

**BIRMINGHAM CITY COUNCIL**

**PUBLIC REPORT**

<b>Report to:</b>	<b>CABINET</b>
<b>Report of:</b>	<b>CORPORATE DIRECTOR, ECONOMY</b>
<b>Date of Decision:</b>	<b>27 June 2017</b>
<b>SUBJECT:</b>	<b>SWALLOW STREET – METRO COMPLEMENTARY HIGHWAY WORKS, PROJECT UPDATE AND DELIVERY STRATEGY</b>
<b>Key Decision: Yes</b>	<b>Relevant Forward Plan Ref:001228/2016</b>
<b>If not in the Forward Plan: (please "X" box)</b>	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
<b>Relevant Cabinet Member(s) or Relevant Executive Member:</b>	<b>Councillor Stewart Stacey – Cabinet Member for Transport and Roads</b> <b>Councillor Majid Mahmood – Cabinet Member for Value for Money and Efficiency</b>
<b>Relevant O&amp;S Chairman:</b>	<b>Councillor Zafar Iqbal – Economy, Skills and Transport</b> <b>Councillor Mohammed Aikhlaq – Corporate Resources and Governance</b>
<b>Wards affected:</b>	<b>LADYWOOD</b>

<b>1.</b>	<b>Purpose of report:</b>
1.1	To seek approval to progress the Swallow Street scheme as an alternative to the previously approved Navigation Street Link scheme.
1.2	To seek approval to the delivery strategy for the Swallow Street Scheme, to enter into a Section 278 Highways Act Agreement to allow Transport for West Midlands (TfWM) to undertake work on the public highway and to enter into a funding agreement with the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Enterprise Zone in respect of the development funding incurred by the City Council.
<b>2.</b>	<b>Decision(s) recommended:</b>
	That Cabinet:-
2.1	Approves the Swallow Street Scheme, as show on Drawing No. CA-02703-07- S1-001 (Appendix A), as an alternative to the previously approved Navigation Street Link scheme.
2.2	Approves the strategy for Transport for West Midlands (TfWM) to deliver the scheme under a Section 278 Highways Act Agreement to allow TfWM to undertake work on the public highway.
2.3	Authorises the Assistant Director, Transportation and Connectivity to enter into a funding agreement and accept £251,800 of Greater Birmingham and Solihull Enterprise Zone (GBSLEP EZ) grant funding.
2.4	In its capacity as Accountable Body for the Greater Birmingham and Solihull Local Enterprise Partnership, approves City Council prudential borrowing of £251,800 for this scheme in accordance with the Enterprise Zone Investment Plan (EZIP) approved by Cabinet on 20th September 2016.
2.5	Authorises the Assistant Director of Transportation and Connectivity to revoke the

Navigation Street Highway Improvement Line shown in red on Appendix E – Navigation St Highway Improvement Line.

- 2.6 Authorises the City Solicitor to negotiate, execute and complete all necessary agreements and documentation to give effect to the above recommendations.

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### **3. Consultation**

#### **3.1 Internal**

The Ladywood Ward Councillors, along with the District Engineer have been provided with details of the scheme proposal. In July 2017 the Ward Councillors will be formally consulted as part of the full public consultation.

- 3.2 Officers from City Finance, Legal Services and Procurement have been involved in the preparation of this report.

#### **3.3 External**

Transport for West Midlands (TfWM), formerly Centro, have been consulted and support the scheme. A full public consultation exercise to include Ward Councillors, MP, landowners, businesses, local frontages, Amey Highways Maintenance Contractor, public transport operators, and emergency services will be carried out in July 2017.

### **4. Compliance Issues:**

#### **4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?**

- 4.1.1 The Swallow Street scheme fully supports the Council's primary objectives, specifically the creation of "Jobs and Skills" through investment in transport infrastructure and improved connectivity that supports new developments being built in Birmingham. The project also aligns with the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Strategy for Growth, Strategic Economic Plan.

- 4.1.2 The project support the targets and objectives of the Local Transport Plan 3, 2011-2026, specifically those targets for reducing congestion, improving road safety, improving the highway network and improving air quality.

## 4.2 Financial Implications

- 4.2.1 The estimated capital cost of this proposal is £2.192m (including, option appraisal, design, works, contingency, statutory undertakers, and fees). This will be funded from GBSLEP Enterprise Zone (GBSLEP EZ) grant funding to the City Council (£0.252m) and a local contribution (£1.940m) from the West Midlands Combined Authority (WMCA), which will be awarded directly to TfWM. The cost of design and implementation of the Swallow Street scheme will be the responsibility of TfWM and no budgetary contribution will be required from the City Council.
- 4.2.2 The Development costs incurred to date by the City Council for Navigation Street and Swallow Street total £248,263. These costs were authorised through the Metro Project Definition Document (PDD) as part of the £270,000 costs for the Metro Complementary works. A further £3,537 is forecast to be spent in 2017/18 to include costs incurred for outline design and project management fees for Swallow Street. The total development fee of £251,800 is funded from the GBSLEP EZ. Approval was received from the GBSLEP Executive Board on 27th June 2016 and authority is now sought through this report to enter into a funding agreement with the GBSLEP EZ and to accept this grant funding.
- 4.2.3 The funding of £251,800 from the GBSLEP is consistent with the Enterprise Zone Investment Plan (EZIP) approved by Cabinet on the 20th September 2016. The period of prudential borrowing made by the Council as Accountable Body will be linked to the maximum life of the EZ, in accordance with the Council's debt repayment policy for the EZ. The prudential borrowing can be funded from the uplift in business rates within the EZ and in doing so will comply with the financial principles in relation to the EZIP which were detailed in the report to Cabinet on 20th September 2016. Revenue costs associated with the borrowing will be repaid through the business rates uplift.
- 4.2.4 It is proposed that the Swallow Street project be taken forward by TfWM under a Section 278 Highways Agreement. The cost of the capital works, including contingency, statutory undertakers' costs and fees covered by the Section 278 Agreement will be funded by a local contribution from the WMCA, awarded directly to TfWM. The City Council will undertake Design approval, works inspection, Traffic Regulation Order, and legal works. Costs for undertaking this work will be covered by TfWM through the Section 278 Agreement.
- 4.2.5 Eighteen pay and display parking bays are proposed to be removed on Brunel Street as they will be replaced with a Coach parking stand. It is proposed to relocate these eighteen parking bays to Hill Street and it is anticipated therefore that there will not be a revenue impact associated with this element of the proposal.
- 4.2.6 This project will 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 regime. The estimated cost of including these newly created assets, including soft landscaping, within the highway maintenance regime is £9,100 per annum. This

additional cost will be funded from the provision for Highways Maintenance held within Corporate Policy contingency.

4.2.7 A risk assessment has been undertaken and is included in Appendix D.

#### 4.3 Legal Implications

4.3.1 The City Council carries out transportation, highways and infrastructure related works under the relevant primary legislation including the Town and Country Planning Act 1990, Section 278 of Highways Act 1980, Road Traffic Regulation Act 1984, Traffic Management Act 2004, Transport Act 2000, Local Government (Miscellaneous Provisions) Act 1976, Countryside and Rights of Way Act 2000, and other related regulations, instructions, directives and general guidance.

#### 4.4 Public Sector Equality Duty

4.4.1 In February 2016 an initial analysis of the Effects of Equality was undertaken for the Swallow Street scheme and is attached as Appendix C to this report. It was concluded that there would be no adverse effect on protected groups so no action plans are required.

### **5. Relevant background/chronology of key events:**

5.1 In October 2013 Cabinet approved an options appraisal (Project Definition Document) for the proposed Complementary Highway Works (CHW) package that would provide measures to alleviate congestion and pressures on the highway network as a consequence of the Centenary Square Metro scheme which will connect with Paradise Street, which in turn requires the part closure of Hill Street to traffic.

5.2 The Navigation Street Link Scheme, as set out in the original options appraisal, had been developed up to detailed design and whilst negotiation with third parties for land acquisition commenced in 2014, no land has been purchased for this scheme to date. The initially proposed Navigation Street Link, shown on drawing number 60340717-SHT-30-0000-C-0001, attached as Appendix B, would require land within private ownership along the boundary of the Axis Building to be utilised. A Compulsory Purchase Order (CPO) would potentially be required to secure the private land interests, which may result in a CPO Public Inquiry. The estimated implementation cost of the Navigation Street Link is currently £7.773m, including land acquisition.

5.3 An alternative option to the Navigation Street Link which avoids the use of private land is now proposed, as the estimated cost is significantly greater than originally envisaged. The alternative scheme known as 'Swallow Street' has been assessed by the City Council and has considerable merit and a viable alternative to the Navigation Street Link scheme. The Swallow Street Scheme is contained within the public highway.

5.4 The impact of the Swallow Street Scheme proposals on the highway network has been assessed using Vissim traffic modelling to WebTag standard, and has been undertaken by Midland Metro Alliance. The results showed that there would a negative impact on

congestion at Sandpits, Great Charles Street Signal Junction, and Suffolk Street, Paradise Street junction. The City Council is to continue investigating mitigation measures as part of a wider strategy to reduce congestion and delay but this will be in the intermediate term that reflects City Council aspirations in dealing with Air Quality, Public transport movements and overall modal shift.

5.5 The objective of the Swallow Street scheme is to complement the Centenary Square Metro Scheme by introducing mitigating measures to manage traffic reassignment and minimise resulting congestion. The proposed works include:

- Introducing two-way operation on Brunel Street, and Suffolk Street Queensway between Paradise Street and Brunel Street and modification of the traffic signal junction at the Paradise Street / Suffolk Street Queensway junction that is to be introduced as part of the Centenary Square Metro Works.
- Introduce a new traffic signal controlled junction on Brunel Street,
- Introduce two-way operation on part of Hill Street to Swallow Street junction
- Reverse one way operation on remaining Hill Street towards Navigation Street
- Modify existing bay to allow loading and buses docking on Suffolk Street, Queensway
- Relocate MegaBus/Coach stop from Hill Street to Brunel Street.
- Relocate 18 x Pay and Display parking bays from Brunel Street to Hill Street to maintain existing parking provision and income.

5.6 Historical Highway Improvement Lines (HIL) along Navigation Street are no longer required to deliver the proposals and are shown on Appendix E – Navigation Street Highway Improvement Line. It is proposed that these HILs will be revoked and this will be carried out under the Highways Act 1980, Section 73 which states that “Where in the opinion of a highway authority an improvement line prescribed by them under this section, or any part of such a line, is no longer necessary or desirable and should be revoked, they may revoke the line or that part of it.”

## **5.7 Delivery & Procurement Strategy**

5.7.1 It is proposed that TfWM undertake and procure the works for Swallow Street through their Alliance Contract, as the works are complementary to those being undertaken by TfWM on the Metro Phase 2 project at the Paradise Street / Suffolk Street Queensway junction. Having the same designer and works contractor will provide for better co-ordination of the design and construction of the highway works. The TfWM Midland Metro Alliance Agreement is an Alliance contract with a Designer and a Contractor for a period of up to 10 years to deliver the Metro proposals across the West Midlands. Disruption to road users will be kept to a minimum through reduced temporary traffic management.

5.7.2 TfWM and the City Council will enter into a Section 278 Highways Act Agreement to allow TfWM to undertake work on the public highway. The agreement sets out the City Council design and construction specifications to be used to ensure the scheme is constructed to an adoptable standard. The assets will form part of the Highways

Maintenance and Management PFI contract. As part of the Section 278 agreement, City Council officers will approve the works programme, design, and inspect the construction of the works.

- 5.8 Public Consultation for this scheme will be carried out through July 2017. Metro Centenary Square works are due to begin in July 2017 and this Swallow Street scheme will follow on with implementation in October 2017 as part of the overall Metro Project at Paradise Circus.

## **6. Evaluation of alternative option(s):**

- 6.1 Do nothing – Do not progress / implement the Swallow Street Scheme. If the Scheme was not completed there would be additional delays and pressures on the highway network as a consequence of the introduction of the proposed Metro extension to Centenary Square.
- 6.2 Navigation Street Link – This option requires a Compulsory Purchase Order (CPO) to secure private land interests which may result in a Public Inquiry. Additional funding of around £5.5m would need to be secured to cover the cost of this option.

## **7. Reasons for Decision(s):**

- 7.1 To enable the City Council to progress the Swallow Street Scheme as an alternative to the Navigation Street Link scheme.
- 7.2 To enable the design and implementation to be progressed by TfWM under a Section 278 Highways Act Agreement.

### **Signatures**

### **Date**

Councillor Stewart Stacey  
Cabinet Member for Transport and Roads

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Councillor Majid Mahmood  
Cabinet Member for Value for Money and Efficiency

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Waheed Nazir  
Corporate Director, Economy

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### **List of Background Documents used to compile this Report:**

1. Metro Extension to Centenary Square and Associated Works Project Definition Document - Report of the Deputy Chief Executive to Cabinet on 21<sup>st</sup> October 2013
2. City Centre Enterprise Zone Extension and Curzon Investment Plan report approved by Cabinet on 20th September 2016

**List of Appendices accompanying this Report (if any):**

1. Appendix A – Swallow Street Scheme Plan CA-02703-07-S1-001
2. Appendix B – Navigation Street Link Scheme plan 60340717-SHT-30-0000-C-0001
3. Appendix C – Equality Assessment Ref: EA001100
4. Appendix D – Risk Assessment
5. Appendix E – Navigation Street Highway Improvement Line Plan

# **PROTOCOL**

## **PUBLIC SECTOR EQUALITY DUTY**

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
  - (a) whether there is adverse impact upon persons within the protected categories
  - (b) what is the nature of this adverse impact
  - (c) whether the adverse impact can be avoided and at what cost – and if not –
  - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
  - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
  - the full equality impact assessment (as an appendix)
  - the equality duty – see page 9 (as an appendix).



## Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none"> <li>(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;</li> <li>(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;</li> <li>(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.</li> </ul>
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"> <li>(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;</li> <li>(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;</li> <li>(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.</li> </ul>
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"> <li>(a) tackle prejudice, and</li> <li>(b) promote understanding.</li> </ul>
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none"> <li>(a) Marriage &amp; civil partnership</li> <li>(b) Age</li> <li>(c) Disability</li> <li>(d) Gender reassignment</li> <li>(e) Pregnancy and maternity</li> <li>(f) Race</li> <li>(g) Religion or belief</li> <li>(h) Sex</li> <li>(i) Sexual orientation</li> </ul>