



Agenda Item No: 2.3

Report Title: March Area Transport Study

To: Cambridgeshire and Peterborough Combined Authority Transport & Infrastructure Committee

Meeting Date: 14 March 2022

Public report: Yes

Lead Member: Mayor Dr Nik Johnson

From: Rowland Potter

Key decision: No

Forward Plan ref: N/A

Recommendations: The Transport and Infrastructure Committee is recommended to:

a) Note the progress of the March Area Transport Study and March Future High Street Fund;

b) Recommend to the CA Board that it:

i. Re-purpose £586,205 of CPCA Future High Street Fund monies to undertake the initial phases of the March Area Transport Study Broad Street construction (subject to the independent evaluation and sign off of the Full Business Case);

ii. Approves the drawdown of £3,780,387 for the construction of March Area Transport Study Broad Street scheme, in full, (subject to the independent evaluation and sign off of the Full Business Case); and,

iii. Delegate authority to the Head of Transport and Chief Finance Officer to enter into Grant Funding Agreements

with Cambridgeshire County Council in relation to the
March Area Transport Study.

Voting arrangements: A vote in favour by a simple majority of members present and voting.

1. Purpose

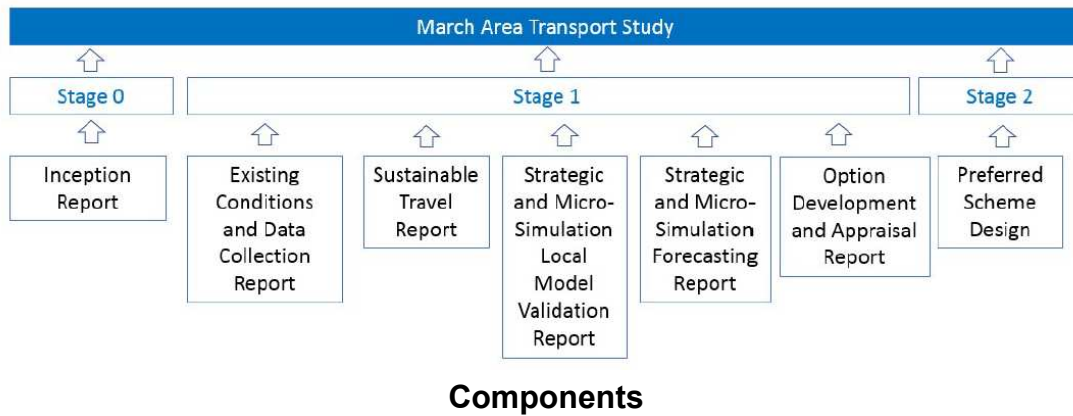
- 1.1 This report summarises the work on the March Area Transport Study (MATS) and the March Future High Street Fund (FHSF) with the recommendation to re-purpose of £586,205 CPCA Future High Street Fund monies to undertake early tasks of the MATS Broad Street construction stage. It is also recommended that approval of the drawdown of £3,780,387 for construction of MATS Broad Street scheme.
- 1.2 The approval of funds is dependent on the Full Business Case being subject to independent evaluation and subsequently signed off under assurance. This is programmed for December 2022. Following this assurance £586,205 of the funds will be repurposed back to the CPCA FHSF budget.

2. Background

MARCH AREA TRANSPORT STUDY (MATS)

- 2.1 The March Area Transport Strategy (MATS) was first approved for inclusion in the Transport Programme at the March 2018 by the Combined Authority, which Cambridgeshire County Council took forward the study to establish the issues and find potential solutions to address these in an efficient and effective manner.
- 2.2 Fenland District Councils' vision for the areas is outlined within its Local Plan published in 2014. The aim is 'to maximise the potential of the area and deliver jobs, skills, improved housing and new infrastructure', and make the district 'a better place to live, work and visit'. The Local Plan includes the delivery of 4,200 new homes in March as well 30 hectares of employment land to provide new jobs.
- 2.3 The 2011 March Area Transport Study provided the transport evidence base for the Local Plan and assessed the impact of traffic growth resulting from its implementation. In addition, it proposed measures to improve the towns transport network for both current and future traffic demand. The current MATS builds upon this work and assesses potential improvement options to deliver future economic and housing growth.
- 2.4 Cambridgeshire County Council has been funded by the Combined Authority to progress several transport interventions that address the project objectives and the issues raised.
- 2.5 The MATS study has been split into three parts, namely:
 - Stage 0 Audit / Scoping;
 - Stage 1 Option Testing; and
 - Stage 2 Preferred Scheme Design.
- 2.6 There are several key components at each stage of the scheme's development. Throughout the process a number of conclusions and recommendations are outlined within the concluding reports at each stage. Figure 1 below shows how the various elements of the MATS are integrated and coordinated.

**Figure
MATS**



2.7 The MATS' Outline Business Case (OBC) was completed as part of the commitment of Stage 2 and was tabled at CA Board in November 2021. This built upon the Strategic Outline Business Case (SOBC) previously submitted in October 2020 that was completed as part of Stage 1. Also, as part of the MATS study a package of minor schemes were approved for delivery in September 2020 which included nine schemes. Seven of the schemes have been completed and the other two are earmarked for completion by February 2022. Furthermore, the Pedestrian and Walking Strategy is now being assessed to determine which of the 91 interventions identified by the strategy can be progressed through to preliminary design, this work is due to be completed in January 2022

2.8 In addition, the CA Board in November 2021 approved the next stage of the MATS that included Full Business Case and Detailed Design. This paper also outlined within its Other Significant Implications section that the Future High Street Fund (FHSF) scheme was reliant on the MATS Broad Street project undertaking detailed design and commencing construction. This paper noted the construction costs for Broad Street to be £3,736,263.

Future High Street Fund (FHSF)

2.9 Fenland District Council has been successful in obtaining substantial funding from the Ministry of Housing, Communities & Local Government (MHCLG) under the Future High Street Fund (FHSF) scheme. The funding is to renew and reshape the town centre and High Street in a way that encourages growth, improves the experience, and ensures future sustainability.

Project Alignment

2.10 Key parts of the FHSF proposal for Broad Street have been aligned with the preliminary design proposals from the MATS. This allows for consistency in design, delivery and outcomes of the schemes. Figure 2 illustrates the location of the two projects in relation to each other and shows the interrelationship the projects and reinforces the need for a joined-up and holistic approach to tackling the transport issues within the area.

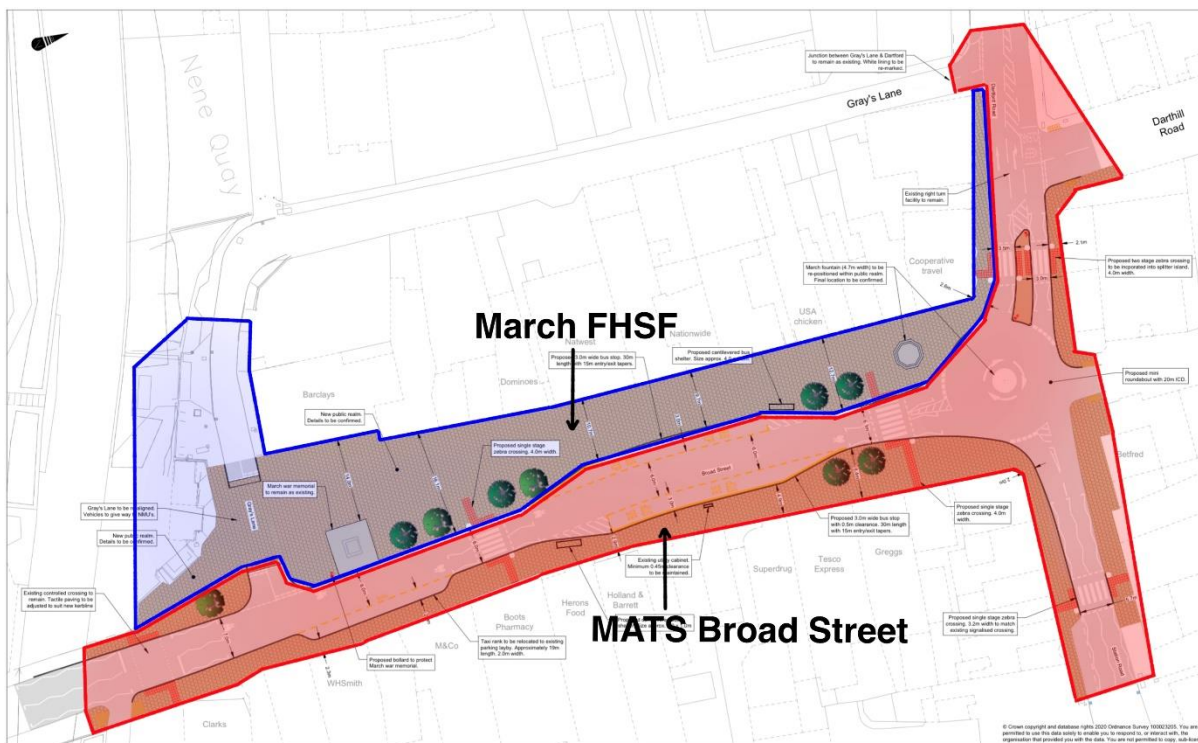


Figure 2 – MATS and FHSF

- 2.11 Part of the condition as set out by MHCLG of the FHSF, is that the funding is spent by March 2024. A failure to progress the proposed MATS Improvement Schemes is likely to result in the failure to bring about the desired transformational and regenerative changes to the town centre.
- 2.12 The schedule below in Figure 3 illustrates the optimum timeframe to successfully build the MATS Broad Street and the March FHS projects. It should be noted that there is clear alignment between the projects specifically in relation to the “Procurement Process and Award” as these will be run in tandem to drive cost and programme efficiencies.

	21/22			22/23												23/24													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
MATS Broad Street																													
Detailed Design																													
Funding release																													
GFA - Construction																													
Development of Procurement documentation																													
Procurement Process and Award ★																													
Opportunity - Early utility diversion work if needed																													
Construction																													
Contingency																													
Completion																													
March FHS Project																													
Prelim and Detailed Design																													
Development of Procurement documentation																													
Procurement Process and Award ★																													
Opportunity - Early utility diversion if needed																													
Construction																													
Contingency																													
Completion & March FHS Project Expenditure date																													

Figure 3 - Programme

- 2.13 The Full Business Case is programmed to be complete by December 2022. In order to achieve these timeframes, there is a distinct need to accelerate work / activities in advance of Full Business Case to benefit the programme. This acceleration will also enable the delivery of both projects together, thereby providing value for money.

Spend Profile and Value for Money

- 2.14 The construction cost has been updated since the publication of the Outline Business Case (OBC) and now equates to £4,268,280. This is required to construct the MATS' Broad Street project, with £586,205 of this funding necessary in advance of the completion of the Full Business Case. This will cover statutory undertakers works, utilities coordination, preparation of tender documents and procurement.
- 2.15 In terms of the FHSF the initial profile of spend is shown in Table 1 and the new updated revised profile of spend is shown in Table 2. The FHSF project is progressing on track at present but there has been no drawn down any CPCA grant as yet, as the DLUHC grant is in place and that has supported the ongoing preparation work. It is expected that the majority of the expenditure required from CPCA's grant will not be needed till 2023/2024 for the Broad Street and Riverside.

Table 1 – Initial Profile of FHSF project spend

Profile	2021/2022	2022/2023	2023/2024	Total
Package 1 Broad Street	£61,660	£500,000		£561,660
Package 2 Riverside North	£61,670	£500,000		£561,670
Package 3 Riverside South	£61,670	£100,000		£161,670
Package 4 Market Square	£715,000			£715,000
Package 5 Acre Road and Backlands				-
Town Centre wide - Vacant Units Activation Programme				-
Total	£900,000	£1,100,000		£2,000,000

Table 2 – Revised Profile of FHSF project spend

Revised Profile	2021/2022	2022/2023	2023/2024	Total
Broad Street & Riverside	-	£200,000	£1,285,000	£1,485,000
Market Square	-	£515,000	-	£515,000
Total	-	£715,000	£1,285,000	£2,000,000

- 2.16 Of the CPCA FHSF allocation, £586,205 will be repurposed from the 2023-2024 financial year. This reprofiling of spend will allow for the work on the MATS FBC to be undertaken and progress in alignment with the March FHSF project. Once the FBC is approved and the full funds of £4,268,280 will be released, with £586,205 being repurposed back to the FHSF.
- 2.17 The OBC economic case showed the overall MATS package offered high value for money with a central growth scenario benefit to cost ratio (BCR) of 2.898. The revised cost was re-run and produced a revised BCR of 2.606 (still high value for money).

DfT Guidance

- 2.18 Throughout the preliminary design stage, cycling and pedestrian requirements have been considered and provisions included within the MATS Broad Street proposals. These will be developed further in the detailed design phase of the scheme and further information on the LTN 1/20 considerations can be found in the background document entitled *MATS Broad Street LTN 1-20*.
- 2.19 The DfT have recommended that from November 2021 Carbon Baseline Assessment should be undertaken at the preliminary design stage (OBC) and a Final Carbon Baseline Assessment should be undertaken at detailed design stage (FBC). The MATS OBC was submitted and approved before this guidance. A full Carbon Baseline Assessment will be undertaken as part of the FBC and detailed design as document in the background document *MATS_FBC_Carbon Assessment*.

Risks

- 2.20 The key risks have been highlighted including:
- Construction cost estimates and utility protection and /or diversion cost estimates – the BCR is based upon cost estimates for construction and not on contractual target costs or utility company diversion estimates.
 - Impact of COVID on construction – potential to be a significant resource and programme risk.
 - Mobilisation – upon confirmation to commence construction it is approximately four weeks for the contractor to mobilise before construction can commence. This is a risk to the FHSF and overall programme.
 - Long lead items – items cannot be ordered until instructed to commence and may potentially delay the overall programme; and
 - Limits of scheme – the Future High Street Fund public realm works are subject to funding from third parties and a completion date/spend of March 2024. If FHSF were to expire the completion of scheme is at risk.

Changes

- 2.21 There is a £140,000 underspend on the MATS Outline Business Case stage of the project. available once the £180,000 has been allocated to the Broad Street detailed design (agreed a CPCA Transport Board September 2021). Of the £140,000 remaining, £40,000 will be utilised to undertake environmental monitoring before and after construction of the MATS schemes and £60,000 will be used for the updated design of the A141 / Hostmoor junction due to a change in the design of the scheme from a roundabout (previously

considered to be developer funded and delivered) to an all movement traffic signal controlled junction. The A141 / Hostmoor Avenue junction will need to be developed through the preliminary design stage to enable this option to proceed through detailed design where the construction costs can be incorporated into the Final business Case. Construction Costs for this junction will now become part of the March Area Transport Study and not developer funding. The business case would also see the economic benefits of incorporation of this junction also.

3 Significant Implications

- 3.1 The MATS Broad Street project and the March FHSF projects are intrinsically linked, and one cannot be successfully built without the other. A delay with the MATS Broad Street project will have implications on the March FHSF project and the March 2024 deadline for construction / full spend will not be met.

4. Financial Implications

- 4.1 Of the CPCA FHSF allocation, £586,205 will be repurposed from the 2023-2024 financial year. This reprofiling of spend will allow for the work on the MATS FBC to be undertaken and progress in alignment with the March FHSF project. Once the FBC is approved and the full funds of £4,268,280 will be released (sign off under assurance (planned December 2022), with £586,205 being repurposed back to the FHSF.
- 4.2 The 2021-22 approved capital budget for MATS is £3.62m, of which £0.90m has been spent to the end of February 2022. There is an additional subject to approval budget in the current year of £1.22m. Budgets will be carried forward into 2022-23 due to slippage in the project timescales.

5. Legal Implications

- 5.1 No significant legal implications.

6. Other Significant Implications

- 6.1 Should this request not be approved it jeopardise the progression of the March Area Transport element but also the Broad Street element currently funded by the Future High Street fund which has a time limit upon it.

7. Appendices

- 7.1 Appendix 1 – *MATS Broad Street LTN 1-20*
- 7.2 Appendix 2 - *MATS_FBC_Carbon Assessment*

7. Background Papers

[Combined Authority Board reports 25 November 2020](#)

[Combined Authority Board reports 29 September 2020](#)