

14 June 2022

Dear Cllr Murray,

**RE: SCRUTINY OVERVIEW COMMITTEE - SPRINT**

I write in response to your letter written on 17<sup>th</sup> May 2022 with regards to the recent scrutiny overview committee meeting, where the following recommendation was made: -

*That Transport for West Midlands consider how local businesses could make supported requests for compensation, excluding funds from the Walsall taxpayer, for the disruption caused by the roadworks required to deliver the Sprint scheme.*

The Sprint works are promoted by the WMCA and delivered by TfWM under 1980 Highways Act Section 8/278 powers. This is very different to the arrangement of a Transport and Works Act Order where the works area is totally taken over by the scheme promoter in question for extended periods of time, as is the case for Metro works.

The S8/278 agreement signed by both the Local Highway Authority (Walsall Council) and Transport Authority (WMCA) enables TfWM to deliver SPRINT Phase 1 works on local highways ensuring that the highway authority has the ability to maintain the highway and meets its own statutory obligations throughout the duration of the works. It also allows for the highway authority to inspect and sign off on all works before completion and handover. To this end, TfWM are acting as an extension of the highway authority in the delivery of the works under this partnered agreement.

We have obtained legal advice on this matter. The legal position is that as Sprint operate and provide the works under Section 8 and Section 278 of the Highways Act, there is no legal or discretionary basis upon which TfWM are or can be responsible for the payment of compensation in relation to the Sprint Scheme.

Given this advice, TfWM's position is that we should be consistent with the arrangement provided by the relevant local highway authority for disruption associated with highway works. This approach mirrors the spirit in which both parties have agreed to collaborate in the delivery of works through the legally binding

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S8/278 delivery agreement. To do anything else would set precedent for TfWM and Local Authorities alike in the rollout of all future projects including those major investments identified and to be funded through the City Region Sustainable Transport Settlement (CRSTS) – a 5-year capital programme of major transport projects to be delivered across the West Midlands Combined Authority area.

In the case of Walsall, an existing offer is available for businesses to claim loss of earnings through business rate rebate. Businesses are able to claim for loss of profit, based on open book accounting and demonstrable losses associated with highway works. This offer has been extended and is available to all of those businesses that would request compensation. Business rates are nationalised and will not directly affect the revenue of Walsall Council.

Details of how to claim rebate on Business rebates can be found on the governments website, <https://www.gov.uk/apply-for-business-rate-relief>

I recognise that this is not perhaps the response that Scrutiny Members would have liked, but I trust that it does give confidence that a thorough review has been undertaken and that it covers your request for TfWM to consider how compensation could be offered to those affected by the Sprint scheme.

Regards.



Anne Shaw

**Executive Director of Transport for West Midlands**