



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 2.2

March Area Transport Study Outline Business Case

To: Transport & Infrastructure Committee

Meeting Date: 8 November 2021

Public report: Yes

Lead Member: Mayor Dr Nik Johnson

From: Rowland Potter

Key decision: No

Key Decision 2021/026 for the Combined Authority Board on 24 November 2021

Forward Plan ref: n/a

Recommendations: The Transport and Infrastructure Committee is recommended to:

- a. Note the March Area Transport Study Outline Business Case outcomes
- b. Recommend that the Combined Authority Board approve the drawdown of £1.5 million for production of the Full Business Case and detailed design.

Voting arrangements: Recommendation a) note only item (no vote),
Recommendation b) a simple majority of all Members present and voting

To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor

1. Purpose

- 1.1. This report summarises the work on the March Area Transport Strategy (MATS) project to date and outlines the next stage for the project.
- 1.2. It requests £1.51 million for the next stage of the March Area Transport Study which includes Full Business Case and Detailed Design.

2. Background

- 2.1 The March Area Transport Strategy was first approved for inclusion in the Transport Programme at the March 2018 Combined Authority Board meeting and following the meeting Cambridgeshire County Council took forward the study to establish the issues and find solutions.
- 2.2 The vision of Fenland District Council is set out within the Local Plan (2014), which aims 'to maximise the potential of the area and deliver jobs, skills, improved housing and new infrastructure', making Fenland '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 the Local Plan and proposed measures to improve the towns transport network under current and future traffic demand. The March Area Transport Study (MATS) builds upon this work and assesses potential improvement options to deliver this 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. This includes:
 - Stage 0 Audit / Scoping
 - Stage 1 Option Testing
 - Stage 2 Preferred Scheme Design
- 2.6 There are a number of components and concluding reports at each stage defining different stages of the scheme development process. Figure 1 below shows how the different parts of the MATS fit together.

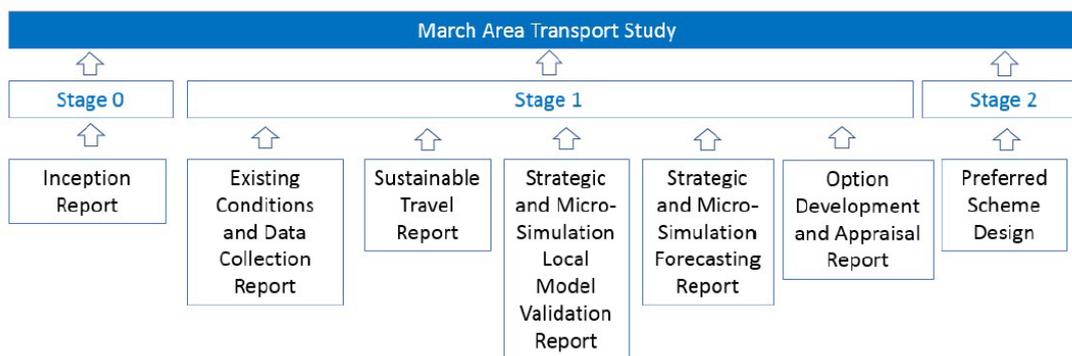


Figure 1: MATS Components

Outline Business Case

- 2.7 The MATS Outline Business Case (OBC) has now been completed as part of the commitment of Stage 2. This built upon the Strategic Outline Business Case (SOBC) submitted in October 2020 that was completed as part of Stage 1.
- 2.8 The OBC includes a package of schemes including:
- A141 / Twenty Foot Road Traffic Signals
 - A141 / Peas Hill Roundabout (60m ICD) and Hostmoor Avenue Roundabout
 - High Street / St Peter's Road Traffic Signal Improvements
 - Broad Street / Dartford Road / Station Road Mini Roundabout with Broad Street one lane in each direction
 - Development of a Northern Industrial Link Road (NILR)
- 2.10 It is important to note that the OBC considers the above schemes as a package. The schemes have been considered as a package because their overall joint benefits meet the objectives of the study including:
- The regeneration of March Town Centre
 - Addressing existing traffic congestion and safety issues
 - Facilitate housing and employment growth
 - Improve local environmental conditions
- 2.11 Four of the schemes reported in the OBC have been completed to preliminary design stage. Preliminary design for the Northern Link Road continues due to protracted negotiations over the past year with Network Rail over access to their land to complete required surveys.
- 2.12 The Strategic Case of the OBC demonstrates how the recommended package of MATS Improvement Schemes fits with wider public policy objectives and provides the case (or need) for change. The recommended package of MATS Improvement Schemes strongly aligns with the vision and objectives of national, regional, and local bodies, including the DfT, the Cambridgeshire and Peterborough Combined Authority (CPCA), Fenland District Council (FDC), and March Town Council (MTC). The need for change is being driven internally, by local growth aspirations and support from local authority bodies, and

externally, by the requirement to redesign Broad Street to facilitate regeneration funded by the Future High Street Fund (FHSF).

- 2.13 The Economic Case of the OBC demonstrates that the March package offers high value for money with a central growth scenario benefit to cost ratio (BCR) of 2.898. Under low growth assumptions the BCR is 1.598, while high growth assumptions increase the BCR to 4.631. Note that the impacts of Covid-19 and Brexit have not been assessed at this stage in the absence of any guidance from the Department for Transport (DfT). This would be considered during the next stage of the study when guidance is forthcoming.
- 2.14 The Financial Case of the OBC demonstrates that the recommended package of schemes is value for money. The scheme costs used in the assessment include base investment cost, risk adjusted base cost, inflated risk adjusted cost (outturn cost), and inflated risk adjusted cost including whole life costs in line with guidance. For the March improvement schemes, the inflated risk adjusted cost including whole life costs over the 60-year assessment period, is £30m and the outturn cost required to deliver it is £29m. Potential funding sources identified for the schemes include the Transforming Cities Fund, the Levelling Up Fund, the CPCA Single Investment Fund and Section 106 developer contributions and this will be explored further during the next stage of the study.
- 2.15 The Commercial Case of the OBC demonstrates that the package of schemes has commercially viable Routes to procurement available including the Eastern Highways Alliance Framework 3 and Standalone – ‘Find a Tender’ service; the existing Cambridgeshire Highways Services Contract; and the Cambridgeshire and Peterborough Joint Professional Services Framework. The preferred procurement strategy and sourcing options will be developed during the next stage of the project.
- 2.16 The Management Case demonstrates that the package of schemes is deliverable. The assurance and approvals plan in the OBC states that the CPCA will manage the MATS in accordance with its existing assurance and approvals processes, as detailed in the CPCA Assurance Framework and Ten Point Guide. As part of the CPCA Assurance Framework process, an Independent Technical Evaluation (ITE) of each business case will be undertaken at each stage of the project. As part of the risk management strategy, Project and Construction Risk Registers have been prepared for the study.
- 2.17 In terms of engagement to date, regular Members’ Steering Group (MSG) meetings have been held throughout the development of the MATS. An online MATS consultation event was held between May 2020 and June 2020, and a public consultation exercise regarding the March Future High Street Fund proposals ran in May 2020. Further consultation on the MATS schemes is proposed during the next stage of the study.
- 2.18 The overall conclusion of the OBC is that there is a compelling case to progress the recommended package of MATS improvement schemes to detailed design and an FBC. The schemes proposed as part of the improvement measures meet the objectives identified, and the benefits clearly outweigh the costs and offer high value for money. Steers have undertaken an independent review of the OBC and have signed off the study as per the CPCA assurance process.
- 2.19 Furthermore, the Broad Street highway improvement scheme is closely aligned with a pedestrianisation for Broad Street that is being delivered as part of successful Future High Street Fund (FHSF) bid. The Broad Street FHSF scheme is currently at concept design stage, but work is progressing following approval at the September 2021 CPCA Board

which approved £180,000 in order to meet the challenging timescales for completing construction by April 2024. The MATS Broad Street scheme is inextricably linked to the FHSF Broad Street scheme, so construction of the two schemes needs to happen simultaneously.

- 2.20 The package of minor schemes approved for delivery at the September 2020 H&T committee included nine schemes including:
- QW1A – Station Road
 - QW2 – Upwell Road/Cavalry Drive
 - QW11-13 March-wide Walking/Cycling Strategy document production
 - QW15 – St Peter’s Road
 - QW16 – March-wide HGC Signage
 - QW20 – Traffic signals on B1101
 - QW21 and QW22 – Norwood Ave footway and traffic calming (respectively)
 - QW23 – Hundred Road
 - QW11-13 – March-wide Walking/Cycling strategy scheme sifting
- 2.21 Of these schemes seven have been completed with the remaining two, QW2 - Upwell Road/Cavalry Drive speed reduction measures and QW22 Norwood Rd traffic calming earmarked for completion by February 2022.
- 2.22 Furthermore, the Pedestrian and Walking Strategy document that was produced in May 2020 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 and will result in a set of preliminary designs for sifted schemes.

3. Financial Implications

- 3.1 At the September 2021 CPCA Board it was approved that £180,000 from the savings from the current stage of the project could be utilised to start the next stage of the MATS study of detailed design for Broad Street only so to facilitate the progression of the FHSF and meet the tight deadline of April 2024.
- 3.2 As per the recommendations, the request is to drawdown £1.51 million for the next stage of the March Area Transport Study which includes Full Business Case and Detailed design.
- 3.3 Within the January 2020 Medium-Term Financial Plan (MTFP) there is £4.6m available for (£3.2m in 20/21 and £1.5m in 21/22) subject to approval from the Combined Authority Board. Previously £2.63m as approved for use - £1m for OBC and Preliminary Design and £1.63m for the Quick Wins.
- 3.4 Of the £1m approved for OBC and Preliminary Design there were savings of £250,000. £180,000 of this has been approved to start work on the Broad Street detailed design.

4. Legal Implications

4.1 There are no legal implications in relation to the recommendations.

5. Other Significant Implications

5.1 Future High Street Fund (FHSF) – At September CPCA Board it was approved that £180,000 savings from the current stage of the project could be utilised to start the next stage of the MATS study of detailed design for Broad Street only so to facilitate the progression of the FHSF. The FHSF scheme relies on the MATS Broad Street project undertaking detailed design and construction. Please note the following costs:

- Cost of Broad Street detailed design - £387,893 – only £180,000 approved at present
- Construction Costs for Broad Street - £3,736,263

5.2 In terms of FHSF the construction has to be completed by April 2024.

6. Background Papers

[March Business Cases](#)

[March Area Transport Study: September 2021](#)

[March Area Transport Strategy March 2021](#)

[March Area Transport Strategy Progress Report Nov 2020](#)

[March Area Transport Strategy Progress Report July 2020](#)

[March Area Transport Strategy Progress Report March 2020](#)