



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 2.1

Wisbech Access Strategy (Phase 1)

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	25 August 2021
Public report:	Yes
Lead Member:	Mayor Dr Nik Johnson
From:	Paul Raynes, Director of Delivery and Strategy
Key decision:	Yes
Forward Plan ref:	KD2021/049
Recommendations:	<p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none">a) Approve £1.88m from the subject to approval funding within the Medium-Term Financial Plan enabling Cambridgeshire County Council to complete the purchasing of land, detailed design, and the Full Business Case for the project.b) Authorise the Director of Delivery and Strategy to conclude a revised Grant Funding Agreement with Cambridgeshire County Council on terms approved by Chief Legal Officer/ Monitoring Officer.
Voting arrangements:	<p>Recommendation a) requires a vote in favour by at least two thirds of all Members (or their Substitute Members) appointed by the Constituent Councils, to include the Members appointed by Cambridgeshire County Council or Peterborough City Council, or their Substitute Members.</p> <p>Recommendation b) requires a simple majority of all Members present and voting.</p>

1. Purpose

- 1.1 To seek approval for the drawdown of £1.88m subject to approval funding in the Medium-Term Financial Plan for the Wisbech Access Strategy to fund the purchasing of land, completion of detailed design and the Full Business Case.
- 1.2 By doing so, it ensures that spend already incurred on land negotiations and design is not wasted, that there is a fully complete design, full business case and land available. Enabling the schemes to become a pipeline project should funding become available in the future.

2. Background

- 2.1 The Fenland Local Plan (adopted May 2014) includes proposals for 3,550 new homes in Wisbech and 30 hectares of new employment land to deliver around 2,500 new jobs to 2031.
- 2.2 In order to stimulate this growth, £1m from the Growth Deal fund and £0.5m Combined Authority funding was approved at the October 2017 and March 2018 Combined Authority Board as part of the Priority Transport Schemes paper to undertake feasibility studies of potential transport interventions (highway and rail).
- 2.3 Cambridgeshire County Council and Fenland District Council commissioned the Wisbech Access Study, a large-scale option assessment of multiple highway improvement schemes in multiple locations within Wisbech. The purpose of the study was to facilitate the growth sites identified within Fenland District Council's Local Plan.
- 2.4 Further assessment of the Wisbech Access Study options took place to determine the preferred package of projects to progress to Outline Business Case.
- 2.5 A public consultation ran until 27 November 2017 which asked for views on each transport scheme and package of schemes. Many comments were received which helped determine the Wisbech Access Strategy approach.
- 2.6 During May 2018 Cambridgeshire County Council, Fenland District Council and Wisbech Town Council approved the Wisbech Access Strategy and recommended to the Combined Authority to release £10.5m Growth Deal funding.
- 2.7 Both the Business Board of 26 November 2018 and subsequent 28 November 2018 Combined Authority Board approved the release of funding specifying that the funding would expire at the end of March 2021.
- 2.8 The first package of the Wisbech Access Strategy consisted of 5 schemes,

Scheme	Description
New Bridge Lane / Cromwell Road Signals	New signalised staggered junction
A47/ Elm High Road Roundabout	Improvement to the existing Elm High Road/A47 Roundabout
A47 / Broadend	New roundabout at junction of A47 and Broadend

Road Roundabout	Road
Elm High Road / Weasenham Lane Roundabout	New roundabout at junction of A1101 Elm High Road and Weasenham Lane
Southern Access Road	New connection between New Bridge Lane and Boleness Road including development of three junctions

- 2.9 The five projects were later reduced to three with both Southern Access Road and New Bridge Lane/Cromwell Road Signalisation paused following concern regarding the effects on traffic flows of a proposed development of an energy from waste plant in Wisbech. Pausing the two schemes was formerly agreed via change control to the Business Board on 27 July 2020. The change control also contained a new budget, £6m of Local Growth Fund would be provided with a further £3.9m available subject to approval from the Combined Authority's Medium Term Financial Plan.
- 2.10 The three projects continued with detailed design, however, by Autumn 2020 risks to the deliverability of the project were emerging. Land negotiations were stalling and options to mitigate the risk of progressing Compulsory Purchase were beginning to be explored. Later, further risks materialised, including, the diversion of a utility whereby the estimate received was significantly higher in cost and duration than was anticipated.
- 2.11 In June of this year Cambridgeshire County Council reported to the Wisbech Access Strategy Project Board on the outcome of their review of the project. The review had shown progress with mitigating the key project risks, however, it identified that to deliver all three projects the total forecast project outturn cost would be £19.5m far exceeding the available budget.

3. July 2021 Change Control

- 3.1 In response to the escalating costs, Cambridgeshire County Council provided a report which considered the available options for progressing the project, assessing each option on deliverability, price, and value for money. Cambridgeshire County Council recommended that the project should complete the purchase of the required land, finish detailed design, and undertake a procurement exercise to ascertain new construction estimates.
- 3.2 By progressing to the end of detailed design, and completing purchasing of the land, the project would mitigate the potential for abortive costs of spend already incurred on land negotiations and design. It would also enable the project to become a pipeline project should funding become available in the future.
- 3.3 At its meeting of 19 July 2021 the Business Board considered the Wisbech Access Strategy change control, rejecting it as the project would no longer meet the Local Growth Fund criteria. This was later discussed at the July combined Authority Board meeting.
- 3.4 It was recognised at the July Combined Authority Board meeting that there was merit to having a pipeline project, but noting that undertaking a procurement exercise without a funding strategy would not be appropriate. It was agreed that the Wisbech Access Strategy project would seek approval, via the production of a business case, to drawdown the £1.88m required to complete the procurement of land and detailed design from the Combined Authority's subject to approval funding in the Medium-Term Financial Plan. Adding that this was done as soon as possible to avoid delay.

- 3.5 A Technical Note has been produced by Cambridgeshire County Council, included as Appendix 1, summarising the strategic and economic case for progressing all three schemes to the end of detailed design and purchasing land.
- 3.6 It shows that all combinations of options were considered before recommending the completion of detailed design and purchasing the land. A Benefit Cost Ratio (BCR) for each option was provided as guide to aid decision making. The Technical Note describes the strategic case for the three remaining projects, that if built would support the Fenland Local Plan (2014). It also, suggests that the BCR is 1.9 which will be further refined and developed in the Full Business Case.

4. Financial Implications

- 4.1 The Wisbech Access Strategy had been funded by £6m Local Growth Fund with a further £3.9m subject to approval funding in the Combined Authority's Medium Term Financial Plan. Following the rejection of the change control by the Business Board, Local Growth Funding is no longer available.
- 4.2 In July 2021 the Combined Authority Board agreed that the project should seek approval to drawdown £1.88m of the subject to approval funding in the Medium-Term Plan to enable the project to complete the purchasing of land, detailed design and the Full Business Case.
- 4.3 The Technical Report from Cambridgeshire County Council has been produced to provide value for money assurance of the completed scheme options.
- 4.4 As the report identifies, approving the request will allow the project to be progressed to a practical pause-point, which increases the possibility of the scheme being delivered if a viable funding package is identified in the near-future. The availability of future funding is uncertain and thus approving a further £1.88m means that, if further funding does not materialise, the amount of public money spent on the aborted project is that much higher.
- 4.5 The impact of the proposed decision on the Medium-Term Financial Plan is summarised below:

Financial change summary (£'000)			2021-22	2022-23	2023-24	2024-25
Current MTFP	Wisbech Access Strategy	Approved	0*	-	-	-
		STA	3,930	-	-	-
Change Requested	Wisbech Access Strategy	Approved	1,880	-	-	-
		STA	(1,880)	-	-	-
Revised MTFP	Wisbech Access Strategy	Approved	1,880*	-	-	-
		STA	2,050	-	-	-

* There was £4.1m of approved LGF for this project in 2021-22 which was suspended per the CA Board decision in July. This has not been included here for clarity of presentation, but 2021-22 spend up to the 28th July Board decision will be funded by the pre-existing LGF budget.

5. Legal Implications

5.1 No significant implications.

6. Appendices

6.1 Appendix 1 – Wisbech Access Technical Note

6.2 An accessible version of this report and appendix are available on request from democratic.services@cambridgeshire.gov.uk

7. Background Papers

7.1 [26 November 2018 Business Board Item 2.4](#)

7.2 [28 November 2018 Combined Authority Board Item 4.3](#)

7.3 [Wisbech Access Study and Supporting Documents](#)

7.4 [19 July 2021 Business Board](#)

7.5 [Wisbech Access Change Control July 2021](#)

7.6 [Combined Authority Board 28 July 2021 Decision Summary](#)

7.7 [27 July 2020 Business Board Item 2.2](#)

7.8 [25 October 2017 Combined Authority Board](#)

7.9 [28 March 2018 Combined Authority Board](#)