

Birmingham City Council

Report to Cabinet



Date: 15 October 2019

Subject: A34 Perry Barr Highway Improvement Scheme Full Business Case (FBC)

Report of: Director, Inclusive Growth

Relevant Cabinet Member: Councillor Ian Ward - Leader
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): Aston, Birchfield, Lozells and Perry Barr		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 006885/2019		
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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential: Exempt information paragraph 3. Information relating to the financial or business affairs of any particular person (including the Council). Exempt Appendix I – contains confidential market information which could impact on the future commercial negotiations.		

1 Executive Summary

- 1.1 To seek approval to the Full Business Case (FBC) for A34 Perry Barr Highway Improvement Scheme as part of the transformational highway infrastructure improvements at Perry Barr to support local growth at an estimated capital cost of £27.1m (plus £2.95m contingency) and to proceed with implementation having taken account of the consultation feedback. The key objectives of this

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project are to contribute to the regeneration of Perry Barr by providing infrastructure to support sustainable and active modes of travel which will contribute to the economic growth of the area and the delivery of the wider air quality objectives for the City.

2 Recommendations

- 2.1 Approves the Full Business Case (FBC) for the A34 Perry Barr Highway Improvement Scheme as set out in Appendix A at an estimated capital cost of £27.1m (plus £2.95m contingency) and as shown on the scheme plan in Appendix B.
- 2.2 Approves the placing of orders up to £30.05m, subject to the Commonwealth Games Change Control process for the £2.95m contingency provision, to deliver the scheme.
- 2.3 Delegates the award of the highway construction works contract using the Council's Highways and Infrastructure Works Framework Agreement to the Assistant Director of Transport and Connectivity subject to the works cost being within budget.
- 2.4 Delegates the approval of the changes to the highway including the highway boundary arising from upgrading the Bus Interchange (subject to final design and planning consent being secured) to the Assistant Director of Transport and Connectivity.
- 2.5 Delegates authority to the Assistant Director of Transport and Connectivity to:
 - Authorise the Bus Interchange works to be delivered by Transport for West Midlands (TfWM) subject to a Section 278 agreement or
 - (Subject to a delivery agreement with TfWM) Authorise the Bus Interchange works to be included within in the A34 Perry Barr Highway Improvement Scheme construction works.
- 2.6 Authorises the discharge of petitions 2109, 2121 and 2137 submitted to the Council received post Options Appraisal Report presented to Cabinet on the 12 February 2019 in relation to the removal of the Perry Barr Flyover and that Councillors Jon Hunt and Morriam Jan and the first-named petitioners be informed accordingly, with the exception of petition no. 2142 (and 2156) which will be debated at Full Council as detailed in Section 5 paragraph 5.12.
- 2.7 Authorises the Assistant Director of Transport and Connectivity and the Assistant Director of Planning subject to agreement between the respective parties, including Lendlease, as to the financial impact arising from the reallocation of works between the two contracts, to make variation to the A34 Perry Barr Highway Improvement Scheme contract and the Perry Barr Residential Scheme contract to transfer the design and delivery of the Aldridge Road public realm works to the highways contract.

- 2.8 Approves placing orders with statutory undertakers to move their apparatus up to the value of £2m, which is included within the estimated overall scheme costs of £27.1m as set out in recommendation 2.1.
- 2.9 Authorises the City Solicitor (or their delegate) to complete all relevant documents necessary to give effect to the above recommended decisions.

3 Background

- 3.1 This improvement scheme forms a key part of the wider regeneration of Perry Barr, delivering sustainable transport alternatives including bus priority and promoting active travel. These measures will help to promote changes in travel patterns by improving the alternative travel modes to the car. This will help to unlock and deliver sustainable economic growth, improved connectivity and will facilitate the delivery of circa 5,000 additional homes in the wider area over the next 20 years. The hosting of the 2022 Commonwealth Games in Birmingham has provided an opportunity to accelerate investment in Perry Barr to bring forward the benefits this scheme will deliver.
- 3.2 The new residential development will provide a long-lasting legacy contributing to significant investment and the creation of circa 2,000 dwellings. It will also be used to host the athletes during the Commonwealth Games. The new development has been approved with a low level of parking so it is important that high quality transport links are delivered to support the local reduction in car usage. Improved provision of sustainable and active travel facilities will also support sustainable economic growth. Changes need to be made to the local road network to enable the provision of new housing as part of the growth and development of Perry Barr.
- 3.3 The proposals will provide improvements to pedestrian and cycle infrastructure, encouraging more people to walk and cycle; improving health and the environment as well as reducing car dependency. The changes to the road layout (including the closure of subways) and introduction of public realm will make Perry Barr a more attractive, accessible and connected place to live, work and encourage further business and residential development.
- 3.4 On 26 June 2018 Cabinet approved the Outline Business Case (OBC) for the Perry Barr Residential Scheme and the wider Perry Barr Regeneration Programme and gave authority to make a Compulsory Purchase Order (CPO) to enable the delivery of the new residential development, the upgrade of transport infrastructure and associated public realm enhancements. The OBC set out the proposed transport infrastructure including the possible removal of the Perry Barr Flyover and Birchfield Underpass.
- 3.5 Planning consent was granted on 20 December 2018 for construction of the housing development known as the Perry Barr Residential Scheme. This also included that a 200m section of Aldridge Road (A453) to be closed to through traffic. As a result of this, the A34/A453/A4040 junction needs to be

reconfigured. The highway scheme will be delivered as permitted development as a screening opinion has determined that a full Environmental Impact Assessment (EIA) is not required.

- 3.6 The CPO was made on the 7 December 2018 and confirmed on 11 September 2019. It includes land for the various purposes including delivery of highway improvements, Sprint bus rapid transit and cycle infrastructure.
- 3.7 On 12 February 2019 Cabinet approved the Options Appraisal Report which recommended Option 2 (removal of A34 Perry Barr Flyover, retention of A34 Birchfield Underpass and replacement of the A34/A4040 roundabout with a four arm traffic signal junction) as the preferred option to take forward to public consultation and Full Business Case (FBC).
- 3.8 A public consultation was held from 3 June 2019 to 2 August 2019 which received 1577 responses via BeHeard. A summary of the consultation responses is shown in Section 5, paragraph 5.5 and the full analysis report in Appendix C.
- 3.9 On 6 June 2019 Cabinet approved the wider Perry Barr regeneration Full Business Case to develop 1,177 residential units, provide infrastructure to support use during the Commonwealth Games and legacy and to refurbish Oscott Gardens.
- 3.10 A Public Inquiry took place regarding the CPO in July 2019. The Inspector's decision to confirm the Order was issued to the Council on 11 September 2019.

4 Options Considered and Recommended Proposal

- 4.1 Three options were considered in the Options Appraisal Report and the recommended option was approved by Cabinet on 12 February 2019.
- 4.2 Two further locally proposed options were subsequently submitted to the Council prior to the consultation, these options have been reviewed by the Transport Projects team. The review found that the retention of the A34 Perry Barr Flyover in these options would be to the detriment of other traffic moving through the area. In particular, movements to and from One Stop Shopping Centre would be heavily compromised. Both options would be reliant on additional land being available from Gailey Park which is not available for highway development use and both would incorporate a large number of safety issues which the Council would be unable to accept. Neither option adequately addresses the need for sustainable travel measures which would not comply with Council planning and transport policies.
- 4.3 The recommended option was selected as it delivers the scheme objectives while performing better than the alternatives in managing peak hour traffic flows. The difficulty with all the options that sought to retain the flyover is that the flyover approach ramps and piers present significant obstacles around which all the traffic movements need to be accommodated. This leads to an

inefficient junction layout that does not accommodate the evening peak hour traffic flows. It is noted that although the flyover carries approximately 30% of the peak hour traffic, the junction layout also needs to effectively manage the remaining 70% of the traffic. The scheme will stimulate significant investment and contribute to the overall economic growth of Perry Barr by delivering a more attractive, legible and connected urban centre that promotes and encourages sustainable and active forms of travel. The scheme has a strong fit with both strategic and local planning and transport policies. An air quality assessment has determined that the scheme would be expected to deliver a local reduction in NO₂ by 2026.

4.4 Whilst considering options, it is clear that there is not a workable alternative that would keep the flyover or would partially deliver the scheme benefits. The complexity of the existing junction means that it is not possible to deliver the improvements to Birchfield Island on their own, as the traffic signals would not permit the U-turn required for traffic travelling to One Stop from the north. Keeping the highway layout as existing would fail to deliver the housing development on the Gailey Park site. It would also lead to a discontinuity in bus lane provision; compromise a proposed Sprint stop outside the village on the A34 and lose the benefits of bus priority at traffic signals. The area would continue to be difficult to navigate on a bicycle, and less able users would still suffer the access restrictions around Birchfield Island. Not delivering this scheme would therefore compromise the regeneration of the Perry Barr area.

4.5 This FBC is based on the recommended option including:

- Public realm improvements for a 200m section of Aldridge Road which is to be closed to general traffic to provide access for pedestrians, cyclists and southbound buses, subject to a Traffic Regulation Order (TRO) for the prohibition of general traffic;
- Removal of the A34 Perry Barr Flyover, putting all traffic onto a dual carriageway at ground level;
- The junction at A34 Birchfield Road/ A4040 Aston Lane/ Wellington Road, which is currently a roundabout with pedestrian subways, will be changed to a crossroads with traffic lights and pedestrian crossings. The existing underpass will remain for traffic;
- The existing Birmingham Cycle Revolution route will be extended along the A34 from Heathfield Road to Perry Barr Centre;
- Bus lanes on the A34 will provide priority for existing bus services and for the future Sprint services; and
- Subject to a Traffic Regulation Order (TRO) the scheme proposals include:

- Removal of 17m of parking on the eastern side of Birchfield Road outside PAK supermarket;
- Removal of 10m of loading on the western side of Birchfield Road adjacent to Perry Barr Railway Station;
- Removal of 43m of loading on the eastern side of Birchfield Road on the approach to the Birchfield Roundabout; and
- Speed limit change from 40mph to 30mph between the River Tame and northern entry/exit of the A34 Birchfield Underpass.

4.6 The scheme plan in Appendix B outlines the above proposals.

4.7 The need to construct the works in a safe manner for both road users and construction workers will result in a period of traffic disruption. The project team will work with partners and other contractors to minimise traffic disruption during construction by implementing a range of approaches that will coordinate the programmed activities; maximise available road space and minimise the traffic demand. These approaches will include the following:

- Co-ordination of all construction projects in the local area to ensure potential conflicts are managed;
- A phased construction approach to optimise the available road space available at key times to help to keep traffic moving;
- The Council's Traffic Management Protocol process will be in place to manage approvals for the contractor's temporary traffic management proposals; and
- The implementation of a Travel Demand Management strategy (see Appendix F) to manage the level of demand and promote alternative modes and times of travel.

5 Consultation

5.1 Consultation has been undertaken with officers from Transport for West Midlands (TfWM), Highways England (HE), Sandwell Council and Walsall Council regarding the traffic modelling work and developing proposals for Sprint. Briefings have been provided to the West Midlands Mayor and engagement undertaken with elected members in Walsall and Sandwell.

5.2 Officers from Transport and Connectivity have attended Perry Barr Ward Meetings, Birchfield Neighbourhood Forum, Aston Voices Residents Association, Perry Aston Residents Association, Perry Barr Residents CWG Liaison Group meetings to explain the scheme proposals.

5.3 Officers have engaged with the owner/operator of One Stop Shopping Centre and their transport planning consultants to discuss the scheme proposals and the traffic modelling.

- 5.4 A public consultation for the A34 Highway Improvement Scheme was carried out between 3 June 2019 and 19 July 2019. The consultation period was extended by 2 weeks to 2 August 2019 and 1,577 responses were received via BeHeard. TfWM, cycling groups and other key stakeholders also responded to the consultation.
- 5.5 Analysis of the consultation responses identified key themes and concerns from local individuals and organisations including:
- 81% of respondents do not support the proposed changes to the A34 Walsall Road/ A453 Aldridge Road junction layout as:
 - Some respondents felt there would be an increase in congestion as a result of removing the flyover; and
 - Some respondents felt there would be negative air quality/ environmental impacts as a result of this proposed scheme.
 - 61% of respondents do not support the proposed changes to the A34/ A4040 junction layout changes as:
 - Some respondents felt there would be an increase in congestion as a result of introducing traffic lights leading to a delay to journeys.
 - 46% of respondents do not support the A34 cycle route extension as:
 - Some respondents felt that the cycle route extension would not be a good use of funds as it is not currently well used.
- 5.6 All comments received have been considered during the FBC preparation. Full details, analysis and the project team response to the consultation responses is shown in Appendix C. Design changes as a result of the consultation process are identified in Section A3 of Appendix A.
- 5.7 The Council has received eleven petitions opposing the removal of the A34 Perry Barr Flyover since the beginning of this project, totalling 15,273 signatures. However, it should be noted that there may be some duplication of signatures on petitions received pre and post the Options Appraisal Report dated 12 February 2019.
- 5.8 Three of these petitions, containing a total of 2,842 signatures, were discharged by Cabinet through the Options Appraisal Report (Petitions 2073, 2088 and 2103).
- 5.9 Petition 2087, containing 115 signatures will be considered as part of the Sprint report to be submitted to Cabinet later this financial year.
- 5.10 Four petitions were submitted to the Council after the previous three had been discharged and before the end of the consultation period (2 August 2019). Overall this included 11,770 signatures opposing the demolition of the Perry Barr Flyover. The petitions are as follows:

- Petition no. 2109 submitted to the Council by Councillor Jon Hunt, Perry Barr Ward on 5 February 2019 stating 'Save the Perry Barr Flyover' containing 2,276 signatures.
- Petition no. 2121 submitted to the Council by Councillor Jon Hunt, Perry Barr Ward on 2 April 2019 stating 'Keep the Perry Barr Flyover' containing 630 signatures.
- Petition no. 2137 submitted to the Council by Councillor Jon Hunt, Perry Barr Ward on 9 July 2019 containing 2 parts:
 - Part 1 '*Keep the Perry Barr flyover*': 536 signatures
 - Part 2 '*Save the Perry Barr flyover*': 1,250 signatures
- Petition no. 2142 submitted to the Council by Councillor Jon Hunt, Perry Barr Ward stating '*We the undersigned object in the strongest possible terms to the proposal to remove the Perry Barr Flyover included in the Perry Barr transport reorganisation. We are deeply alarmed about the prospect of two years of disruption, believe the X51 bus service would cease to be viable and are not satisfied that the proposed replacement traffic lights will be adequate*' containing 2 parts:
 - Part 1 submitted to the Council by Councillor Jon Hunt, Perry Barr Ward on 9 July 2019 containing 6,500 signatures
 - Part 2 (petition 2156) submitted to the Council by Councillor Jon Hunt, Perry Barr Ward on 10 September 2019 containing 578 signatures

5.11 The project team also received three petitions containing a total of 546 signatures during the consultation period. The petitions are as follows:

- Petition submitted by Perry Barr Ward Councillors on 1 August 2019 stating '*We oppose demolition of the Perry Barr flyover*' containing 292 signatures.
- Petition submitted by Perry Barr Ward Councillors on 1 August 2019 stating '*Stop demolition of Perry Barr Flyover*' containing 23 signatures.
- Petition submitted by Perry Barr Ward Councillors on 1 August 2019 stating '*Keep the Perry Barr flyover*' containing 231 signatures.

5.12 As petition no. 2142 received more than 5,000 signatures, the council process is to refer this for discussion at the Council's Business Management Committee. This discussion took place and a decision was made for this petition to be debated at full Council.

5.13 Taking into consideration the representations made by the Perry Barr Ward Councillors and the benefits that this scheme will provide for the local area such as improved pedestrian and cycle measures, bus priority and public realm enhancements, authority is sought through this report to discharge the petitions

submitted to the Council (2109, 2121 and 2137) with the exception of petition no. 2142 (and 2156) which will be debated at full Council.

- 5.14 Traffic Regulation Orders will be advertised in advance of the start of works and any objections would be considered in accordance with statutory procedures.

6 Risk Management

- 6.1 A risk register is included in Appendix D which highlights the scheme's strategic risks. The top three risks are:

- Impact on traffic flows through the scheme;
- Local opposition to the scheme; and
- Highway alignment over Network Rail bridge.

- 6.2 A separate Quantified Risk Analysis has been carried out on the commercial risks which has identified that a risk contingency of £2.95m (equivalent to 10.9% of the estimated costs) is required, this provision is expected to cover all identified contract risks with an 80% probability. Access to this contingency sum will be controlled through the Commonwealth Games Change Control process.

- 6.3 With the Games taking place in the summer of 2022, there was a need to mitigate the risk of construction programme uncertainty. The team have increased programme confidence by engaging the services of an independent contractor who advised us that the scheme could be delivered by September 2021. This approach has since been reinforced by tenderers, which will allow sufficient float in the programme to still complete before December 2021.

7 Compliance Issues:

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

- 7.1.1 The proposals set out in this report will support the delivery of the Council Plan. They will support the delivery of the ambition set out in the adopted Birmingham Development Plan (BDP), as well as the Aston Newtown Lozells Area Action Plan (AAP), Birmingham Connected, and the city's role as Host City for the 2022 Commonwealth Games.

- 7.1.2 The transport infrastructure proposals support development activity that will help to create jobs and support supply chain industries, supporting the local economy.

- 7.1.3 Birmingham Business Charter for Social Responsibility (BBC4SR)

Compliance with the BBC4SR is a mandatory requirement that will form part of the conditions for the construction contract. The contractors undertaking this project work under the A34 Highways Project contract or using the Council's Highways and Infrastructure Framework Agreement are certified signatories to

the BBC4SR and will provide additional actions proportionate to the value of each contract awarded. These additional actions will be identified by the project team and will include employment opportunities and will be monitored and managed during the contract period.

7.2 Legal Implications

- 7.2.1 The Council in carrying out transportation, highway and infrastructure related work will do so under the relevant primary legislation comprising the Town and Country Planning Act 1990; Highways Act 1980; Road Traffic Act 1974; Road Traffic Regulation Act 1984; Traffic Management Act 2004; Traffic Act 2000 and other related regulations, instructions, directives, and general guidance.
- 7.2.2 Under Section 1 of the Localism Act 2011, the Council has the power to enter into the arrangements set out in this report, which are within the remit and limits of the general power of competence Section 2 and 4 of the Localism Act 2011.
- 7.2.3 The information in the exempt private appendix I is commercially sensitive with regard to the confidential market information which would impact on the future commercial negotiations - Exempt information 12A of the Local Government Act 1972 (as amended) – 3. Information relating to the financial or business affairs of any particular person (including the council). The exempt private appendix is considered to be in the public interest as it contains commercially sensitive information of a financial or business nature, which if disclosed to the public could be prejudicial to a named person, individual or company (including the Council).

7.3 Financial Implications

- 7.3.1 The estimated capital cost of the scheme is £27.1m plus a contingency sum of £2.95m (a total of £30.05m), which is to be funded from Government Infrastructure Grant (£24.7m), Prudential Borrowing (to be repaid using receipts from sale of dwellings) (£4.08m) and Local Growth Fund (LGF) (£1.27m, includes £1.1m LGF from Birmingham Cycle Revolution for cycle measures) as a part of the overall approved budget for the overall regeneration programme. The project team will work with the appointed design and build contractor to deliver the scheme applying value engineering principles that meet the project objectives in bringing forward growth and transformation to Perry Barr Centre.
- 7.3.2 This project will both remove and 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 any removal and newly created assets within the highway maintenance process is currently estimated to be an additional £20,000 per annum including contingency provision. The revenue implications will be reviewed through the detailed design and construction phases and any variations are expected to be contained within the contingency provision. Should the revenue implications exceed this sum, authority to vary this sum will be sought from the appropriate

decision maker. This cost will be funded from the provision for Highways Maintenance held within the Corporate Policy contingency. The detailed design will be developed with a view to minimising the future maintenance liability on the Council.

7.4 Procurement Implications

7.4.1 The highway infrastructure works has been procured using the Council's Highways and Infrastructure Framework Agreement Lot 4 – Works above £500,000 on a two-stage design and build basis. A contract has been awarded for the detailed design work approved by the Assistant Director Transport and Connectivity utilising previous delegations. Following completion of the detailed design the second stage will be the award of the works contract following approval of this FBC and subject to the works costs being within budget.

7.4.2 The appointed contractor has committed to social value actions including Science, Technology, Engineering and Maths (STEM) activities with local schools and contribution to the local community through volunteering activities, charity fundraising and support of local initiatives. These will be monitored to ensure that social value commitments are delivered in full.

7.5 Human Resources Implications

7.5.1 The management and delivery of the Perry Barr infrastructure works will be led by officers within Transport and Connectivity supported by external consultants for professional services.

7.6 Public Sector Equality Duty

7.6.1 An initial Equality Analysis was carried out prior to approval of the Options Appraisal Report in February 2019. A revised analysis has been carried out (Report ref. EQUA369) and is attached in Appendix G. This found that this scheme does not have any adverse impact on the protected groups and characteristics under the Equality Act 2010 and there is no requirement for a full assessment.

8 Appendices

8.1 List of Appendices accompanying this report:

Appendix A – Full Business Case

Appendix B – Scheme Plan

Appendix C – Consultation Analysis

Appendix D – Risk Register

Appendix E – Traffic Modelling Report

Appendix F – Travel Demand Management Strategy

Appendix G – Equalities Analysis

Appendix H – Air Quality Assessment

Exempt Appendix I

9 Background Documents

- 9.1 Birmingham Development Plan
- 9.2 Aston, Newtown and Lozells Area Action Plan
- 9.3 Report to Cabinet 26 June 2018 – Commonwealth Games Village and the Wider Perry Barr Regeneration – Outline Business Case
- 9.4 Report to Cabinet 12 February 2019 – Commonwealth Games Perry Barr Highway Infrastructure – Options Appraisal Report
- 9.5 Report under delegation June 2019 – Commonwealth Games Village and Wider Perry Barr Regeneration – Full Business Case