

## FULL BUSINESS CASE (FBC)

### A. GENERAL INFORMATION

#### A1. General

<b>Project Title</b> <i>(as per Voyager)</i>	<b>PERSHORE ROAD / PRIORY ROAD – PEDESTRIAN &amp; CYCLE SAFETY MEASURES</b>		
<b>Voyager Code</b>	CA-02956		
<b>Portfolio / Committee</b>	Transport & Environment Finance & Resources	<b>Directorate</b>	Inclusive Growth
<b>Approved by Project Sponsor</b>	Phil Edwards <i>Date: 12 April 2021</i>	<b>Approved by Finance Business Partner</b>	Simon Ansell <i>Date: 12 April 2021</i>

#### A2. Outline Business Case approval *(Date and approving body)*

Options Appraisal v7, dated 5<sup>th</sup> March 2019

#### A3. Project Description

##### Summary

The A441 Pershore Road extends between the city centre and the southern city limits, it is a busy commuter and public transport corridor. The B4217 Priory Road/Edgbaston Road intersects Pershore Road which likewise is a busy east/west commuter and public transport corridor.

The Pershore Road/Priory Road junction is currently a significant barrier for pedestrians, those with mobility issues, visual impairments and cyclists as no facilities exist at the junction for safe & controlled crossing between the residential properties and local amenities including the supermarket, local shops, Cannon Hill Park, and the bus stops at the junction. With Edgbaston Cricket Club also located very close to the junction, spectators also struggle to cross the junction safely.

There has been a call on Birmingham City Council (the “City Council”) for many years from residents, wards councillors, and other stakeholders to address the lack of pedestrian crossing facilities at the busy Pershore Road/Priory Road junction. In addition to this, the City Council had also identified the need to improve operational efficiency of the traffic signals through the implementation of new technology to manage traffic flows and queue lengths at the junction (and wider highway network).

This scheme seeks to address the safety concerns raised about the Pershore Road/Priory Road junction by implementing controlled pedestrian crossings on all four arms of that crossroads. The scope of the scheme has been extended to also include creation of a new cycleway connecting the Birmingham Cycle Revolution (BCR) scheme on A38 Bristol Road to the National Cycle Network (NCN5) at Cannon Hill Park.

The scheme will also improve the overall operational efficiency of the traffic signals at the Pershore Road/Priory Road junction and implement various other highway alterations between A38 Bristol Road and Russell Road to provide great continuity and provisions for pedestrians and cyclists. A list of ‘Project Proposals’ outlining the main elements of the

scheme is included on the following page and an overview of the scheme layout is included as Appendix C.

The cost of the extended scheme scope (between A38 Bristol Road and Russell Road) is £2.246m and is fully funded (sources are detailed in the finance section). Future costs of highway asset maintenance will be met from Corporate Policy Contingency (as detailed further in Section E1 below).

The project is a 'Named Capital Scheme' in the Transportation and Highways Capital Programme 2021/22 to 2026/27 Update Report, approved by Cabinet on 9 February 2021.

### **Background**

The City Council submitted a bid to the Department for Transport ("DfT") in March 2018 for a share of the Cycle City Ambition Grant, in line with the Cabinet Member report "Department for Transport Cycle Safety Funding (TCSF) – Approval to Submit Application" which was approved on the 8th March 2018. In June 2018 the DfT announced that the City Council's bid had been successful and awarded £1.300m grant funding (accepted from the DfT on the 22nd August 2018 under delegated authority by the Assistant Director, Transportation and Connectivity). As the DfT funding is an extension of the Cycle City Ambition Grant (CCAG), this is in line with the governance processes already in place through the existing Birmingham Cycle Revolution Programme.

An Options Appraisal report was approved by Cabinet on the 5<sup>th</sup> March 2019, which approved an outline scheme at an estimated cost of £1.500m and the development of a Full Business Case (FBC).

Another transport scheme Journey Time Reliability ("JTR"), was funded by Integrated Transport Block (ITB) to undertake minor works at the Pershore Road/Priory Road junction in 2018. However as further works relating to this scheme were envisaged the following year, it was prudent for the intended JTR works to be delayed and incorporated into this scheme. The JTR funding (£0.165m) was therefore formally transferred to the Pershore Road/Priory Road scheme to implement the proposals/requirements of JTR in the National Productivity Investment Fund Journey Time Reliability to City Growth Areas (report signed 10th May 2019).

In 2019, a further DfT funding opportunity arose, via Sustrans, through the 'National Cycle Network Activation Programme' offering a £0.415m contribution to the Pershore Road/Priory Road scheme. This contribution covered realigning and incorporating part of the existing National Cycle Network 5 (NCN5) between the city centre and Cannon Hill Park into this scheme and the Birmingham Cycle Revolution route along A38 Bristol Road/ Bristol Street.

Additional funding of £0.050m, via a Section 106 Agreement associated with a resident development on the currently vacant land at the Edgbaston Cricket Ground, will also be used to part fund this scheme.

Implementation of the project includes a revised highway layout which required adjacent privately-owned land to be acquired by the City Council. This land was acquired in February 2020. The land purchase and associated costs together with all development fees to reach 'Detailed Design' and progressing to Full Business Case stage (£0.200m) has been funded by the City Council's Integrated Transport Block (ITB)

The scheme was included in the Birmingham Emergency Transport Plan May 2020 (BETP)

- A low carbon, clean air recovery after COVID-19. This scheme forms part of the commitment in the BETP relating to re-allocation of road space.

## Project Proposals

The project has various inter-connected elements, including:

- Improved safety for non-motorised users at Pershore Road/Priory Road junction via incorporating pedestrian and cycling facilities on all arms.
- Segregated cycleway between the Birmingham Cycle Revolution (BCR) scheme on A38 Bristol Road, along Priory Road and Edgbaston Road to Cannon Hill Park. This new section of cycle infrastructure will also become part of the realigned National Cycle Network (NCN5) between Cannon Hill Park and the city centre.
- Highway space re-allocation (carriageway to cycleway) along part of Edgbaston Road (River Rea Bridge to Cannon Hill Road).
- Public transport improvements via safer pedestrian access to & from bus stops via the Pershore Road/Priory Road junction and likewise technology advances in the traffic signals via the Journey Time Reliability (JTR) additions.
- Greater operational efficiency of traffic signals through implementation of Microprocessor Optimised Vehicle Actuation (MOVA) and Split Cycle Offset Optimisation Technique (SCOOT) enabling Urban Traffic Control (UTC) to have greater management of traffic flows, congestion & queuing traffic along this section and neighbouring junction (A38 Bristol Road/ Priory Road) and wider highway network.
- Securing privately owned land it to create the required new highway (road, cycleway and footway) and accommodation works. All such land will become Highway Maintainable at Public Expense (HMPE) upon completion of works.
- Submission of Traffic Regulation Order Notice required for the new 'Straight Ahead' cycleway crossing on Pershore Road.
- Obtain Department for Transport approval for diagonal cycle crossing.
- CAVAT mitigation – design alteration to reduce tree loss and mitigation/new planting.

## A4. Scope

This FBC relates to:

- a) Approval to accept £0.415m grant funding from Sustrans and enter into a funding agreement (to the City Council's satisfaction)
- b) Additional land acquired by the City Council and all highway works (new & alterations) and tree planting as part of the scheme form part of the City Council's Highway Maintainable at Public Expense (HMPE).
- c) Approval to vire £116,000 from the Birmingham Cycle Revolution Phase 3 match-funding from the Integrated Transport Block in 2021/22 (CA-02752 3HF) to Pershore Road/ Priory Road scheme (CA-02956). Following completion of this scheme, all residual funds (if any) be re-allocated back to Birmingham Cycle Revolution Phase 3 (CA-02752 3HF).

## A5. Scope Exclusions

This scheme is not part of wider highway alterations and therefore no exclusions apply.

## B. STRATEGIC CASE

### B1. Project Objectives and Outcomes

#### Existing Situation and Issues

The Pershore Road/Priory Road junction currently operates at or above capacity in the peak hours and the current lack of control available within the existing signal control equipment prevents traffic flows being controlled and managed effectively remotely. Furthermore, this junction does not have controlled pedestrian crossings or any cycle facilities on any of the four arms. Pedestrians and cyclists find it difficult to cross due to lack of controlled crossing facilities, therefore having to wait for stationary traffic or a gap in flowing traffic before making decision on whether it is safe to cross or not. The current situation brings added concerns & difficulty for those with mobility issues or visual impairments.

Collision records for the existing situation in the 5 year period between September 2015 to September 2020 includes: 7 cyclist casualties (1 fatal, 6 slight); 2 pedestrian casualties (1 serious, 1 slight); with a total number of 49 collisions resulting in 65 casualties. Given the location of public transport bus stops, local amenities & venues, it is often challenging for pedestrians & cyclists to move across the junction and adjoining roads as no means of support i.e. controlled crossing exist.

The existing non-motorised user facilities at the Pershore Road/Priory Road junction are inadequate for the existing high footfall and cycle journeys to the local trip generator destinations such as Cannon Hill Park; Edgbaston Cricket Ground Aldi supermarket and nearby residential properties, together with public transport users getting to and from bus stops (four bus stops are located at the junction).

#### Scheme-Specific Objectives

The key deliverables of the scheme are:

- Improved safety for pedestrians by providing new control crossing at each arm of the Pershore Road/Priory Road junction.
- New provision for cyclists as segregated cycleway from A38 Bristol Road to Cannon Hill Park, including dedicated controlled cycle crossings at the Pershore Road/Priory Road junction and also across Edgbaston Road.
- Re-aligned National Cycle Route 5 (NCN5) between Cannon Hill Park and city centre, by connecting to A38 Bristol Road cycle route which has been implemented as part of Birmingham Cycle Revolution.
- Improved accessibility for pedestrians and cyclists to local amenities (shops and public open spaces).
- Greater efficiency in the management of traffic flow during peak and off-peak hours at the Pershore Road/Priory Road junction by means of introducing MOVA & SCOOT adaptive signals control technology. The new technology will also enable signals at this junction to be linked to the recently upgraded Bristol Road/Priory Road junction, therefore providing increased control over the management of traffic flows.

## City Council Objectives

The scheme supports the policy objectives outlined in the City Council Plan 2018-2022, as updated in 2019, including:

- *‘an entrepreneurial city to learn, work and invest in’, particularly ‘develop our transport infrastructure, keeping the city moving through walking, cycling and improved public transport’.*
- *‘a great, clean and green city to live in’, particularly ‘improve the environment and tackle air pollution’.*
- *‘gain the maximum benefit from hosting the Commonwealth Games’ particularly ‘deliver high quality ... transport infrastructure for the benefit of our citizens’.*
- *‘takes a leading role in tackling climate change’.*

The proposals also support the objectives of Birmingham Development Plan (BDP) 2031 including:

- *‘To provide high quality connections throughout the city and with other places including encouraging the increased use of public transport, walking and cycling’.*
- *‘To create a more sustainable city that minimises its carbon footprint’.*
- *‘To encourage better health and wellbeing’.*

By creating new cycleway, improving existing facilities to enable modal shift for local and longer journeys to be made by cycling, the scheme supports the Additional Climate Change Commitments including the aspiration for the City Council to be net zero carbon by 2030, as agreed by Cabinet on 30th July 2019, following the declaration of a Climate Change Emergency passed by full City Council on 11th June 2019.

The measures will also support the aspirations of Birmingham Connected Transport Strategy, the emerging Birmingham Transport Plan, and the Health & Wellbeing Strategy.

## Emergency Birmingham Transport Plan (EBTP) May 2020

In accordance with principles set out in the “Emergency Birmingham Transport Plan – A low carbon, clean air recovery after Covid-19” (May 2020), the scheme includes re-allocation of existing road space from vehicles to cyclists.

## National Cycle Network (NCN)

As the scheme will form a stretch of new cycleway along Edgbaston Road and Priory Road, linking Cannon Hill Park and A38 Bristol Road segregated cycleway and realigning a stretch of existing National Cycle Network Route 5 (NCN5) between Cannon Hill Park and City Centre, it will support policies within EBTP, in particular:

- A34 and A38 spurs, including from Bristol Street to Five Ways/Edgbaston and Pershore Road/ Priory Road connection to A38 from NCN5.

## Combined Authority Objectives

The measures will support policies within the West Midlands Strategic Transport Plan, in particular:

- *Economic Growth and Economic Inclusion: ‘To accommodate increased travel demand by ... new sustainable transport capacity’ and ‘to improve connections to*

*areas of deprivation’.*

- *Population Growth and Housing Development: ‘To improve connections to new housing ... primarily through sustainable transport connections’.*
- *Environment: ‘To help tackle climate change by ensuring a large decrease in greenhouse gases from the ... area’s transport system’.*
- *Public Health: ‘To significantly increase the amount of active travel’ and ‘to assist with the reduction of health inequalities’.*
- *Social Well-Being: ‘to improve the accessibility of shops, services and other desired destinations for socially-excluded people’*

## **B2. Project Deliverables**

Being an integrated transport project, this scheme is comprised of numerous elements, which cater for and meet the City Council’s priority hierarchy of prioritising pedestrians, followed by cyclists, followed by public transport and then private vehicles. The main physical elements include:

- 4 new controlled pedestrian crossings (1 on each arm of Pershore Road/Priory Road crossroads).
- 2 new dedicated controlled cycle crossings.
- Conversion of 2 stage controlled pedestrian crossing to single staged controlled Toucan crossing.
- Reallocation of road space from vehicles to cyclists.
- New segregated cycleway along Priory Road and Edgbaston Road connecting Cannon Hill Park and the Birmingham Cycle Revolution route along A38 Bristol Road.
- Realignment of National Cycle Network (Route 5) between Cannon Hill Park and City Centre (with associated signage along this section and longer route).
- 3rd party land acquisition to accommodate additional highway.
- Bus stop markings (refreshing and realigning).
- Decluttering of footway by means of removal of unrequired street furniture.
- Replacement tree planting.
- New dedicated vehicle left turn from Priory Road to Pershore Road.
- Improved junction operational efficiency via signal phasing & stages alterations through incorporation of adaptive controls (MOVA & SCOOT) which also provide integration of this junction with nearby A38 Bristol Road/ Priory Road junction for yet further operational efficiency along the key highway network.

B3. Project Benefits	
Measure	Impact
Deliver approximately 350m length (over 1000 m <sup>2</sup> ) of new segregated cycleway (between Bristol Road and Edgbaston Cricket Ground).	Demonstration of City's Council's commitment to continued improvement of cycling infrastructure, providing new/improved facilities for visitors & residents for leisure and commuting.
Enhance approximately 150m of existing shared footway.	Improvements for overall continuation of shared facilities within localised sections where full segregation not possible owing to physical constraints or prohibitive cost implications.
Reallocate approximately 250m of existing carriageway space to cycleway.	Significant demonstration of the City Council's commitment to cycling infrastructure, reallocation of space currently provided for vehicles to cycling. Reduction of long-term maintenance costs for city, as cycleway/ footway has lower maintenance costs than carriageway.
Install dedicated controlled crossing for cycleway (to complement existing pedestrian crossing nearby).	Facilitates continuous cycleway i.e. users do not need to dismount. This also further demonstrates the City Council's commitment to improving cycling infrastructure for residents and visitors. Specific approval from DfT was obtained for diagonal cycle crossing.
New Pedestrian & Cycling facilities.	Safety improvements for pedestrians & cyclists at all arms of Pershore Road/ Priory Road junction.
Covid-19 secure.	Alternative travel options to public transport and private car for commuters and other users.
Adaptive signal controls (MOVA & SCOOT).	Greater efficiency & control of traffic passing through the Pershore Road/Priory Road junction and likewise interaction with A38 Bristol Road/ Priory Road junction by Urban Traffic Control (UTC) as implementation of MOVA & SCOOT within new traffic signals provide ability monitor & manage traffic fluctuations & flows.
Re-aligned National Cycle Network 5 (NCN5)	More direct route for local users and visitors. Promoting & encouraging cyclists to make the use of segregated cycleway along Bristol Road/ Bristol Street and connection into city centre.

#### B4. Benefits Realisation Plan

The project will be monitored through the monthly internal Project Board meetings and quarterly update to Major Projects together with reporting to third party funding partners.

As part of the ongoing highway network accident/ collision data collection across the city, the Pershore Road/ Priory Road junction can be monitored to assess if measures implemented do yield a reduction in incidents and therefore increase in safety.

There will also be feedback & ongoing stakeholder engagement/ liaison with local user groups as has been the situation in 2018 - 2020. Periodic traffic surveys and counts will also be undertaken to determine patronage and trends where possible (2013 and 2019 vehicle flow data is currently held). Further surveys (vehicles & cyclists) will be undertaken post construction and inclusion of a permanent cycle counter/ loop will also be part of the scheme. Count information can then also form part of future strategic modelling.

Liaison with Urban Traffic Control (UTC) to assess traffic flow management and efficiency of the junction during peak and off-peak times can also be undertaken in consideration of and changes to signal stages and phasing.

#### B5. Stakeholders

A stakeholder analysis is set out at G4 below and Appendix D also includes comments/ consultation responses.

The scheme also benefits from cross-party political support for the three wards it extends across. In addition to earlier engagement in 2018/19 with ward councillors, further direct engagement with all wards has also now undertaken. Ward councillors (Edgbaston x2, Balsall Heath West x1 and Moseley x1) have been presented with scheme layout designs and meetings with 4 of the 5 councillors have been held (with a further meeting extended to the remaining Moseley Councillor). All four councillors consulted are fully supportive of the scheme, including the re-allocation of road space on Edgbaston Road from vehicles to cyclists. All were also pleased to learn how the City Council has incorporated the comments/ views of the public & stakeholders provided during the consultation, as part of the detailed design stage.

A Summary of the public consultation is contained below:

- The consultation was undertaken in October/November 2018 (a combination of roadshows and online via BeHeard).
- Approximately 150 survey responses were received.
- The majority of responses were generally in favour of the proposals, however, some concerns and objections were also raised. The broad themes of feedback are as follows:
  - a) Pedestrian controlled crossings at the Pershore Road/ Priory Road Junction well received (*many stating long overdue*).
  - b) Will make junction much safer for pedestrian and cyclists.
  - c) Segregated cycleway connecting A38 and Rea Valley Route (NCN5) at Cannon Hill Park is good.
  - d) Extend scheme further along Priory Road and towards Moseley/ include more cycle facilities.
  - e) Various design suggestion on layout and facilities, including many seeking a change to existing 2 stage pedestrian crossing at The Ashes to single stage and greater continuity of cycleway.
  - f) Reduction of vehicle lanes between Cricket Ground & Cannon Hill Park and

signal alterations will result in additional congestion and delays for motorists at junction(s).

- g) Designs are too focused motor vehicles by provided additional lanes at the crossroads.
  - h) Loss of trees is disappointing.
  - i) Should instead use funding for improving roads & provisions for driving.
  - j) Lack or cycleway signage & waymarking
- Following consideration of the public consultation/ feedback, a number of alterations to the preliminary designs were made, some key elements being:
    - Removal of proposed additional vehicle right turn lane from Edgbaston Road into Pershore Road.
    - Retaining four trees originally marked for removal.
    - Changing the two stage/ staggered pedestrian crossing at The Ashes into a single stage Toucan Crossing (for cyclists and pedestrians).
    - Greater continuity of cycleway.
    - Improved/ additional waymarking and also inclusion of route as realigned National Cycle Network between Cannon Hill Park and City Centre.

## C. ECONOMIC CASE AND OPTIONS APPRAISAL

### C1. Summary of options reviewed at Outline Business Case

The following options were considered:

#### Option 1: Do Nothing

##### Positive:

- No specific DfT approval would need to be obtained for dedicated diagonal cycle crossing.

##### Negative:

- Lost opportunity to deliver safety improvements.
- Continuation of over capacity of junction on key highway network.
- Loss of funding streams (DfT, Sustrans and s.106) totalling in the region of £1.500m).
- Reputational damage to the City Council from politicians, residents and stakeholders.
- Lack of viable connectivity between the Birmingham Cycle Revolution (BCR) scheme on A38 (Bristol Road) to the National Cycle Network at Cannon Hill Park.

#### Option 2: Do Minimum (*slight junction modifications only to improve safety*)

##### Positive:

- Lower cost implications as not creating connection between the Birmingham Cycle Revolution (BCR) scheme on A38 (Bristol Road) to the National Cycle Network at Cannon Hill Park.
- No need to acquire third party land as no additional highway being delivered.
- No specific DfT approval needs to be obtained for dedicated diagonal cycle crossing.

##### Negative:

- Controlled crossing for pedestrians implemented however no dedicated cycling

infrastructure.

- Possible minor improvement to existing inefficient junction on key highway network but unlikely to be able to retrofit adaptive control technology (MOVA & SCOOT).
- Not eligible for Sustrans funding and not satisfying criteria.
- Loss of DfT and s.106 funding.

**Option 3: Full Junction Re-Design and Cycleway** (further/ additional right turn lane from Edgbaston Road to Pershore Road – *based on traffic modelling*) and road space re-allocation from vehicles to cyclists.

Positive:

- All identified funding streams (DfT, Sustrans and s.106) will be eligible.
- Designs generally in accordance with Pre-luminary designs taken to public/ stakeholder consultation.
- Reallocation of vehicle running lanes (carriageway) to cycling.
- Acquisition of third-party land and private trees thereon (to become Highway Assets) and loss of some of these trees.

Negative:

- Highest works cost option as involved significant impact on utilities and highway level adjustments. Full funding streams to cover all these costs not identified therefore not possible to implement.
- Loss of highway trees within central reserve/ part of landscape character of the highway.

**Option 4: Junction Re-Design and Cycleway** (no additional right turn lane from Edgbaston Road to Pershore Road) and road space re-allocation from vehicles to cyclists.

Positive:

- Scheme budget is fully funded (all identified funding streams DfT, Sustrans, s.106, internal virement) eligible to cover scheme costs.
- Limited impact on STAT's and significantly reduced highway level adjustments.
- Design alterations enabled retention of greater number of existing highways trees.
- Acquisition of third-party land and private trees thereon (to become Highway Assets) and loss of some of these trees, however, mitigation to be considered.
- Reallocation of vehicle running lanes (carriageway) to cycling.
- Subject to some modifications, designs generally in accordance with preliminary designs taken to public/ stakeholder consultation.
- Incorporates greater analysis of traffic survey/ modelling results.

Negative:

- No additional right turn lane for vehicles.

It is recommended that Option 4 be progressed as it will enable the City Council to meet commitments to improve junction efficiency, will improve safety for pedestrians/cyclists, incorporates responses to public/stakeholder consultation and is based on traffic survey results/revised modelling.

## C2. Evaluation of key risks and issues

There are various risks associated with this project which the project team have considered and sought to reduce or eliminate as far as practicable during the design process. The design changes made from Pre-Lim design to Detailed Design significantly reduced the risks and added costs however the further analysis and design alteration did result in delay to the overall scheme programme up to FBC submission. The risks are included as Appendix F – Corporate Risk Register, with a few headline matters listed below:

- Loss of external funding (DfT, Sustrans, s.106).
- STAT's/Utilities cost of protection/diversion and/ or availability to undertake works in tandem with the City Council/ Contractors programme.
- Covid-19 resulting in local, regional, national, international lockdowns or restrictions resulting in reduced human resources and/or materials availability.
- UK withdrawal from the European Union (BREXIT) may impact on labour and materials availability.
- Events calendar at Edgbaston Cricket Ground affecting works programme and traffic management. As the stadium is also one of the host venues for the Commonwealth Games 2022, works need to be undertaken in 2021.

## C3. Other impacts of the preferred option

### Positive:

- Delivery of a scheme (controlled pedestrian crossings) at the Pershore Road/Priory Road junction has been much sought after for many years by local politicians and residents.
- Improved public transport facilities (bus stops) and journey time reliability with incorporation of controls within adaptive signal controls together with improved/ safer access to and from Bus Stops through the busy junction.

### Negative:

- Reduces vehicle road capacity and therefore longer queue lengths may occur along Edgbaston Road as current running lanes (eastbound) from River Rea Bridge to Cannon Hill Road reduced from 2 to 1.
- Additional stage introduced at Pershore Road/Priory Road signals therefore overall loop timing may increase (although with introduction of new adaptive controls this can be monitored/ minimised).

## D1. Partnership, joint venture and accountable body working

The scheme will be delivered through a combination of external funding sources (as detailed above) and funding from a third party (private developer). Internal monitoring & governance together with and external reporting in accordance with the funding bodies requirements will need to be undertaken.

## D2. Procurement implications and Contract Strategy

The procurement route for the works is to use the Black Country Framework Agreement for Minor Works (Lot 3, £500,000+ Civils Works) in accordance with its protocol.

## D3. Staffing and TUPE implications

Ongoing internal & external resourcing to deliver the scheme.

**E. FINANCIAL CASE****E1. Financial implications and funding**

	Prior Years	2020/21	2021/22	Total
	£000	£000	£000	£000
Capital Expenditure	86.4	126.0	2,033.6	2,246.0
<b>Total capital expenditure</b>	<b>86.4</b>	<b>126.0</b>	<b>2033.6</b>	<b>2,246.0</b>
<b>CAPITAL FUNDING</b>				
Development costs funded by:				
Development Costs (ITB)	52.0	126.0	152.6	<b>330.6</b>
Land acquisition (ITB)	34.4			<b>34.4</b>
Other costs funded by:				
Works: DfT funding			1300.0	<b>1,300.0</b>
Works: Sustrans			415.0	<b>415.0</b>
Developer Section 106				
Contribution			50.0	<b>50.0</b>
Virement from BCR Phase 3 (ITB)			116.0	<b>116.0</b>
<b>Total capital funding</b>	<b>86.4</b>	<b>126.0</b>	<b>2033.6</b>	<b>2,246.0</b>

Further details are contained within Exempt Appendix B.

**E2. Evaluation and comment on financial implications****Capital Costs**

The estimated cost of £2.246m referred to above is an increase of £0.746m from the cost of £1.500m approved by Cabinet in March 2019 in the Options Appraisal report which was funded from £1.300m Cycle City Ambition Grant and £0.200m of Integrated Transport Block (ITB). The additional cost has resulted due to design alterations, more informed Statutory Undertakers costs and increased materials costs.

The funding to cover the additional cost of £0.746m is from an approved reallocation of Integrated Transport Block from Journey Time Reliability (JTR) scheme (£0.165m ITB approved 10<sup>th</sup> May 2019 as below), grant funding from Sustrans (£0.415m), s106 funding (£0.050m) and reallocation Birmingham Cycle Revolution Phase 3 (£0.116m ITB).

The Journey Time Reliability funding was transferred to this scheme via Delegated Authority (National Productivity Investment Fund Journey Time Reliability to City Growth Areas report signed 10th May 2019). Approval for additional funding of £0.415m from the National Cycle Network Activation Programme via Sustrans is sought in this report as is the transfer of £0.116m from Birmingham Cycle Revolution Phase 3. The use of s106 funding of £0.050m for this scheme is in line with the terms and conditions of the agreement

(Planning Reference 2018/05638/PA). This funding can be drawn upon once the requisite Notice has been served and the funding deposited with the City Council expected in 2021.

### Revenue Implications

	<b>Total Per annum</b>
<b>REVENUE IMPLICATIONS</b>	<b>£</b>
Maintenance - Basic Assets	6,745.69
Maintenance - Enhanced Assets	-1,148.70
Energy	-4,293.24
<b>TOTAL REVENUE EXPENDITURE</b>	<b>1,303.75</b>
<b>Funded by</b>	
Highways Maintenance Policy	
Contingency	<b>-1303.75</b>

The scheme will both change and create assets that will form part of the highway upon completion of the project. As such they will need to be maintained within the overall highway maintenance programme. The net additional cost per annum of £1.304 (Basic Highway Assets +£6,745.69 per annum, Enhanced Highway Assets -£1,148.70 per annum and -£4,293.24 energy costs per annum) will be funded from the provision for highways maintenance held within Corporate Policy Contingency. Full year annual cost anticipated to run with effect from 2022/23.

### E3. Approach to optimism bias and provision of contingency

The overall total estimated capital cost for the scheme of £2.246m includes an element of contingency, which is deemed sufficient to address any unforeseen works/events. Further details are contained within Exempt Appendix B.

### E4. Taxation

The proposed pedestrian and cycle safety measures to be developed at the Pershore Road/Priory Road junction will be liable to VAT. This comprises the following:

- installation of 4 new controlled pedestrian crossings;
- installation of 2 new dedicated controlled cycle crossings;
- conversion of a 2-stage controlled pedestrian crossing to a single staged controlled Toucan crossing;
- reallocation of road space from vehicles to cyclists;
- new segregated cycleway along Priory Road and Edgbaston Road connecting Cannon Hill Park and the Birmingham Cycle Revolution route along A38 Bristol Road;
- realignment of National Cycle Network (Route 5) between Cannon Hill Park and City Centre (with associated signage along this section and longer route);
- bus stop markings (refreshing and realigning);
- decluttering of footway by means of removal of unrequired street furniture;

- replacement tree planting;
- new dedicated vehicle left turn from Priory Road to Pershore Road; and
- improved junction operational efficiency via signal phasing & stages alterations through incorporation of adaptive controls (MOVA & SCOOT) which also provide integration of this junction with nearby A38 Bristol Road/ Priory Road junction for yet further operational efficiency along the key highway network;

The acquisition of third-party privately-owned land to accommodate additional highway requirements of the scheme is exempt from VAT.

Delivery of the Pershore Road/Priory Road Junction scheme is in accordance with the City Council's statutory functions as the highway authority for the its geographical area and as such the delivery of this scheme will be a non-business activity of the City Council, for VAT purposes.

As such, the City Council can reclaim VAT on its costs of developing and delivering the scheme without any adverse impact upon its VAT recovery position.

As this is a construction project, the requirements of HMRC's Construction Industry Tax Scheme will be included in the contract documentation to ensure the City Council's compliance.

#### **Taxation Summary for Outline Business Case/Cabinet Reports etc.**

There are no adverse VAT implications for the City Council in delivering this scheme as the maintenance of highways is a statutory function of the City Council such that any VAT paid to contractors or on the acquisition of land for the delivery of highway schemes is reclaimable.

## **F. PROJECT MANAGEMENT CASE**

### **F1. Key Project Milestones**

### **Planned Delivery Dates**

Detail Design complete	February 2021
Full Business Case approval	April 2021
Contractor appointed	May 2021
TRO's advertised/Notice	September 2021
Works commence	June/July 2021
Works complete	November 2021
Date of Post Implementation Review	January 2022

### **F2. Achievability**

The additional third-party land required for highway widening was secured in February 2020 (by negotiation), therefore all elements of land required are now fully within the City Council control.

The construction companies within the identified Procurement Strategy/ Framework have all previously undertaken works of this nature within Birmingham. Each of these have also been notified that the Tender Invitation will soon be released, so as to enable each to undertake early preparation arrangements in advance of Tender consideration and if successful, resource scheduling etc.

Alterations to proposals during detailed design stage have reduced the amount of physical works required and impact on Statutory Undertakes therefore significantly reducing risks and protection/diversion costs at the preliminary stage.

Based on designer's cost estimates and engagement with utility companies, the current funding streams cover scheme costs.

The Risk Register (Appendix F) should also be considered with reference to achievability.

### F3. Dependencies on other projects or activities

The existing Birmingham Cycle Revolution (A38 Bristol Road) scheme will become associated with this scheme as the National Cycle Network is re-aligned between Cannon Hill Park and the city centre and also the technology within the traffic signals (MOVA & SCOOT) at both the Bristol Road/Priory Road junction and the Pershore Road/ Priory Road junction.

Journey Time Reliability (JTR) scheme for part of the technology/software upgrade at the Pershore Road/Priory Road Junction.

The City Council has granted planning approval for a private residential development at Edgbaston Cricket Ground. The private scheme will be undertaking minor s.278 works on Pershore Road and at the Stadium entrance and liaison for co-ordination of those works and the highway scheme is already underway. Additionally, there is a Section 106 commitment that contributes £0.050m to the City Council's adjacent highway improvement scheme.

### F4. Officer support

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### F5. Project Management

Project Sponsor	– Philip Edwards
Senior Responsible Officer	– Paul Simkins
Programme Manager	– Nicholas Richards
Project Manager	– Perminder Balu
Project Accountant	– Andy Price

<b>G. SUPPORTING INFORMATION</b>		
<b>G1. Exempt Appendix</b>		
<b>Appendix B – Exempt Appendix</b>		
<b>G2. Scheme Layout</b>		
<b>Appendix C – Scheme Layout Drawings</b>		
<b>G3. Stakeholder Analysis</b>		
<b>Stakeholder</b>	<b>Role and Significance</b>	<b>How stakeholder relationships will be managed</b>
<b>Appendix D – Consultation Summary &amp; Responses (Public Consultation Nov 2018)</b>		
Construction phase ‘Information Strategy’ to be developed, including updating BeHeard.		
MP & local councillors	Local engagement by Project Manager to updated on scheme current status/ programme should they be approached by their constituents.	Continuation of existing occasional email exchange/ updates. Potentially more regular updates during construction phase.
Department for Transport (Funding Body)	Primary funding body for the scheme.	Update quarterly via existing process.
Sustrans (Funding Body)	Secondary funding body for the scheme.	Update quarterly by required funding monitoring regime requirements.
General groups e.g. cycling and walking, bus users and resident groups	End user.	Updates provided during detailed design stage during City Council hosted regular walking & cycling stakeholder forum.
Emergency services	End user.	As per existing City Council protocol.
Taxi operators	End user	As per existing City Council protocol.
<b>G4. Summary of Risks and Issues Register</b>		
<b>Appendix F – Risk Register</b>		
<b>G5. Project Plan</b>		
<b>Appendix E – Overview Project Programme</b>		
<b>G6. Equalities</b>		
<b>Appendix G – Equalities Analysis: Ref EQUA83</b>		
<b>G7. Social Value</b>		
<b>Appendix H – Social Value Rationale</b>		