Dear Ms Mills

LOCAL TRANSPORT CAPITAL FUNDING 2018/19 FINANCIAL YEAR

The Government is providing capital funding towards local transport from a number of different financial grants in 2018/19. This letter includes details of the capital funding that Milton Keynes Council will receive. The Grant Determinations for each funding stream are attached, as is a declaration included in Annex A that you and your Authority’s Chief Internal Auditor are required to sign and to return to the Department for Transport by 30 September 2019.

The table below shows your allocations from the Integrated Transport Block, Highways Maintenance Block (incentive and needs elements) and the Pothole Action Fund. The Pothole Action Fund allocation is the final payment for 2018/19 of your authority’s share following the £100 million funding announced by the Secretary of State on 26 March 2018. The Highways Maintenance Block (needs element) and the Integrated Transport Block will be paid quarterly on 27 April 2018, 27 July 2018, 26 October 2018 and 25 January 2019. All other allocations will be paid in full on 27 April 2018.

<table>
<thead>
<tr>
<th>Grant Stream</th>
<th>2018/19 Allocation</th>
<th>First Quarterly Payment</th>
<th>Next Three Quarterly Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Transport Block</td>
<td>£1,527,000</td>
<td>£381,750</td>
<td>£381,750</td>
</tr>
<tr>
<td>Highways Maintenance Block</td>
<td>£4,122,000</td>
<td>£1,030,500</td>
<td>£1,030,500</td>
</tr>
<tr>
<td>(needs element)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highways Maintenance Block</td>
<td>£865,000</td>
<td>£865,000</td>
<td></td>
</tr>
<tr>
<td>(incentive element)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pothole Action Fund</td>
<td>£99,970</td>
<td>£99,970</td>
<td></td>
</tr>
<tr>
<td>Total payment</td>
<td>£6,613,970</td>
<td>£2,377,220</td>
<td>£1,412,250</td>
</tr>
</tbody>
</table>
Please contact us at LT.PLANS@DFT.GSI.GOV.UK or telephone Gordon Rolfe on 0207 944 2249 for queries relating to the capital block funding allocations outlined in this letter.

We are expecting to make an announcement on the future round of the Challenge Fund in due course. Subject to Ministerial confirmation we anticipate that the fund will be mostly focussed on highways maintenance innovation and technology and bridges and other local highway structures.

To promote greater transparency we expect your authority to publish an annual report on your website showing how much money has been spent from the Pothole Action Fund to help repair potholes or stop them forming.

Local Highways Maintenance Block Incentive Element

The Department for Transport has assessed the results from the 2018/19 incentive element exercise. This categorises your authority as being Band 3 and your 2018/19 allocation is based on this. Please note the Department intends to undertake a sample audit of evidence from some authorities during the financial year. In addition in the interests of transparency we will also be publishing full results of all authorities’ results on the Department’s website.

Yours sincerely,

Anthony Boucher
Deputy Director: Local Infrastructure

Enclosed:
• Local Transport Capital Block Funding (Integrated Transport and Highway Maintenance) Specific Grant Determination (2018/19) No.31/3224
• Local Transport Capital Block Funding (Pothole Action Fund) Specific Grant Determination (2018/19) No.31/3221
• Annex A - Grant Conditions and Declaration

The Minister for Local Transport (“the Minister”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1) This determination may be cited as the Local Transport Capital Block Funding (Integrated Transport and Highway Maintenance) Specific Grant Determination (2018/19) No.31/3224.

Purpose of the grant

2) The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them.

Determination

3) The Minister determines that the maximum additional amount of grant payable to Milton Keynes Council shall be £6,514,000.

Grant conditions

4) Pursuant to section 31(3) and 31(4) of the Local Government Act 2003, the Minister determines that the grant will be paid subject to the conditions in Annex B.

Treasury consent

5) Before making this determination in relation to local authorities in England, the Minister obtained the consent of the Treasury.

Signed by authority of the Minister for Local Transport

Anthony Boucher
A senior civil servant within the Department for Transport

April 2018
The Minister for Local Transport (“the Minister”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1) This determination may be cited as the Local Transport Capital Block Funding (Pothole Action Fund) Specific Grant Determination (2018/19) No.31/3221.

Purpose of the grant

2) The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them.

Determination

3) The Minister determines that the maximum additional amount of grant payable to Milton Keynes Council shall be £99,970.

Grant conditions

4) Pursuant to section 31(3) and 31(4) of the Local Government Act 2003, the Minister determines that the grant will be paid subject to the conditions in Annex B.

Treasury consent

5) Before making this determination in relation to local authorities in England, the Minister obtained the consent of the Treasury.

Signed by authority of the Minister for Local Transport

Anthony Boucher
A senior civil servant within the Department for Transport

April 2018
ANNEX A - GRANT CONDITIONS

1. Grant paid to a local authority under these determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.

2. The Chief Executive and Chief Internal Auditor of each of the recipient authorities are required to sign and return to the team leader of the Local Infrastructure team\textsuperscript{32} in the Department for Transport a declaration, to be received no later than 30 September 2018, in the following terms:

   “To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to the Local Transport Capital Block Funding (Integrated Transport and Highway Maintenance) Specific Grant Determination (2018/19) No.31/3224 and Local Transport Capital Block Funding (Pothole Action Fund) Specific Grant Determination (2018/19) No.31/3221 have been complied with”.

3. If an authority fails to comply with any of the conditions and requirements of paragraphs 1 and 2, the Minister may-

   a) reduce, suspend or withhold grant; or

   b) by notification in writing to the authority, require the repayment of the whole or any part of the grant.

4. Any sum notified by the Minister under paragraph 3(b) shall immediately become repayable to the Minister.

\textsuperscript{32} Local Infrastructure team can be contacted at LT.PLANS@DFT.GSI.GOV.UK or on 0207 944 2249.