

Councils Can Afford 20 mph Limits

Front-line services are unaffected

A 20's Plenty for Us Briefing, December 2012

20's Plenty

Installing 20 mph limits is primarily a capital spend and has little bearing on council services or jobs. 20 mph limits are an affordable, best value policy with exceptional rates of return.



Where People Live

Government funding to local councils has been cut. Lower grants and falling budgets has led to reductions in front-line services and to job losses. However, far from being a luxury in the face of redundancies, 20 mph limits are being implemented as an economic necessity because:-

- Government accounting rules mean capital funding (e.g. signs) cannot be used for revenue (e.g. jobs)
- The one-off cost of signed 20 mph limits gives superb 800% - 2,400% rates of return.

Public sector accounting stipulates that capital cannot pay revenue costs. Whilst there are some revenue costs (e.g. design, consultation and soft measures¹ for engagement) they form a small fraction of a mainly capital scheme. Note that Public Health has funded promotion for better driver compliance in some areas.

Most 20 mph limit funding is either capital or earmarked. All Highways Authorities get LTP capital from central government for maintenance, new schemes and road safety. Other sources include Local Sustainable Transport Funding to implement limits and Private Finance Initiatives. Section 106 (developer) funding and New Homes Bonus money is usually spent on specific capital items to benefit residents. Yes, there is a revenue impact of a capital spend on financing it. Borrowing incurs interest charges. Or, whilst in a capital account the interest it earns is revenue which stops when spent. Yet, interest rates are low. Plus factor in savings on road maintenance and signage lighting from lower speeds. Savings are revenue.

A Council's responsibilities are to fulfil its statutory duties, including road safety and aim to maximise the rate of return on any discretionary spending toward its priorities. The one-off cost of installing 20 mph limits without humps gives fantastic returns. Warrington reported a 800% (1:8) First Year Rate of Return (FYRR) on casualties avoided². Bristol found a 1:24 FYRR on the health benefits of more walking³.

Cllr Ian Davey, Transport Committee Chair for Brighton and Hove said

"Residential 20 mph limits is the single most cost effective measure that a Local Authority can take to reduce road casualties, make streets more attractive for walking and cycling and improve the quality of life of residents. They offer excellent value for money particularly when compared with the high cost of new infrastructure."

Scrutiny (a.k.a Task & Finish/Best Value Review) in Greenwich, Brighton, Gloucester, Richmond-U-Thames, Haringey, Manchester, Darlington, Hartlepool and Warrington all rate 20 mph limits as a best value policy⁴.

In times of austerity implementing 20 mph limits is highly efficient at turning one-off capital expenditure into real year-on-year savings for communities. Limits make home streets better places to be. Ask your Councillors for wide 20 mph limits today.

¹ <http://www2.uwe.ac.uk/faculties/BBS/BUS/Research/BSMC/20mph%20Research%20Findings.pdf> pg 72

² Warrington Borough Council – 20mph Speed Limit Pilots Evaluation Report – Para 13.10

³ https://www.bristol.gov.uk/committee/2012/ua/ua000/0726_7.pdf

⁴ http://www.20splentyforus.org.uk/BriefingSheets/Scrutiny_has_proven_20mph_limits.pdf

20's Plenty For Us campaigns for a 20mph default speed limit in residential streets without physical calming.

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