



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

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| CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD | AGENDA ITEM No: 2.2 |
| 28 MARCH 2018 | PUBLIC REPORT |

TRANSPORT DELIVERY 2018/19

1.0 PURPOSE

- 1.1. Transport has a vital role to play in helping the region fulfil its economic potential. The Combined Authority has set out its ambitious transport plans for the area and is making progress across a range of projects, including many high profile strategic schemes such as the A10 Upgrade and the Cambridgeshire Autonomous Metro.
- 1.2. The Combined Authority area has seen significant infrastructure investment in recent years. This is set to continue with ongoing investment from the Combined Authority and from a number of other organisations.
- 1.3. In its role as the strategic transport authority for the area, the Combined Authority has a key role in ensuring that the development and delivery of these important transport schemes are co-ordinated so that the best possible outcomes are achieved for the people of Cambridgeshire and Peterborough.
- 1.4. The purpose of this paper is to:
 - a) Identify the key transport interventions that are being promoted, developed and delivered across the Combined Authority area
 - b) Provide an overview of the transport interventions currently being funded by the Combined Authority
 - c) Seek approval for the Combined Authority's ongoing pipeline of transport schemes for 2018/19 and beyond.
 - d) Agree to delegate responsibility and funding to our delivery partners.
- 1.5. The pipeline of schemes proposed within this paper builds upon the Priority Transport Schemes approved by the Board in October 2017.

| <u>DECISION REQUIRED</u> | |
|--|---|
| Lead Member: | James Palmer, Mayor |
| Lead Officer: | Keith McWilliams, Transport & Infrastructure Director |
| Forward Plan Ref: KD2018/014 <i>(previously titled Transport Delivery 2019/20)</i> | Key Decision: Yes |
| <p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none"> a) Agree a total budget allocation of £18.305m, comprising £16.13m in 2018/19 and £2.18m in 2019/20 for the rolling programme of priority transport and infrastructure schemes b) Note the £6.65m funding secured from the National Productivity Investment Funding for 2018/19 which is included within the total budget allocation c) Agree the pipeline of projects set out in the multi-year transport programme. d) Authorise the Chief Executive to delegate responsibility and budget for the production of feasibility studies, business case or designs for each of the projects within the multi-year transport programme to a delivery partner, provided that all such studies, business cases and designs are to be reported back to the Combined Authority Board for approval | <p>Voting arrangements</p> <ul style="list-style-type: none"> (a) Two thirds majority of the constituent councils to include Cambridgeshire County Council and Peterborough City Council (b) For noting – no vote required (c) Simple majority of all voting members (d) Simple majority of all voting members |

2.0 BACKGROUND

Context

2.1. The Combined Authority has set out a bold vision for the Cambridgeshire and Peterborough area:

- a) Doubling the size of the local economy

- b) Accelerating house building rates to meet local and UK need
 - c) Delivering outstanding and much needed connectivity in terms of transport and digital links
 - d) Providing the UK's most technically skilled workforce
 - e) Transforming public service delivery to be much more seamless and responsive to local need
 - f) Growing international recognition for our knowledge based economy
 - g) Improving the quality of life by tackling areas of deprivation
- 2.2. Supporting the above objectives are a number of inter-related strategies covering skills, economic investment, spatial planning, housing and transport.
- 2.3. Transport is a key component, influencing and being influenced by the aforementioned strategies. It will play a critical role in meeting these objectives through:
- a) Increasing network capacity (both road and rail)
 - b) Improving connectivity, particularly around access to employment and housing
 - c) Unlocking new developments
 - d) Improving journey time and/or journey time reliability
 - e) Providing greater mode choices such as walking and cycling, private car and public transport
- 2.4. The Combined Authority has identified a number of strategic projects which it believes will provide transformational benefits for the area. Equally, there are other organisations who are making vital transport and infrastructure contributions to the Combined Authority area. These include organisations ranging from Highways England, Network Rail and the East-West Rail organisation, to more local bodies such the highway authorities, district councils and the Greater Cambridge Partnership. Whilst the Combined Authority welcomes these contributions it is important that a strategic overview is retained to ensure that these interventions align with wider transport, housing and economic strategies. This paper provides a first step in trying to understand the quantum of these wider transport investments.
- 2.5. The Combined Authority also recognises that the development of a wider, multi-year pipeline of transport schemes can also contribute towards its objectives. The benefits of such a pipeline include:
- Providing a steady flow of transport improvements over the short, medium and long term including potential strategic projects of the future
 - Providing greater opportunity to consider local issues and spread investment around the Combined Authority area
 - Early investment in the development of schemes which places the Combined Authority in a strong position to bid for and secure additional funding as alternative sources become available. Similarly, it helps to position projects for potential future private sector investment
 - Providing confidence to the market and enabling accelerated delivery by providing delivery partners with visibility of future work

- 2.6. Initially much of this work will, by necessity, be in exploring the feasibility of such schemes and developing business cases. These are essential steps in delivering these projects over the short, medium and longer term.
- 2.7. In October 2017 a methodology was set out for prioritising investment. This was based on the criteria set out below. The full scoring matrix is provided within Appendix B. This methodology has been retained for this approval period but it is anticipated that it will be reviewed and revised as the next Local Transport Plan develops.

| Case | Criteria |
|-------------------|--|
| Strategic | <ul style="list-style-type: none"> • Reduce congestion • Unlock housing and jobs |
| Economic | <ul style="list-style-type: none"> • Scale of impact • Value for money |
| Financial | <ul style="list-style-type: none"> • Other funding sources / contributors |
| Management | <ul style="list-style-type: none"> • Delivery certainty • Project risks • Stakeholder support |

- 2.8. The following sections set out the wide range of key projects currently at various stages of development and delivery within the area, regardless of the organisations involved. These are also set out spatially within the map, which can be found at the following link (<http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/county-projects-map.pdf>).

Strategic Transport Projects

- 2.9. The Combined Authority has identified a number of strategic transport projects which it believes have the potential to deliver significant benefits to the area. These are typically large and complex projects that cover a large geography both in terms of project extents and the benefits generated. These projects have been identified as:

- | | |
|------------------------|-------------------------------------|
| 1. Mass, Rapid Transit | 6. Wisbech Garden Town |
| 2. A10 Upgrade | 7. Oxford to Cambridge Expressway |
| 3. M11 Extension | 8. A505 Corridor Study |
| 4. A47 Dualling | 9. Strategic Rail Study |
| 5. East-West Rail | 10. Ely North Junction Improvements |

- 2.10. Over the past year, the Combined Authority Board has approved funding to progress the Mass Rapid Transit (Cambridge Autonomous Metro), the A10 Upgrade, the M11 Extension, the A47 Dualling, Wisbech Garden Town and a Strategic Rail Study. All have made progress with the Mass Rapid Transit and

the A10 Upgrade now moving to their next phase of development. In the case of the Mass Rapid Transit, this next phase will also explore at high level the viability of extending the proposal to other areas of the Combined Authority.

2.11. Equally, there are other projects such as East-West Rail and the Oxford to Cambridgeshire Expressway which are being developed by the East-West Rail organisation and Highways England, respectively. In both cases the Combined Authority is a key stakeholder, ensuring the area's interests are represented.

2.12. The A14 Cambridge to Huntingdon Upgrade is one of the largest highway improvements currently underway within the UK and will clearly provide significant benefits to the local area and the wider region. This has been excluded from the above list simply because construction is already underway.

Other Combined Authority Transport Priorities

2.13. In October 2017 a paper was brought before the Board setting out a wider pipeline of transport schemes. This was to ensure that there is a steady flow transport interventions that are effectively planned and considered over current and future Mayoral cycles. This longer-term approach was considered vital to building confidence; developing and positioning projects for future public sector funding or private sector investment; and enabling accelerated delivery by providing delivery partners with visibility of future work. As a result, the Board approved funding of £4.53m with a further indicative investment of £52.28m to 2020/21.

2.14. This pipeline of schemes has since been refined and is set out in Appendix A. **For simplicity, the following table sets out those schemes which secured funding in October 2017 and those for which funding is being requested as part of this paper.** (Note that there are some minor variations to the figures shown for October 2017 due to a reduced funding requirement for the Cambridgeshire Rail Capacity Study).

| Project | Work Proposed | Funding | | Lead | Delivery Partner |
|--|-----------------------------------|---------|--------|------|------------------|
| | | Oct 17 | Mar 18 | | |
| Cambridgeshire Rail Capacity Study | Feasibility | 0.05 | 0 | CA | NwR |
| Cambridge South Station | Options appraisal / business case | 1.75 | 0 | CA | NwR |
| Soham Station | Options appraisal / business case | 0.25 | 1.5 | CA | NwR |
| Regeneration of Fenland Railway Stations - March, Manea and Whittlesea Station | Design | 0.5 | 2 | FDC | FDC |

| | | | | | |
|--|-----------------------|-------|---------------------|------|-----------|
| A505 Corridor Study | Feasibility | 0.15 | 0.85 | CA | CCC |
| A10 Foxton Level Crossing | Feasibility | 0 | 2 ^{\$} | CCC | CCC |
| A14 Junctions Improvement feasibility Study | Feasibility | 0.15 | 0 | ECDC | ECDC |
| A142 Capacity Study | Feasibility | 0.15 | 0 | ECDC | ECDC |
| A47 Junction 18 improvements | Construction | 0 | 3.85 [#] | PCC | PCC |
| A605 Whittlesey Access Phase 2 – Stanground Access | Design / construction | 0 | 2.8 [#] | PCC | PCC |
| A605 Oundle Road Widening - Alwalton to Lynch Wood Business Park | Design / construction | 0.025 | 0.695 ^{\$} | PCC | PCC |
| A1260 Nene Parkway Junction 15 improvements | Feasibility | 0.1 | 0.15 | PCC | PCC |
| Eastern Industries Access Phase 1 - Parnwell Way | Feasibility | 0.15 | 0.1 | PCC | PCC |
| A1260 Nene Parkway Improvements Jn 32 to 3 (Fletton Parkway) | Feasibility | 0 | 0.15 | PCC | PCC |
| A47 Junction 18 Pedestrian Footbridge | Feasibility | 0 | 0.25 | PCC | PCC |
| Wisbech Access Study Packages | Design | 0.2 | 0.3 | CA | CCC |
| March junction improvements package. Capital and Revenue | Feasibility | 0.1 | 1 | CCC | CCC |
| Huntingdon Strategic River Crossing | Feasibility | 0.2 | 0.3 | CA | CCC / HDC |
| A141 capacity enhancements around Huntingdon | Feasibility | 0.25 | 1 | CCC | CCC |
| St Neots River Great Ouse northern crossing / cycle bridge | Preliminary design | 0 | 0.5 | CCC | CCC |
| Coldhams Lane roundabout improvements | Prelim design | 0.1 | 0.2 | CCC | CCC |
| Smart City Network | Feasibility | 0 | 0.1 | PCC | PCC |
| Sustainable Travel Capital/Revenue | Feasibility | 0.05 | 0.3 ^{\$} | PCC | PCC |
| Schemes and Studies | Feasibility | 0.1 | 0.1 | PCC | PCC |

| | | | | | |
|---|-------------|--------------|---------------|-----|-----|
| Queen Adelaide Road Study ^{\$} | Feasibility | 0 | 0.16 | CCC | CCC |
| | TOTAL | 4.275 | 18.305 | | |

Includes £6.65m secured from National Productivity Investment Fund

^{\$} Funding is a multi-year settlement and extends into 2019/20. For Sustainable Travel Capital/Revenue this is to ensure continuity of staff. For Queen Adelaide, the A605 Oundle Road Widening and A10 Foxton Level Crossing this is to enable a single phase of work to be procured.

- 2.15. In the table above the Combined Authority has identified partners to which it proposed to delegate responsibility for:
- a) Leading projects – in terms of decision making (following Combined Authority approval of funding)
 - b) Delivering projects – to ensure project objectives are met and overseeing the performance of consultants/contractors
- 2.16. This delegation of responsibilities will be re-evaluated at the end of each project phase.
- 2.17. In order to ensure effective delivery arrangements, the Chief Executive should be authorised to undertake such arrangements. In most cases this responsibility will be undertaken by the Combined Authority's delivery partners, Cambridgeshire County Council and Peterborough City Council.
- 2.18. There are some projects which will be retained by the Combined Authority due to their strategic significance or political sensitivity, however it is envisaged that the delivery partners will continue to be involved in these schemes.
- 2.19. It is important to note that the above funding (both approved and requested) is subject to the Combined Authority's assurance framework. As a result, projects are required to demonstrate a positive business case before significant investment is committed. Detailed fee proposals will also be required from all service providers and delivery partners before significant funding is committed.

Local Enterprise Partnership Transport Priorities

- 2.20. The Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) is currently undergoing a transition into a new organisation, the Business Board, with closer alignment with the Combined Authority. This brings new opportunities to prioritise transport investment and drive economic growth.
- 2.21. Since its inception the LEP has invested/committed £73.2m in a range of transport schemes through its Growth Fund. The projects outlined below are currently under development or delivery with LEP funding. In many cases these schemes have secured additional funding from a range of sources, including the Combined Authority and/or local authorities.

- a) A14 Cambridge to Huntingdon Upgrade
- b) Ely Southern Bypass
- c) King's Dyke Level Crossing

- d) Wisbech Access Strategy (Provisional)
- e) Bourges Boulevard Phase 2
- f) Ely Area Rail Capacity Enhancements
- g) Whittlesea and Manea Railway Station Platform Lengthening Feasibility
- h) Lancaster Way Enterprise Zone Access Improvements
- i) A428 Cambourne to Cambridge Better Buses (Provisional)
- j) M11 Junction 8 Upgrade (Provisional)
- k) Soham Station (Provisional)

Other Local Authority Transport

2.22. Many of the larger schemes currently under development by Cambridgeshire County Council and Peterborough City Council are listed in the previous paragraph. However, there are a number of projects currently being delivered by Cambridgeshire County Council of which the Combined Authority is not a funding contributor:

- a) Ely Southern Bypass
- b) King's Dyke Level Crossing
- c) St Ives Study
- d) A142 / A10 Transport Study

2.23. The Greater Cambridge Partnership is also heavily involved in broad range of transport projects in the Greater Cambridge area. Major projects at various stages of development include:

- a) A10 Royston to Cambridge Foot and Cycleway
- b) Cambridge South East Transport Study (previously the A1307 study)
- c) Cambourne to Cambridge
- d) Chisholm Trail
- e) City Access
- f) Cross City Cycling
- g) Greenways
- h) Histon Road
- i) Milton Road
- j) Western Orbital
- k) Rural Travel Hubs
- l) M11 Park and Ride

2.24. A number of the above projects, most notably the Cambridge South East Transport Study, Cambourne to Cambridge, and recently completed work on the A10 Cambridge to Ely Study all include public transport corridors. The Combined Authority will wish to see these programmes developed and aligned with the Cambridgeshire Autonomous Metro business case.

Other Strategic Transport Bodies

2.25. Network Rail and Highways England are the strategic transport bodies for the strategic road and rail networks, respectively. Within the Cambridgeshire and Peterborough area, both organisations are promoting and/or developing some

significant projects. These are in addition to the strategic projects set out earlier in this paper.

2.26. There are also a number of additional major studies and projects underway, as outlined below, of which the Combined Authority is not a funding contributor. This list is not exclusive.

- a) A1 East of England Study (Highways England)
- b) A47 Wansford to Sutton Dualling (Highways England)
- c) A47 Guyhirn Junction Improvements (Highways England)
- d) A428 Caxton Gibbet to A421 Blackcat Roundabout Improvement (Highways England)
- e) Huntingdon to Woodwalton Four Tracking (Network Rail)

2.27. Two projects which are not currently being promoted by Highways England but remain important to the area are outlined below. These are being actively lobbied for by the Combined Authority and other local authorities for inclusion in its future Road Investment Strategy.

- a) M11 Smart Motorway
- b) Girton Interchange

2.28. There are two rail projects which are being promoted by developers rather than Network Rail which are, again, supported by the Combined Authority. These are:

- a) Alconbury Weald Station
- b) Waterbeach Station (relocation)

2.29. In the case of the strategic rail network it is important that consideration is given not only to infrastructure but also franchising. Franchising requirements (including service levels) are set out by the Department for Transport. The Combined Authority provides a strong voice in seeking improved local services. This includes, amongst others, improved services between Peterborough, Whittlesea, March, Manea, Ely and Cambridge.

3.0 FINANCIAL IMPLICATIONS

3.1. This proposal requests approval for the committed investment of £18.15m as outlined below. An indication of future unsecured investment for the overall programme up to 2021/22 is also provided. This is currently estimated at £35.13m. Both the Committed Investment and Indicative Investment have already accounted for 3rd party contributions where these are known, see Appendix A.

| | 17/18 | 18/19 | 19/20 | 20/21 | Total |
|---------------------------------|--------|---------|---------|---------|---------|
| Previously Approved Investment | £3.53m | £1.00m | | | £4.53m |
| Requested Additional Investment | | £16.13m | £2.18m | | £18.31m |
| Indicative Future Investment | | | £14.80m | £20.33m | £35.13m |
| | | | | Total | £57.97m |

3.2. The additional investment requested for 2018/19 and 2019/20 will be drawn down from three sources in the following order:

- The National Productivity Investment Fund of which £6.65m has been secured for 18/19 for A47 Junction 18 Improvements and A605 Whittlesey Access Phase 2 (Stanground Access)
- The £74m secured as part of the Transforming Cities Fund. Details of the funding profile have yet to be confirmed but initial discussions with the Department for Transport indicate that this will include a £5m and £17m settlement for 18/19 and 19/20, respectively
- The annual Combined Authority budget settlement of £20m (due to the limitations of the above funding sources)

3.3. It is anticipated that the indicative future investment of £35.13m will be secured from a variety of sources. These will include:

- Central Government funding, including the Transforming Cities Fund
- Contributions from local partners, such as the Highway Authorities, the GCGP LEP and the Greater Cambridge Partnership
- Private sector investment
- Combined Authority funding

3.4. Supporting bullet points 3 and 4 above is the ongoing development of a Combined Authority Investment Strategy. Options being considered include:

- **Borrowing against capital** – To borrow against devolved capital funds, thereby enabling a more flexible approach to investment and multiplying the total capital available
- **Recycling capital** – Recycling capital means recovering and reinvesting the benefits into other projects where possible, thereby maximising the ability to leverage private sector inward investment and socio-economic outputs
- **Investment by way of debt or equity** – The funding approach towards individual projects will draw upon a blend of public and private sources of capital to efficiently bring projects forward. Capital can be supplied in the form of debt (fixed term basis, typically secured against the asset) or equity (recoverable via an agreed coupon and/or profit share should predetermined criteria be met).

- 3.5. This innovative approach to funding will not entirely remove the need to draw upon the £20m allocation (or the Transforming Cities Fund) in the future as it may still be necessary to fund early development work. However, this will be explored as part of the Investment Strategy development.
- 3.6. Flexibility is requested with regard to reasonable redistribution of funding between projects and between the 2018/19 and 2019/20 financial years, subject to the overall total not being exceeded. This is to provide operational flexibility with any changes agreed between the Chief Executive and the Section 151 Officer.

4.0 LEGAL IMPLICATIONS

- 4.1. The Combined Authority assumed the role of the Local Transport Authority by virtue of Article 8 of the Cambridgeshire and Peterborough Combined Authority Order 2017. The Combined Authority must exercise the statutory functions of the local transport authority under Part II Local Transport Act 2000 and Parts 4 & 5 of the Transport Act 1985 so as to achieve effective and efficient transport within the area.
- 4.2. Part II of the Transport Act 2000 introduced new requirements for the preparation of local transport plans, replacing transport policies and programmes. Each local transport authority must (a) develop policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within its area; (b) carry out its functions so as to implement those policies.
- 4.3. The transport priorities identified in this report are evidence of the Combined Authority exercising its role as local transport authority. In some instances these priorities are already identified within the Local Transport Plan approved by this Authority last year, however as noted above, some projects have been introduced into the pipeline as the Combined Authority has been able to unlock additional funding to bring forward these important schemes. Where such projects are not already identified within the Local Transport Plan the Combined Authority may rely upon its general power of competence to fund these projects.
- 4.4. The general power of competence was granted to the Combined Authority by virtue of Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 and enables the Combined Authority to rely upon the powers under Chapter 1 Part 1 of the Localism Act 2011.
- 4.5. For the purposes of procurement each of these schemes is procured and contracted separately and in most cases the Combined Authority will rely upon its own constitutional contracting rules for the procurement and letting of these contracts. This ensures the appropriate openness and transparency in the procurement process. Where contracts are expected to meet the EU procurement values the Combined Authority will rely upon an appropriate framework to source suitable expertise.

- 4.6. As each of these schemes will be procured in accordance with rules which ensure propriety, openness and value for money, state aid rules are not engaged.
- 4.7. Where individual schemes do not exceed £500k in value, they would ordinarily not be subject to call-in by the scrutiny committee. Taken collectively, however, the decision to fund a pipeline of projects has significant value and has therefore been considered a key decision in order to ensure that this important decision to create a pipeline of projects is given the necessary public oversight.

5.0 SIGNIFICANT IMPLICATIONS

- 5.1. There are no other statutory matters to bring to the Board's attention.

6.0 APPENDICES

- 6.1. Appendix A – Shortlist of Schemes
- 6.2. Appendix B – Evaluation Criteria