

City Deal and Growth Deal Programme
Board
Business Case Approval Form

1. Project Title and proposing organisation(s): Connected - City Centre Access Programme, City of Stoke-on-Trent.
2. Decision Date: 23 February 2016 – final LEP approval for release 2016/17 Growth Deal funding
3. Decision Summary: Recommendation etc. a) The City Deal and Growth Deal Programme Board is requested to approve the capital expenditure of £7.71m for the delivery of the City Centre Access Programme as outlined in this business case. b) The City Deal and Growth Deal Programme Board is requested to approve that the individual highway improvement schemes to be developed in the City Centre Access Programme are grouped in a different manner from the original format. Specifically they will be changed from the original groupings: <ul style="list-style-type: none">• Etruria Road Corridor• Leek Road Corridor• City Centre Ring Road to the new groupings: <ul style="list-style-type: none">• North West Approach to the City Centre• South East Approach to City Centre• South West Approach to City Centre
4. Is the decision exempt from being publically reported by the LEP (if so please specify the reasons why) No

5. Options Considered:

The Board will be aware that the project concerns a programme of access improvements to the City Centre between the strategic road network (A500/A50) and mainline railway station and Stoke-on-Trent City Centre aligning with SEP/EUSIF objectives relating to the rapid growth of Stoke-on-Trent as a Core City.

This Programme is significantly scaled down compared to the original City Centre Access Programme submission for round one growth deal funds in 2014. The reduction reflects the limited level of funding that is available.

The most important schemes – the shortlisted schemes - have been identified from the original proposal, based on benefits delivered, cost and deliverability, to ensure that a deliverable but affordable programme is achieved. The total estimated value of these shortlisted schemes is £19,710,000. All these individual schemes are important to the future prosperity of the City. It is therefore envisaged that schemes on this shortlist that are not delivered within this round of the programme due to shortage of funds will be delivered in a later phase(s) subject to additional funds becoming available. Selection of schemes in any future phases will be based around the prioritisation score they receive.

From the aforementioned list of shortlisted schemes, five have been defined as 'Priority Schemes' with a combined value of £9,810,000. These are the schemes that we expect to deliver but with an option to pick another from the shortlist as a reserve scheme if necessary. A decision to replace a priority scheme with another from the shortlist would be made in discussion with the LEP team.

Strategic Case

The Council's recently adopted strategic plan "Stronger Together" is focused on working together to create a stronger City we can all be proud of. Included within this plan are the priorities: "support our residents to fulfil their potential" and "supporting our businesses to thrive, delivering investment in our towns and communities". Achieving these ambitions would not be possible without improved transport infrastructure. That is why one of the strategic plan's objectives includes: "developing a transport network that reduces congestion and supports growth in our City".

In developing the Northern Gateway Development Zone (NGDZ) an essential requirement is to improve local transport infrastructure to enable growth. Without such investment it will not be possible to deliver the scale of new jobs and houses set out in the City's strategic plan.

As one of only 20 flagship government housing zones the City Centre is currently experiencing increased housing growth. The housing zone will see the redevelopment of 8 brownfield sites around the City Centre. In winning enterprise zone status with "Ceramic Valley" in November 2015, it became

even more important that we continue to focus on transport infrastructure improvement to help facilitate associated growth.

The programme complements two other regeneration initiatives with associated synergistic benefits:

1. The strategically important Etruria Valley highway scheme taking traffic off the A500 will result in reduced journey times to the outskirts of the City Centre. By increasing traffic capacity on the Etruria Road corridor, this programme will ensure these benefits are maximised.
2. The proposed £4.5m highway and public realm improvements to the Station and University Quarter will complement the proposed improvements to the Leek Road and College Road corridors, which are both shortlisted improvement schemes in the programme.

The choice of the individual elements of the project is based on a robust options appraisal which considered the various linkages between the strategic road network and the City Centre, including transport modelling analysis and prioritisation. Based on the objectives of the City Centre Access Programme, individual conceptual designs have been undertaken for each of the project elements.

In order to counter the existing problems of congestion, increased journey times and poor image, the City Centre Access Executive Group has identified the need to develop and deliver of the following schemes/ individual project elements:

North West Approach to the City Centre

Etruria Road Corridor Improvements between Festival Park and the City Centre, including:

- Trinity Street (delivery in 2016/17)
- Junction with Potteries Way and Etruria Rd
- Marina Way/Festival Way roundabout
- Enabling works towards the completion of the final phase of Potteries Way between Etruria Road / Potteries Way Junction and Waterloo Road

South East Approach to City Centre

- Potteries Way / Lichfield Street / Regent Road junction
- Leek Road / Lichfield Street (Joiners Square roundabout)

South West Approach to City Centre

- Leek Road corridor near Station Road junction
- Leek Road /Bougey Road junction
- College Road corridor

The individual schemes listed above have wide-ranging connectivity benefits in linking the strategic road network to the City Centre. They will result in a major uplift in transport connectivity and assist in tackling congestion on key

strategic roads in North Staffordshire. Developing additional transport capacity will support the further growth of the City and indirectly supports the redevelopment of a number of brownfield sites. In addition the project will deliver an improvement and uplift to the following main attributes that are important to customers of city centres:

- Time – customers value reduced and predictable journey times (on roads as well as public transport), and frequent public transport services.
- Reliability – public transport customers expect services to turn up as scheduled. Road users value direct routes and by-passes that help to avoid unpredictable delays due to congestion.
- Information – customers value real time information and clear signs that help them make informed transport choices. Road signs might direct a driver to a by-pass route or an app might help identify a connecting public transport service.
- Efficient travel – customers value well maintained systems and facilities that make their trip easier such as clearly signposted roads, access to parking, electronic ticketing for public transport services and seamless connections to other transport services.
- Reassurance – customers value feeling safe while they travel and while they are waiting for services. Road users value well maintained roads and the safe and courteous driving of others. Public transport customers value well maintained, safe and comfortable facilities.
- Comfort – all types of customers value services and streets that are well maintained, clean and less crowded.

Transport is a facilitator of economic activity and growth. Appropriate improvements to transport infrastructure improves productivity, and allows businesses to benefit from more efficient movements of customers, employees and goods. Areas with good transport connectivity and effective transport networks are proven to benefit economically.

The delivery of the individual project elements listed above will assist in the development of North Staffordshire in line with its proposed growth strategy and the development of Stoke-on-Trent as a new Core City.

Economic Case

- *demonstrating how the investment represents “public value” as a whole to the UK*

As already stated in the strategic case above, the delivery of the individual project elements listed above will assist in the development of North Staffordshire in line with its proposed growth strategy and the development of Stoke-on-Trent as a new Core City. Specifically, the improvements will:

- Reduce the existing significant congestion problems at key locations will result in journey time savings and, hence, economic benefits.
- Improve connectivity and accessibility to the City Centre will result in regeneration and wider economic benefits.

- Similarly, the public realm improvements at the gateways to the City will improve the attractiveness of the City Centre and deliver further economic benefits.

Several of the individual highway infrastructure schemes prioritised for inclusion in the programme also include for improving the public realm at key City gateway points. Having an attractive city centre is essential in encouraging people to visit and invest and can thus result in substantial economic benefits. The recent public realm improvements in the City Centre have been hugely successful. The investments proposed in the City Centre Access Programme will complement these recent improvements and attract more people to the city centre.

The physical outputs from the Programme will include the following:

- Length of newly built road: 1,400m
- Cycle ways: 600m
- Resurfaced roads: 600m
- Type of service improvements:
 - Two significantly enlarged major highway roundabouts
 - 280m of pedestrianised city centre
 - Rerouting of city centre traffic
 - Re-aligned road junction and major crossing point

Commercial Case

- *identifying the procurement and delivery route of the investment*

The 2016/17 delivery programme will be procured through an open competitive tender. In this way, we will ensure that the very best value for money is achieved from the marketplace. The tenders will be assessed on the basis of 70% cost, 30% quality. This approach has recently been successful in delivering the last phase of the £2.4m City Centre Public Realm Project, now completed on time & within budget.

As the programme progresses, all alternative procurement options available will be assessed as to which one offers the best value for money for each element of the programme. Alternative options available include the use of the City Council's NEC3 Highways Term Contract, the Midlands Highway Alliance Medium Schemes Framework, both of which are fully compliant OJEU procured contracts.

Financial Case

- *demonstrating that the project can be funded and is affordable*

Scheme costs are benchmarked against similar schemes and include the appropriate level of contingency / risk allowance and optimism bias that would be expected of a scheme of this scale and nature at the initial design phase.

Cost estimates of individual schemes are based on the following:

- Consideration of the individual conceptual designs for each project element
- Historic costs of City Council highway projects information
- Current costs for contractors
- Estimates of likely requirement for diversion of statutory underground utility services (e.g. electricity cables, data cables, water pipes, sewer pipes and gas pipes)
- Estimates of likely land purchase costs – either by mutual agreement or compulsory purchase
- Ground conditions reports
- Costs of traffic management associated with works

The expected capital expenditure profile for the Priority Schemes in the project is £9,810,000 funded by £7.71m from Growth Deal 2 and £2m from the Council's capital programme as follows:

Year	16/17	17/18	18/19	19/20	20/21	Total
Growth Deal 2	£1.50m	£1.70m	£1.86m	£1.60m	£1.05m	£7.71m
Total Capital Expenditure	£1.50m	£1.90m	£2.36m	£2.40m	£1.65m	£9.81m

Shortlisted Highways Scheme	Indicative Cost Estimate £,000
North West Approach to the City	
Trinity Street	1,500
Marina Way/Festival Way roundabout	3,810
Potteries Way / Etruria Road Junction	tbc
Enabling works towards the completion of the final phase of the Potteries Way between Etruria Road / Potteries Way Junction and Waterloo Road.	1,050
<i>Sub total</i>	<i>6,360</i>
South East Approach to City Centre	
Potteries Way / Lichfield St / Regent Rd Junction	3,200
Leek Road / Lichfield Street (Joiners Square roundabout)	2,500
<i>Sub total</i>	<i>5,700</i>
South West Approach to City Centre	
Improvements to Leek Road corridor near Station Road junction	4,500
Improvements to Leek Road and Boughey Road junction	1,700
Improvements to College Road	1,450
<i>Sub total</i>	<i>7,650</i>
Minimum Total Potential Expenditure	19,710

The delivery of all the individual shortlisted schemes that make up the programme is important to the prosperity of the City. Progress will therefore continue on the development of all these schemes, including: initial design development, ground investigation, stakeholder consultation and negotiation on land acquisition.

However, as can be seen, the cost for delivering all the proposed schemes, as shown above is estimated at over £19,710,000. This figure is in excess of the amount of funding allocated to the programme from Growth Deal 2 of £7,710,000.

As explained earlier, from the shortlist, a list of Priority Schemes has been defined as below. The budget includes a contribution of £2m from the Council's capital programme.

Priority Highways Scheme	Indicative Cost Estimate £,000
North West Approach to the City	
Trinity Street	1,500
Marina Way/Festival Way roundabout	3,810
<i>Sub total</i>	<i>5,310</i>
South East Approach to City Centre	
Leek Road / Lichfield Street (Joiners Square roundabout)	2,500
<i>Sub total</i>	<i>2,500</i>
South West Approach to City Centre	
Improvements to Leek Road corridor near Station Road junction – Glebe Street	300
Improvements to Leek Road and Boughey Road junction	1,700
<i>Sub total</i>	<i>2,000</i>
Minimum Total <i>Potential</i> Expenditure	9,810

Revenue funding for this project development is required to complement the capital provided by Growth Deal 2. However, only those individual elements of revenue funding legitimately classified as capital expenditure will be recharged to capital when the individual schemes are delivered. The Council has utilised the £91,500 revenue contribution secured from the LEP to prepare the delivery of the first element of the programme in 2016/17: improvements to Trinity Street, the main gateway to the City Centre.

A further amount of revenue funding, that is not expected to be possible to recharge to capital, is required to deliver the rest of the programme, to cover upfront project development work. The proportion of this revenue funding to capital is greater than would be normally expected because of the need to 'over-programme' to ensure delivery within the project timescale. The Council will underwrite the revenue requirement in principle but this has not yet been formally approved. In addition, the Council also needs to define the associated revenue requirement for the maintenance of the physical

improvements that will be delivered under this programme as the individual schemes become more defined. The City Council expects to submit a funding request for a contribution towards any future revenue costs to the LEP in the near future.

Management Case

- *identifying the project management and other management to ensure successful delivery of the investment*

An existing Transportation Infrastructure Board (TIB), Chaired by the Cabinet Member for Regeneration, Highways, Transport and Heritage, supported by the Assistant Director (Operations) and Assistant Director (Regeneration, Planning and Development) will oversee the programme from a strategic perspective and provides scrutiny and direction of this programme at a high level.

A Programme Working Group attended by Officers from the multi-disciplinary teams has been established and reports directly to the TIB.

A dedicated Programme Manager has now been appointed to project manage the overall programme of work and chair the Programme Working Group. This role will have personal responsibility for ensuring projects are delivered to budget, timescales and achieve the required outcomes / outputs. This role also oversees the work of a largely internally resourced multi-disciplinary project team.

The City Council has access to various existing Consultancy Framework contracts should it need to supplement its resources or require specialist advice at any time. These include the Midlands Highways Alliance Professional Services Contract, the SCAPE Framework and the ESPO Professional Services Contract.

The City Council has an excellent track record delivering transport schemes of similar types and values, especially through its Local Transport Capital Programme and Local Sustainable Transport Project. The Council has just completed a series of transformational public realm improvements to many of the City Centre streets and plazas with a value of over £10m. The City Council also recently successfully delivered a £4.8m Cycle Stoke project and £15 m City Centre Bus Station. Larger recent projects successfully managed and delivered include the £270m Building Schools for the Future programme.

6. Consultation Process

(Who have you consulted with and when, and have any internal approvals been granted (e.g. Cabinet of relevant organisations, other partnership boards etc.)

The Council's Cabinet Member for Regeneration, Transport and Heritage has been personally consulted throughout the development of this Programme and also takes a leading role in the project governance (as described above).

Because it is due to be implemented soon, part of the broader consultation has specifically focused on preparing for the delivery in 2016/17 of the Trinity Street improvements scheme – the main gateway to the City Centre. Significant consultation was completed in January 2016 for the public realm and local traffic management proposals in that area. There has been very positive feedback on the proposals for Trinity Street improvements from stakeholders. The consultation included the use of questionnaires that were hand delivered and discussions with businesses in the area.

As well as the Cabinet Member, the local ward councillor and internal stakeholders including Public Health, Safer City Partnership, CCTV, Waste Management and Cleansing have been consulted.

Feedback on the proposals has been received via the City Centre Partnership. Stakeholders, including Police, Age Concern, disability groups and transport operators have been consulted. In addition an on-line public consultation has taken place on the City Council's website and promoted via social media, with many respondents commenting that the proposals 'look fantastic'. Comments received about suggested improvements to the proposals are being fed into the detailed design process.

Similar comprehensive consultation exercises will be undertaken for the other elements of the project.

7. Geographical Area(s) of proposal(s):

Stoke-on-Trent City Centre, specifically routes to/from the national transport network, including the A50, A500 and Stoke-on-Trent railway station.

8. Community Impact Assessment :

Key Issues:

Over 54,000 people, in over 30,000 vehicles enter the core of the City Centre each daytime, a demand met by a mix of transport modes and services. The number of trips to the City Centre is predicted to grow at a significant rate as development accelerates. Stoke-on-Trent is a city well connected to the rest of the UK by national transport networks, a strong selling point for inward investment.

Our local transport network needs to meet the forecast growth in demand to get people into the city centre and to make it convenient to move around once there. The environment within the City Centre has recently improved £10m of new public realm improvements and a £15m new bus station have just been completed and give visitors to the City Centre an impression of high quality. The proposed improvements will complement these improvements.

Most of the individual schemes within the programme include some public

realm improvements that complement the highway infrastructure. There is a lot of evidence to indicate that public realm improvements boost footfall in previously less attractive streets. The recent publication of 'What Works Centre for Local Economic Growth', November 2014, which is funded by a grant from the Economic and Social Research Council, the Department for Business, Innovation and Skills and the Department of Communities and Local Government, demonstrates ample evidence of this and backs up previous work which demonstrates that high quality public environment can have a significant impact on the economic life of urban centres and is an essential part of any successful regeneration strategy as companies are attracted to locations that offer well-designed, well-managed public places and these in turn attract customers, employees and services.

Resource and VFM Analysis:

See business case summarised under Section 5 above.

Risk Analysis:

There is confidence that the programme can be delivered in the timescale.

A range of measures will be adopted to mitigate risk, for example, working closely with relevant partners and, if necessary, redirecting resources to schemes within the programme. Risks that may have the greatest impact on delivery will be closely monitored and managed. Risk will also be managed by maintaining a comprehensive record of scheme costs and benchmarking the programme against previous performance, to maintain control of costs, hence maximising value for money.

The current risk assessment is shown in Appendix 1.

Legal Analysis:

Legal agreements required to deliver the project include the following:

- Land acquisition agreements – either by negotiation or compulsory purchase orders (CPO). Pursuing acquisition by CPO may result in a national inquiry.
- Transport Regulation Orders (TROs) are legal documents required to support a range of measures, which govern or restrict the use of public roads. They will be required for several of the proposed schemes.
- Contractual agreements with contractors responsible for delivering the works.

- Maintenance agreements with body responsible for street lighting.
- Funding agreement between the 'accountable body' and the project to deliver the programme.

9. Implementation:

Is an implementation plan in place? If so, please provide details of the high level milestones for the proposal?

A high level project plan is shown in Appendix 2. This will be kept under constant review by the project team and project board.

As explained in the Financial Case of Section 5 above, the implementation plan includes an 'over-programming' approach to ensure that the expenditure profile is achieved. By developing all the listed highway schemes simultaneously, it is hoped that the programme can spend a greater proportion of the financial allocation in earlier years. The design work associated with those schemes that are not able to be delivered under this programme due to the limited amount of grant from Growth Deal 2 will not be wasted because they can be delivered in a successive programme.

Main milestones are as follows:

North West Approach to the City Centre.

1. Trinity Street scheme:
 - Invite tenders - 3 March 2016
 - Tender period - 4 weeks
 - Tenders returned end of - March 2016
 - Assessment of tender - April 2016
 - Award of tender early May 2016
 - Constructor lead in period and material ordering – 10 weeks
 - Start on site early - July 2016
 - Practical completion - April 2017
2. Etruria Road Junction with Potteries Way
 - Commenced traffic assessments Feb 2016
 - Rerun traffic model May 2016
 - Commence design of options June/July 2016
3. Marina Way/Etruria Road Corridor
 - Commence negotiation with land owners September 2016
4. Enabling works towards the completion of the final phase of the Potteries Way between Etruria Road / Potteries Way Junction and Waterloo Road.
 - Meet with HCA to discuss design options May 2016

South East Approach to City Centre

5. Potteries Way / Lichfield St / Regent Rd Junction
 - Commence negotiation with land owners June 2016
6. Leek Road / Lichfield Street (Joiners Square roundabout)
 - Using new traffic model, commence design – May 2016
 - Commence negotiation with land owners - July 2016

South West Approach to City Centre

7. Improvements to Leek Road corridor near Station Road junction (Leek Road and Boughey Road junction)
 - Negotiations with land owner commenced Jan 2016
 - Design of Glebe Street improvements commence July 2016
 - Glebe Street improvements start on site Feb 2017
8. Improvements to College Road
 - Detailed design commences July 2016
9. Marina Way/Etruria Road Corridor
 - Commence Design of Leek Road Joiners Square - part of the South West Approach to the City Centre – August 2016

10. Report Author's name and contact details:

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11. Decision Details:

For official use only – details of date considered by City Deal and Growth Deal Programme Board and any additional information for decision record