

Birmingham City Council

Report to Cabinet

17th December 2019



Subject: A34 Walsall to Birmingham Sprint – Full Business Case

Report of: Interim Director, Inclusive Growth

Relevant Cabinet Member: Councillor Waseem Zaffar – Transport and Environment
Councillor Tristan Chatfield – Finance and Resources

Relevant O &S Chair(s): Councillor Liz Clements – Sustainability and Transport
Councillor Sir Albert Bore – Resources

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Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s): Perry Barr, Birchfield, Aston, Lozells, Newtown, Nechells, Ladywood (also parts of Walsall MBC and Sandwell MBC)		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 005054/2018		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential: Not applicable		

1 Executive Summary

- 1.1 This report details the proposed A34 Walsall to Birmingham Sprint scheme on the Perry Barr corridor, to be delivered by Transport for West Midlands (TfWM) on behalf of West Midlands Combined Authority (WMCA), and seeks authority for the City Council to approve highway measures within the city boundary in its capacity as Highway Authority and to enter into legal agreements with WMCA for the delivery of those works. The estimated capital cost of the project (excluding vehicle costs) is £50.300m, of which approximately £16.000m is for highway works within the Birmingham boundary covered by the proposed legal agreements.

- 1.2 The scheme is scheduled to be delivered before the Commonwealth Games in 2022. A separate Cabinet report has been developed in respect of a proposed Enhanced Partnership (EP) between TfWM, the City Council, other local authorities and the bus operators. The EP Report is also scheduled for Cabinet on 17th December 2019 and should be read in conjunction with this report.
- 1.3 The procurement of the highway works will be carried out by WMCA, and they are also responsible for procuring a network operator and suitable vehicles, along with bus shelters, ticketing and passenger information systems. The City Council will take responsibility for ongoing maintenance resulting from the highways works. The maintenance of other Sprint infrastructure will be the responsibility of TfWM.
- 1.4 The City Council will deliver Bus Lane Enforcement (BLE) measures at an estimated cost of £0.100m using capital funding from WMCA. The City Council will be responsible for the on-going operation of the enforcement activity.

2 Recommendations

- 2.1 Acting on behalf of the City Council in its capacity as Highway Authority, notes the route of the A34 Walsall to Birmingham Sprint scheme and associated measures and approves the Full Business Case as set out in Appendix A, and authorises the Assistant Director Transport and Connectivity in consultation with the Cabinet Member for Transport and Environment to agree the final detail of the scheme with WMCA who are acting in their capacity as project promoter and funder.
- 2.2 Subject to WMCA having the necessary approvals and funding in place, approves the City Council entering into legal agreements with WMCA to allow the works to be carried out on the public highway within Birmingham, and for the legal agreement to be made without a bond being required from WMCA as detailed in paragraph 7.3.2.
- 2.3 Approves expenditure of fees and other costs up to a value of £0.650m for the City Council to complete design reviews, legal agreements, traffic regulation orders and site inspections, and agrees to the City Council being reimbursed by WMCA based on actual costs rather than a fixed fee percentage, subject to an agreed cap on overhead rates.
- 2.4 Notes that following implementation the City Council will be responsible for the ongoing maintenance resulting from the highway works at an estimated cost of £0.024 per year.
- 2.5 Notes the proposed supply and installation of up to four BLE cameras at an estimated cost of £0.100m to be funded by WMCA, as set out in Appendix A, and delegates award of the contract for the cameras and associated equipment to the Interim Director Inclusive Growth in accordance with the procurement strategy set out in Section 7.4.1.

- 2.6 Notes that following completion of the scheme the City Council will be responsible for the on-going operation of the BLE activity and the resultant income and expenditure including future maintenance obligations. Further details are given in Appendix A.
- 2.7 Authorises the discharging of Petition No. 2087 presented to the City Council by Councillor Morriam Jan on 6 November 2018 from residents of Perry Barr in relation to the removal of Perry Barr flyover and the proposed Sprint route, and that Councillor Jan and the first-named petitioner be informed accordingly.
- 2.8 Authorises the Acting City Solicitor to negotiate, execute, seal and complete all necessary documentation to give effect to the above recommendations.

3 Background

- 3.1 The A34 Walsall to Birmingham Sprint scheme follows the corridor from Walsall to Birmingham via Scott Arms and Perry Barr. The scheme is scheduled to be completed before the Commonwealth Games in 2022. The total length of route within the City Council's boundary is about 8km, with a further 6.5km within the boundaries of Sandwell and Walsall. See Appendix G for a route plan and Appendix H for scheme drawings within the Birmingham boundary. Works within the Sandwell and Walsall boundaries are subject to separate approvals from those authorities, and if there are significant changes to the scheme as a consequence of those approvals then a further report would be brought back to Cabinet.
- 3.2 The scheme enhances the links between Walsall, Scott Arms, Perry Barr and Birmingham city centre, connecting to the proposed HS2 station at Curzon Street. The scheme will also support the Birmingham 2022 Commonwealth Games, by improving access to Alexander Stadium and the Perry Barr residential scheme, as well as connecting to the A45 Sprint to provide improved access to Birmingham Airport and events at the NEC.
- 3.3 The Sprint programme is promoted by WMCA through the HS2 Connectivity Package as part of the West Midlands Devolution Deal. The A34 Walsall to Birmingham route is one of the Sprint schemes proposed for accelerated delivery as part of the transport strategy for the Commonwealth Games in 2022. The key principles of Sprint and agreement to progress the priority routes for the Commonwealth Games were approved by Cabinet on 24th January 2018.
- 3.4 A Strategic Outline Business Case was approved by WMCA in July 2017. TfWM completed preliminary design and public consultation in autumn 2018 and obtained their Outline Business Case approval from the WMCA Investment Board on 18th February 2019, allowing release of funds to commence the detailed design stage. TfWM are now preparing their Full Business Case to the funding bodies, and a draft copy is provided in Appendix E.
- 3.5 WMCA are the scheme promoter and funder, and have responsibility for delivery of the scheme, with the City Council approving the on-street measures within the

City Council's boundary in its capacity as the Highway Authority. These measures will follow the City Council's project governance and approval processes. This Full Business Case (FBC) also reports on other elements of the Sprint concept as part of the approval to the overall package.

- 3.6 A separate Cabinet report has been developed to report on a proposed EP between TfWM, the City Council, other local authorities, and the operators of Sprint and other bus services on key routes. This is also scheduled to be taken to Cabinet on 17th December 2019. New articulated vehicles will be specified as zero-emission at the tailpipe under the EP, with an aspiration for all buses on the corridor to meet zero-emission standards in the longer term. Reducing congestion for buses and encouraging use of public transport should also reduce overall emissions.
- 3.7 Following implementation of the scheme, responsibility for the ongoing maintenance resulting from the highways works will be taken on by the City Council. Further details are given in Section 7.3.
- 3.8 It is expected that the project will require the removal of around 30 trees. These will be replaced within the wider area as part of the scheme, to the satisfaction of the City Council's Arboricultural Officer and following the principles of existing guidance including the 'Birmingham Tree Policy' report for Overview and Scrutiny Committee in February 2018. The mitigation measures will be designed to ensure a net gain of canopy cover within ten years and the final planting regime will be agreed with WMCA as part of the overall legal agreement for the project. The future maintenance cost estimates contained in this report make an assumption of a net gain of 26 trees overall.
- 3.9 An initial Environmental Screening has been produced by TfWM and forwarded to the City Council's Planning Officer for consideration. If this determines that a full Environmental Assessment is required then Planning Consent will also be needed. It would be the responsibility of WMCA to complete these processes if they are required.
- 3.10 The project is intended to contribute to wider policy objectives towards a mode shift to public transport as part of the climate-change agenda to bring about the City Council's 2030 carbon-neutral target, and so one of the aims is to see an overall benefit in terms of air quality in the long term. It is not expected that there will be any detriment to human health as it is not expected that the proposals will have a significant impact on noise and vibration or on air quality. The scheme is unlikely to make a material difference to the date by which air quality objective values are achieved within the area of influence, and the project lies within the Birmingham Air Quality Management Area.
- 3.11 The works are expected to cause some short-term impacts on air quality in some locations, but based on the information currently available it is considered that

standard measures for the control of dust from demolition and construction works should ensure that a significant adverse impact does not occur.

- 3.12 Camera enforcement is required to prevent and discourage general traffic from using the bus lanes, which disrupts services and reduces journey time reliability. The proposed camera locations are listed in Appendix A, with the cameras to be delivered in phases to suit the construction programme. The contract for the supply and installation of camera equipment and associated back-office infrastructure will be awarded by the City Council, with WMCA providing the capital funding via a grant contribution. This will be subject to a procurement process to be undertaken in due course. Installation of poles and electrical supply for the cameras will be carried out by WMCA's main works contractor. Following completion of the scheme the City Council will be responsible for the ongoing operation of the enforcement activity and the resultant income and expenditure including future maintenance obligations. Further details are given in Appendix A.
- 3.13 The design is being developed in conjunction with other schemes along the route, particularly the proposals around Perry Barr for the Commonwealth Games, and in the city centre for HS2 and Birmingham Eastside Metro Extension. This includes co-ordination of temporary traffic management and travel-demand management measures to minimise disruption during construction. Further details are given in section A3 of Appendix A.

4 Options considered and Recommended Proposal

- 4.1 The key principles of Sprint and agreement to progress routes for Commonwealth Games, including the A34 Walsall to Birmingham route, was approved by the Cabinet on 24th January 2018.
- 4.2 WMCA have gained approval as part of their Outline Business Case submission to the funding bodies to proceed with a recommended scheme. Further details on the options considered as part of the Outline Business Case can be found in Section C1 of Appendix A.

5 Consultation

- 5.1 WMCA led a public consultation exercise with support from the City Council and Sandwell and Walsall, between 22nd August and 5th October 2018. This involved engaging with the public, MPs, local councillors and other key stakeholders along the route. Details of the outcomes are provided in Section B5 of Appendix A and in WMCA's Sprint Route Public Consultation output report which is appended in Appendix F.
- 5.2 569 responses were received on the A34 scheme during the consultation, with 73% fully or partially supporting the scheme and 24% not in support of the proposal. The consultation showed that 81% of responders agreed with the need to provide reliable bus journey times on the route. Details of the outcomes are

provided in WMCA's Sprint Route Public Consultation output report published in December 2018, which is appended in Appendix F. Further details on key consultation issues are also provided in Section B5 of the FBC in Appendix A.

- 5.3 A petition containing 116 signatures was presented to the City Council by Councillor Morriam Jan on 6th November 2018, from residents of Perry Barr, stating: 'We the undersigned are deeply concerned about the combined impact of the proposal to remove the Perry Barr Flyover and introduction of SPRINT bus services (with fewer seats) on the excellent X51 service and call for proposals that improve this service'. The petition has been discussed with the Perry Barr councillors and the Cabinet Member for Transport and Environment. Taking into account the representation from Councillor Jan and the scheme benefits outlined in the FBC, this report seeks authority to discharge this petition.
- 5.4 A further update was provided in March 2019 by WMCA to the public, MPs, local councillors and other key stakeholders, informing them of design changes which were proposed as the result of the consultation feedback. In addition to leaflet drops and on-line publication, further public meetings were also carried out where required.
- 5.5 The design has been amended following public consultation to retain most of the parking between Perry Barr and Scott Arms while still providing bus priority where most desirable. Only 12% of parking (45 spaces) has been completely removed and this is spread evenly along this section of the route. 85% of existing unrestricted parking laybys are retained without restrictions. The remaining parking has restrictions for different parts of the day depending on the location, eg time limited or off-peak only. These changes were subject to further engagement with residents in September 2019. See Section B5 of Appendix A for more details.

6 Risk Management

- 6.1 A scheme-level Risk Register has been established through a workshop held by WMCA with its key stakeholders including the City Council, Walsall and Sandwell. The risk register is managed by WMCA and accessible to partnering local authorities, a summary can be found in Appendix C. The key identified risks include:
- Reputational damage if the scheme is not delivered for the Commonwealth Games;
 - Coordination of works with other key developments on the route including Commonwealth Games and Perry Barr;
 - Opposition to scheme including objections and legal challenge to Traffic Regulation Orders;
 - Utility diversions take longer than planned;
 - Test events for Commonwealth Games disrupt construction works;
 - Construction costs increase after works have commenced on site;

- Disruption to road users during the construction stage;
- Materials or resources are not available when they are required;
- Insufficient income from BLE to cover on-going maintenance costs.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 The proposal aligns with policy objectives in the City Council's Plan 2018-2022 (as updated in 2019), the Birmingham Development Plan (BDP) 2013, the Birmingham Connected Transport Strategy, the Health and Wellbeing Strategy, and the West Midlands Strategic Transport Plan. The scheme also supports the City Council's 2030 carbon-neutral target. Refer to Section B1 of the FBC in Appendix A for further details.
- 7.1.2 The project will support the City Council's actions to improve air quality by encouraging public transport. An air quality impact assessment has been completed and concluded that the proposed development meets the objectives set out in the City Council's Plan 2018-2022 (as updated in 2019).

7.2 Legal Implications

- 7.2.1 In order to deliver the West Midlands devolution deal, the WMCA through powers devolved to the Mayor of the West Midlands, were appointed to take on responsibility for a devolved and consolidated transport budget, and for a key route network. The order makes provision for identifying specific local authority roads as Combined Authority roads and to create a statutorily defined West Midlands Key Route Network (KRN).
- 7.2.2 The KRN provides WMCA with powers to exercise the functions of the constituent councils as local highway authorities specified in Section 8 of the Highways Act 1980. In turn, this allows WMCA to enter into agreements with local highway authorities and strategic highways companies in order to carry out certain works.
- 7.2.3 WMCA will enter into a legal agreement with the City Council and Sandwell and Walsall under Section 8 and Section 278 of the Highways Act, which will allow WMCA and their contractors to work on the public highway. Section 8 will apply to locations on the KRN and Section 278 will apply elsewhere. The City Council will retain Network Management Duty, including processing of permanent and temporary TROs.
- 7.2.4 The City Council carries out transportation, highways and infrastructure works under the relevant primary legislation including the Town and Country Planning Act 1990, Highways Act 1980, Road Traffic Regulation Act 1984, Traffic Management Act 2004, Transport Act 2000, and other related regulations, instructions, directives, and general guidance.

- 7.2.5 The locations of highway works are within areas of Highway Maintainable at Public Expense. Planning and any other consents or approvals required for the scheme are the responsibility of WMCA.
- 7.2.6 BLE cameras are installed in accordance with the 'Provisional Guidance on bus lane (including tramway) enforcement in England outside London' (2005, revised 2008) and 'A Code of Practice for Bus Lane Camera Enforcement' (March 2007) and the 'Surveillance Camera Code of Practice' (June 2013).

7.3 Financial Implications

Capital Costs

- 7.3.1 Delivery and funding of the A34 Walsall to Birmingham Sprint scheme is the responsibility of WMCA. The estimated capital cost is £50.300m, including fees and contingency, but excluding vehicle-purchase costs which will be sought from the appointed operator. Details of the funding can be found in the financial tables in Appendix A. The proposed third-party contribution will be the responsibility of WMCA to secure, and there will be no call on City Council resources for this element.
- 7.3.2 From the overall budget, it is estimated that £16.000m will be for highway works within the City Council's boundary. These works will be subject to a legal agreement between the City Council and WMCA. This legal agreement will not be subject to a Bond from WMCA, as they are a public-sector body and the scheme is predominantly public-funded. In the unlikely event of non-performance by WMCA then the legal agreement would give the City Council power to step in and complete works. The City Council would have to underwrite the resulting costs initially but would be able to recover these costs from WMCA under the terms of the legal agreement.
- 7.3.3 The estimated cost of the camera enforcement equipment is approximately £0.100m, and these costs will be funded by WMCA via a grant-funding contribution which will be included in the overall legal agreement.
- 7.3.4 Other City Council costs on the scheme are estimated to be £0.650m including staff time in contributing to the design, consultation and approval processes, site inspections, time spent in relation to the preparation of legal agreements and all costs in relation to the temporary and permanent traffic regulation orders. These costs will be reimbursed by WMCA under the terms of the legal agreement, with quarterly invoices submitted retrospectively by the City Council. As the majority of work will be under Section 8 rather than Section 278 terms, and the input required is different from that for private developer schemes, the City Council will be reimbursed based on actual costs incurred rather than a fixed fee percentage. This will be subject to an agreed cap on overhead rates,

although the current estimate allows for a standard overhead recovery rate.

Revenue Implications

- 7.3.5 This project will create assets that will form part of the highway upon completion of the project; as such they will be maintained within the overall highway maintenance programme. The estimated net cost of including these newly created assets within the highway maintenance regime is estimated to be £0.024m per year, including both standard and enhanced assets. This will be funded from the provision for Highways Maintenance held within Corporate Policy contingency.
- 7.3.6 The City Council will be responsible for ongoing camera enforcement operations, and income will be generated from Penalty Charge Notices (PCNs) issued as part of the enforcement regime. This income will be used in the first instance to cover the operational costs of enforcement including cameras, associated equipment and administration costs. Any surpluses generated will be used in line with applicable regulations. The table in Section E of Appendix A shows a summary of the estimated income and expenditure based upon the proposed enforcement regime, which assumes the maximum of four cameras, and experience from BLE schemes already in operation within the city. This shows that over the first six years of operation of the cameras, income from PCNs is estimated at £0.996m with operational and other costs estimated at £0.770m, leaving a retained surplus of £0.226m.

7.4 Procurement Implications

- 7.4.1 The City Council will only be responsible for procuring the supply and installation of enforcement cameras and associated back-office infrastructure, using the City Council's contract which is due to be awarded in April 2020. The procurement process for ANPR cameras was reported to Cabinet in the Planned Procurement Activities Report of 26th November 2019.
- 7.4.2 The procurement of all other elements of the works and associated requirements for the operation of Sprint will be the responsibility of WMCA. The City Council will be part of the quality assessment panel for the works. There are no procurement implications for the City Council from these elements.
- 7.4.3 The City Council's works specifications will be incorporated into the tender documentation and subsequent contract to ensure compliance with the PFI contract. The contract will include commitments for Social Value, including boosting the local economy and creation of local job opportunities.

7.5 Human Resources Implications (if required)

- 7.5.1 The scheme is being managed by WMCA, and the City Council's input will be undertaken using existing internal resources, with support from external consultants when required. There are no human resource implications for the City Council.

7.6 Public Sector Equality Duty

- 7.6.1 An Equality Assessment (EqA) was completed for the Sprint concept as part of the Cabinet Report in January 2018 (ref: EA002569). This did not identify any negative impact on protected characteristics as a result of the Sprint strategy and concluded that a full assessment was not required at that stage.
- 7.6.2 A scheme-specific EqA for the A34 Walsall to Birmingham Sprint scheme has been completed by WMCA in conjunction with the City Council and other local authority partners, and is included as Appendix B. Officers from the City Council have contributed to the assessment and agree that all relevant factors have been identified and considered, and concur with the conclusion that there will be either a neutral or positive impact on all protected characteristics, and that a further assessment is not required.
- 7.6.3 The EqA noted that parking restrictions could have an impact on residents with mobility / accessibility needs. The detailed design has taken this into account where individual needs have been identified through the public consultation process, and on-street parking will be retained in areas where residents do not have off-street alternatives.

8 Appendices

- 8.1 List of Appendices accompanying this report:

Appendix A – Full Business Case
Appendix B – WMCA Equality Impact Assessment
Appendix C – WMCA Risk Assessment
Appendix D – WMCA Programme
Appendix E – WMCA A34 Walsall to Birmingham Full Business Case (draft)
Appendix F – WMCA Sprint Route Public Consultation output report
Appendix G – WMCA Route Plan
Appendix H – WMCA Scheme Plans (Birmingham section only)

9 Background Documents

'Sprint Bus Rapid Transit Network Development and Implementation Strategy' – Report of the Corporate Director Economy to Cabinet, 24th January 2018.

'A34 Walsall to Birmingham Sprint Outline Business Case' – WMCA document, February 2019.

