

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET MEMBER FOR TRANSPORT AND ROADS JOINTLY WITH THE STRATEGIC DIRECTOR FOR ECONOMY
Report of:	ASSITANT DIRECTOR TRANSPORTATION AND CONNECTIVITY
Date of Decision:	15 July 2016
SUBJECT:	FIVE WAYS AND SPRING HILL PROJECT COST UPDATE
Key Decision: No	Relevant Forward Plan Ref:
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s) or Relevant Executive Member:	Councillor Stewart Stacey – Transport and Roads Councillor Majid Mahmood – Value for Money and Efficiency
Relevant O&S Chairman:	Councillor Zafar Iqbal – Economy, Skills and Transport Councillor Mohammed Aikhlaq – Coporate Resources and Governance
Wards affected:	LADYWOOD

1. Purpose of report:
1.1 To update on the overall costs for the Spring Hill and Five Ways Metro Complementary Highway Schemes and the variances to the Full Business Case approved costs.
1.2 To seek approval to the increase in costs and the necessary funding in accordance with the Gateway and Related Financial Framework.
1.3 To seek approval to enter into a funding agreement with the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Enterprise Zone.

2. Decision(s) recommended:
That the Cabinet Member for Transport and Roads jointly with the Strategic Director for Economy:
2.1 Notes the additional costs incurred of £305,465 on the Spring Hill Metro Complementary Highway Scheme and approves the funding of these costs as set out in the financial implications of this report.
2.2 Notes the additional costs incurred of £167,076 on the Five Ways Metro Complementary Highway Scheme and approves the funding of these costs as set out in the financial implications of this report.
2.3 Authorises the Assistant Director, Transportation & Connectivity to enter into a funding agreement and accept £400,000 funding from the GBSLEP Enterprise Zone (EZ).
2.4 Approves the allocation of additional ITB funding of £122,541 from the Local Sustainable Transport Fund Project.
2.5 Authorises the Interim 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

3.1.1

Officers from Legal and Democratic Services and City Finance have been involved in the preparation of this report.

3.2

External

3.2.1

The consultation information for both schemes was reported in the respective Full Business Cases of 6th March 2015.

4.

Compliance Issues

4.1

Are the recommended decisions consistent with the Council’s policies, plans and strategies?

4.1.1

The Five Ways and Spring Hill Highway schemes fully support the primary objective ‘A Prosperous City’, as set out in the City Councils Business Plan and Budget 2016+. The schemes contribute to growing the economy through investment in transport infrastructure that supports economic growth. The project also aligns with the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Strategy for Growth, Strategic Economic Plan.

4.1.2

The two projects 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 works at Spring Hill and Five Ways are now complete. The estimated final costs of Spring Hill and Five Ways are £535,465 and £637,076 respectively, which represents increases over the approved sums in the Full Business Cases of £305,465 and £167,076 respectively. In line with the Gateway and Financial Approval Framework, it is necessary to seek approval to the increased cost and funding allocations as set out in the project specific Full Business Cases.

4.2.2

In the March 2015 Full Business Case, approval was given to £50,000 GBSLEP EZ funding on Five Ways. In January 2016 the GBSLEP EZ Board approved the allocation of a further £350,000 towards Five Ways and Spring Hill. Authority is sought through this report to enter into a funding agreement and to accept the full £400,000 GBSLEP EZ funding.

4.2.3

Spring Hill

The approved and estimated final capital cost of Spring Hill is given in table 1 below together with funding:

Table 1

	Approval March 2015 £	Estimate Final Cost May 2016 £	Difference £
Cost			
• Works	160,000	478,132	318,132
• Fees	70,000	57,333	-12,667
• Total	230,000	535,465	305,465
Fund			
• Enterprise Zone	0	182,924	182,924
• Integrated Transport	230,000	352,541	122,541
• Total	230,000	535,465	305,465

4.2.4 The estimated final cost of the Spring Hill scheme is £535,465 which is £305,465 higher than the approved budget. The additional cost of £305,465 is to be partly funded by GBSLEP EZ contribution of £182,924 with the balance of £122,541 vired from the unallocated sums originally identified for the Local Sustainable Transport Fund project using Integrated Transport Block (ITB) funding. The final accounts for the LSTF project are now either settled or close to being settled and the ITB funding of £122,541 is no longer required.

4.2.5 Five Ways

The approved and estimated final capital cost of Five Ways is given in table 2 below together with funding:

Table 2

	Approval March 2015 £	Estimate Final Cost May 2016 £	Difference £
Cost			
• Works	355,000	512,569	157,567
• Fees	115,000	124,507	9,507
• Total	470,000	637,076	167,076
Fund			
• Enterprise Zone	50,000	217,076	167,076
• Local Growth Fund	420,000	420,000	0
• Total	470,000	637,076	167,076

4.2.6 The estimated final cost of the Five Ways scheme is £637,076 which is £167,076 higher than the approved budget. The additional cost of £167,076 is to be funded by GBSLEP EZ contribution of £167,076.

4.2.7 The revenue consequences arising from these schemes remain as those approved at FBC stage.

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, Highways Act 1980, Road Traffic Regulation Act 1984, Traffic Management Act 2004, Transport Act 2000, Countryside & Rights of Way Act 2000, and other related regulations, instructions, directives and general guidance. Consideration has also been given to the advice Office of the Deputy Prime Minister circular 06/04 and DoT circulars 1/97 and 2/97.

4.4 Public Sector Equality Duty

4.4.1 In August 2012 an Analysis of the Effects on Equality was undertaken with respect to the Signalisation of Five Ways Roundabout. This document was reviewed and updated in March 2015 to include Spring Hill. 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 March 2015 the Full Business Case to signalise three arms of the Five Ways roundabout and to signalise Spring Hill roundabout were approved by the former Cabinet Member for Development, Transport and the Economy and the former Cabinet Member for Commissioning, Contracting and Improvement, jointly with the Deputy Chief Executive.
- 5.2 Both schemes have been delivered to programme, and have successfully achieved the desired outcome of providing the necessary infrastructure that has improved the control of the traffic, to facilitate the ongoing development works within the City Centre.
- 5.3 The above mentioned executive report authorised the appointment of Amey LG Ltd to undertake the works.
- 5.4 These essential traffic management schemes had to be procured and delivered in a very short time in order to provide the traffic controls required for the Paradise Circus improvements and associated temporary road closures. The approved contractor was required to commence construction before completion of the detailed design and before a comprehensive exploration of the existing site conditions. Once the works had commenced on site in April 2015 a number of issues were encountered which had a significant impact on the cost. There was no scope to reduce the extent of the works as in order for the roundabout signalisation to be effective the delivery of the full signalisation works had to be completed.
- 5.5 For the Springhill scheme, the use of existing traffic signal posts, equipment and ducts which were originally assumed to be fit for relocating to the new locations was not realised. As majority of this work required extensive traffic management and night working, it resulted in costs increase that was not originally anticipated. Works were completed September 2015.
- 5.6 The unforeseen and additional instructed works on both schemes included:
- Night working charge rates for Amey Contractor labour
 - Excavation and road trenching gangs
 - Extra ducting and traffic signal cabling
 - Design and installation of signal crossing detectors
 - Carriageway resurfacing (Night working)
 - Traffic Management
 - Establishing Urban Traffic Control Communications and associated design fees
 - Installation of high friction road surface material
 - Installation of Signal poles on 11metre high lighting columns and associated ducting
 - Traffic signal ducting on structures requiring slot cutting and support by steel surrounds
 - Traffic Signal Design Services
- 5.7 Approval is now sought to the funding of the additional spend that has been incurred on Spring Hill (£305,465) and on Five Ways (£167,076).

6. Evaluation of alternative option(s):	
6.1	'Do Nothing' – The Contractor for both Five Ways and Spring Hill has undertaken additional works instructed under the terms of the construction contract. The works had to be progressed for the reasons set out in section 5. Funding has now been identified to cover the costs of these additional works carried out.

7. Reasons for Decision(s):	
7.1	To cover the spend incurred for the additional highways infrastructure work on Spring Hill and Five Ways set out in this report.

Signatures	Date
Councillor Stewart Stacey Cabinet Member for Transport and Roads
Councillor Majid Mahmood Cabinet Member for Value for Money and Efficiency
Waheed Nazir Strategic Director, Economy

List of Background Documents used to compile this Report:
1. Signalisation of Five Ways Roundabout and Spring Hill Traffic Management – Report of the Head of Transportation Services to the Cabinet Member for Development, Transport and the Economy and the Cabinet Member for Commissioning, Contracting and Improvement jointly with the Deputy Chief Executive – 6 th March 2015.

List of Appendices accompanying this Report (if any):
1. None

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">(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
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">(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;(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;(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.
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">(a) tackle prejudice, and(b) promote understanding.
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none">(a) age(b) disability(c) gender reassignment(d) pregnancy and maternity(e) race(f) religion or belief(g) sex(h) sexual orientation