents or businesses).

Quantifying the Problem

7. The data from Essex Highways' last Automatic Traffic Count (ATC) in the 30mph zone at Ford End was in November 2015. The most recent ATC on the B1008 was conducted in the (then) 60mph to the north of Ford End in November 2020.
 - 7.1. The former indicated that 59% of traffic was exceeding the 30mph limit. GWPC's own Speed Indicator Device (SID) data for 2022/23 indicates the percentage now travelling at or below 34mph is just 27%; that is, an apparently significant general increase in the speed of vehicles since 2015.
 - 7.2. The latter had a 7-day recorded volume of 47,863, but this was during the pandemic so the 2015 ATC volume of 66,396 is likely to be closer to current levels. This latter figure equates to 3.4m vehicles per annum, of which 16.3% (over 550,000) are either 2-4 axle trucks/buses or 3-6 axle articulated vehicles.

Match Funding

8. The revised projected costs of the ASC scheme may well have altered since the original assessment. Therefore GWPC's 50% will be of a figure which will almost certainly need to be revalidated. The revalidated cost of the scheme could go up (e.g. inflationary pressures) or down (e.g. lower technology costs).
9. Any agreement by GWPC to match funding does not guarantee the implementation of the scheme (see below).

Loans/Grants/Donations

10. GWPC does not have sufficient reserves to fund its 50% without raising a loan and/or securing grants, donations etc.
11. Taking out a loan would mean an ongoing commitment to a repayment schedule which would become part of future budgets, and would therefore impact precept requests.
12. The Public Works Loan Board (PWLB) scheme seems to offer access to funds at favourable rates of interest (subject to being accepted through an approval and support process).
13. PWLB loans can be repaid over a period of up to 50 years.
14. Loans are likely to be available from other commercial lenders, but such opportunities would need to be investigated. They are unlikely to offer terms as favourable as the PWLB option.
15. Securing a loan to guarantee the 50% would not prevent GWPC seeking grants or donations to be offset from the amount borrowed (thereby reducing repayments and/or the time over which they would be repaid).
16. Any borrowing or securing of funds must be undertaken in accordance with GWPC's Financial Regulations.

LHP Current Position

17. The current LHP position (subject to verification) is that LHP will now only consider match funding when GWPC says it has been able to raise its 50%.
18. The current commentary on the LHP schemes list is 'Scheme was design only in 2020/21, new revised costing £120,920. Suggestion previously was Match Funding from Parish Council and LHP, which would now require £60,460 from each source'.
19. Both the revalidated costs for the scheme and a LHP commitment to match fund even if GWPC raised its half would need to be re-established and agreed.

Possible Approaches

20. Option 1. GWPC decides it does not want to raise a loan (and therefore its precept) and/or seek grants/donations for some/all of the sum required, meaning that unless a case for full LHP funding can be made the scheme is abandoned; or
21. Option 2. GWPC agrees to seek the loan required for it to request that LHP match funds and authorises the scheme. The loan would be for either £50,460 (that is, 50% of current costs less the £10,000 in its budget) or for 50% of the revalidated scheme costs (subject to an upper limit which if reached would require further GWPC approval).
22. If Option 2 is adopted, GWPC could seek grants, donations etc. to offset its committed spend. However, it should remain mindful that previous attempts to raise monies by these means has not been successful, the scheme being seen by contributors as either a local authority responsibility or not innovative enough.