

# LEICESTER AND LEICESTERSHIRE TRANSPORT BOARD

**DATE:** TUESDAY, 16 JUNE 2015  
**TIME:** 10:30 am  
**PLACE:** Meeting Room 1.14, First Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

## **Members of the Committee**

County Councillor Nick Rushton (Leader, Leicestershire County Council)

Sir Peter Soulsby (City Mayor, Leicester City Council)

Representative to be confirmed (Leicester and Leicestershire Economic Partnership)

District Representative (Non-voting)  
To be advised

Members of the Board are invited to attend the above meeting to consider the items of business listed overleaf.

*Elaine Baker*

for the Monitoring Officer  
Leicester City Council

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## **INFORMATION FOR MEMBERS OF THE PUBLIC**

### **ACCESS TO INFORMATION AND MEETINGS**

You have the right to attend this meeting to hear decisions being made.

Tweeting in meetings is fine, as long as it does not disrupt the meeting.

You have the right to see copies of agendas and minutes. Agendas and minutes are available on the Council's website at [www.cabinet.leicester.gov.uk](http://www.cabinet.leicester.gov.uk) or by contacting us as detailed below.

There are certain occasions when the Board may need to discuss issues in private session. The reasons for dealing with matters in this way will be clearly explained, as the need arises.

### **BRAILLE/AUDIO TAPE/TRANSLATION**

If there are any particular reports that you would like translating or providing on audio tape, the Democratic Services Officer can organise this for you (production times will depend upon equipment/facility availability).

**General Enquiries - if you have any queries about any of the above or the business to be discussed, please contact Elaine Baker, Democratic Support, Leicester City Council on 0116 454 6355  
or email [elaine.baker@leicester.gov.uk](mailto:elaine.baker@leicester.gov.uk)  
or call in at City Hall, 115 Charles Street, Leicester LE1 1FZ**

**Press Enquiries - please phone the Communications Unit on 0116 454 4150**

## **PUBLIC SESSION**

### **AGENDA**

#### **1. CHAIR OF MEETING**

To elect a Chair for the meeting

#### **2. WELCOME AND INTRODUCTIONS**

#### **3. APOLOGIES FOR ABSENCE AND SUBSTITUTES**

- a) To receive apologies for absence; and
- b) To accept substitutes for non-attending members of the Board, (if any).

#### **4. DECLARATIONS OF CONFLICTS OF INTEREST**

Members of the Board are invited to declare any conflicts of interest they may have in the items to be considered at this meeting.

#### **5. RECORD OF DECISIONS OF PREVIOUS MEETING [Appendix A](#)**

The record of the decisions of the meeting held on 16 December 2013 is attached and the Board is asked to confirm them as a correct record.

#### **6. MATTERS ARISING FROM THE RECORD OF DECISIONS OF THE PREVIOUS MEETING**

- a) An item on co-operative working between the Board and the Leicester and Leicestershire Enterprise Partnership to be included on the agenda for the next meeting – the LLEP LAF is being developed which will set out the arrangements relating to the LLEP/LLTP working together; and
- b) Any other matters arising.

#### **7. APPROVAL OF THE LEICESTER AND LEICESTERSHIRE TRANSPORT BOARD ASSURANCE FRAMEWORK PART 3 [Appendix B](#)**

The Designated LTTB Officer submits a report seeking approval of the Leicester and Leicestershire Transport Board Assurance Framework Part 3.

**8. LEICESTER NORTH WEST MAJOR TRANSPORT  
SCHEME PHASE 1**

**Appendix C**

The Designated LTTB Officer submits a report requesting that the Board give Full Approval (including detailed Business Case approval) to the Leicester North West Major Transport Scheme Phase 1 in accordance with the Leicester and Leicestershire Transport Board (LLTB) Assurance Framework.

**9. ARRANGEMENTS FOR NEXT MEETING**

The Board is asked to:-

- a) Determine the chairmanship and venue for its next meeting; and
- b) Agree a date for its next meeting.

**10. ANY OTHER URGENT BUSINESS**

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# LEICESTER & LEICESTERSHIRE TRANSPORT BOARD

## Record of Decisions

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Date: **16 DECEMBER 2013**

Time: **10:00 am**

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**Present:**

Councillor Peter Osborne – Cabinet Lead Member for Highways and Transport,  
Leicestershire County Council (in the Chair)

Mr John Edmond – Vice-Chair of the Leicester & Leicestershire Enterprise Partnership

Sir Peter Soulsby – City Mayor, Leicester City Council

**District Council Representative:**

Councillor David Slater – Leader, Charnwood Borough Council

Minute No.	Item	Decision	Reasons / Rationale for Decision	Expected Outcome(s)
12.	<b>CHAIR OF MEETING</b>	Noted that Councillor Peter Osborne, Leicestershire County Council Cabinet Lead Member for Highways and Transport, was in the Chair for this meeting	In accordance with paragraph 4 of Section 1 of the Board's Assurance Framework	Compliance with the Assurance Framework
13.	<b>WELCOME AND INTRODUCTIONS</b>	Noted	Not applicable	Not applicable
14.	<b>APOLOGIES FOR ABSENCE AND SUBSTITUTES</b>	Noted that apologies had been received from County Councillor Nick Rushton, but that his standing substitute, County Councillor Peter Osborne, was present	Not applicable	Not applicable
15.	<b>DECLARATIONS OF CONFLICTS OF INTEREST</b>	Noted that no declarations were made	In accordance with paragraph 7 of Section 1 of the Board's Assurance Framework	a) Identification of potential conflicts of interest that will prevent Board members making an impartial decision b) Compliance with the Assurance Framework
16.	<b>RECORD OF DECISIONS OF PREVIOUS MEETING</b>	Confirmed as a correct record	In accordance with paragraph 29 of Section 1 of the Board's Assurance Framework	Compliance with the Assurance Framework
17.	<b>MATTERS ARISING FROM THE RECORD</b>	a) Noted that formal approval of Part 3 of the Assurance	This is the framework for the governance and working	The maintenance of transparency in the

Minute No.	Item	Decision	Reasons / Rationale for Decision	Expected Outcome(s)
	<b>OF DECISIONS OF THE PREVIOUS MEETING</b>	<p>Framework was awaited from the Department for Transport</p> <p>b) Noted that the Board will work closely with the Leicester and Leicestershire Enterprise Partnership to ensure that transport's contribution to the economy is considered in the Strategic Economic Plan</p>	<p>arrangements of the Board</p> <p>To ensure that a co-ordinated approach to transport issues in the city and county will be maintained</p>	<p>operation of the Board</p> <p>The delivery of sustainable growth and development in the city and county</p>
18.	<b>PROGRESS ON MAJOR SCHEMES</b>	<p>Noted that additional resources for the development and feasibility stages of the schemes will be considered by the Leicester and Leicestershire Enterprise Partnership Board at its meeting in January</p> <p>Noted that problems with spending the funding within the 2015 – 2019 timeframe are not anticipated</p>	<p>Work is underway to broaden the parameters of the Growing Places Fund to include design and feasibility</p> <p>Each scheme is a collection of projects that can be implemented relatively independently of each other as a programme of works</p>	<p>The identification of the resources required to progress the schemes previously identified for investment</p> <p>The permeability of networks will be improved if all schemes are fully implemented</p>
19.	<b>RESERVE LIST OF SCHEMES</b>	<p>Noted that the reserve list of schemes will be reviewed through discussion at relevant groups (e.g. the Housing, Planning and Infrastructure Group (HPIG) and the Leicester and Leicestershire Transport Advisors' Group (LLTAG))</p>	<p>Leicestershire District Councils wish to work with the two promoters, (Leicester City Council and Leicestershire County Council)</p>	<p>Co-working will enable the District Councils to create links in their own economic development plans with the work of the Board</p>

Minute No.	Item	Decision	Reasons / Rationale for Decision	Expected Outcome(s)
		<p>Improvements to the A511 Stephenson Way in Coalville and to the A47 Northern Perimeter Road in Hinckley to be considered as potential highest priorities within the list of reserve schemes</p> <p>Noted that the final version of the Leicester and Leicestershire Enterprise Partnership's Strategic Economic Plan was likely to be available in approximately March 2014</p>	<p>Alternative sources of funding have been identified for the improvement of the Haymarket Bus Station, so it no longer needs to be considered for inclusion in the list of reserve schemes</p> <p>Provisions in the Plan will help identify potential resources for schemes on the reserve list</p>	<p>These schemes will deliver economic growth and sustainability to the respective areas</p> <p>Improved resources for the schemes being implemented</p>
20.	<b>PROGRAMME OF FUTURE MEETINGS</b>	Programme agreed	The identification of a programme for the Board that is acceptable to all parties	Completion of the identified schemes within appropriate timescales and with no loss of funding
21.	<b>ARRANGEMENTS FOR NEXT MEETING</b>	<p>a) To be held at a local business if possible</p> <p>b) The date of the next meeting to be agreed as needed, but will probably be in June or July 2014</p> <p>c) An item on co-operative working between the Board and the</p>	<p>The Chair of the next meeting will be John Edmond, Vice-Chair of the Leicester and Leicestershire Enterprise Partnership</p> <p>To ensure that the Board meets in an appropriate and timely fashion</p> <p>In order to identify which body will be responsible for implementing</p>	<p>Compliance with the Assurance Framework</p> <p>Compliance with the Assurance Framework</p> <p>The maintenance of openness and</p>



Minute No.	Item	Decision	Reasons / Rationale for Decision	Expected Outcome(s)
		<p>Leicester and Leicestershire Enterprise Partnership to be included on the agenda for the next meeting</p> <p>d) Any additional items for the agenda for the next meeting to be passed to Elaine Baker, Democratic Support Officer, Leicester City Council</p>	<p>each element of the schemes adopted by the Board and the applicable funding streams for these schemes</p> <p>To ensure co-ordination of agenda items for the next meeting</p>	<p>transparency in the implementation of the schemes</p> <p>Early identification of items for consideration at the Board's next meeting</p>
22.	<b>ANY OTHER URGENT BUSINESS</b>	None	Not applicable	Not applicable
The meeting closed at 10.14 am				



## **LEICESTER AND LEICESTERSHIRE TRANSPORT BOARD (LLTB) ASSURANCE FRAMEWORK PART 3**

### **Report of LLTB 'Designated Officer'**

#### **1. Purpose**

- 1.1 The purpose of this paper is to seek approval of the Leicester and Leicestershire Transport Board Assurance Framework Part 3.
- 1.2 The Assurance Framework sets out the governance and working arrangements of the LLTB including project sign off and funding release.

#### **2. Assurance Framework Part 3**

- 2.1 All three parts of the Assurance Framework were developed in liaison with the Department for Transport up until the Department for Transport handover to the Leicester and Leicestershire Enterprise Partnership. The Department for Transport have signed off Part 3 (Value for Money section).
- 2.2 Part 3 Programme Management and Investment Decisions sets out the process and arrangements to be followed for individual scheme assessment and approval. Part 3 is attached at Appendix B1, included with Parts 1 and 2 of the Assurance Framework for completeness.

#### **3. Recommendation**

- 3.1 The Transport Board is recommended to approve adoption of the **Leicester and Leicestershire Transport Board Assurance Framework Part 3**.



# **Leicester and Leicestershire Transport Board**

# **Assurance Framework**

**29<sup>th</sup> May 2015 – Issue 3**

<b>Status of Document</b>	<b>DfT</b>	<b>LLTB</b>
Part 1	28.6.13 Full Sign off	22.7.13 approved
Part 2	18.7.13 Full sign off	22.7.13 approved
Part 3	23.12.2013 Sign Off (VFM Part only)	XX June 2015

Contact:

Garry Scott

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Leicester and Leicestershire Transport Board

## **Leicester and Leicestershire Transport Board**

### **Assurance Framework September 2013**

#### **Introduction**

The Leicester and Leicestershire Transport Board is being established in response to the Government's firm intention to devolve funding for local major transport schemes to Local Transport Bodies (LTBs) from 2015. The Leicester and Leicestershire Transport Board (LLTB) is the LTB for Leicester and Leicestershire and is a voluntary partnership between Leicester City Council, Leicestershire County Council and the Leicester and Leicestershire Enterprise Partnership. A Leicestershire District Council will also be invited to join the Board, but in a non-voting advisory capacity. Leicester City Council acts as the accountable body for the LLTB.

The primary role of the LLTB is to decide which transport investments should be prioritised, to review and approve individual business cases for those investments, and to ensure effective delivery of the programme. It will ensure value for money and sound decision making.

The Department for Transport (DfT) requires each LTB to put in place an assurance framework, setting out their governance and working arrangements, and that these frameworks need to be submitted to, and approved by, DfT before any devolved funding will be transferred.

This is the assurance framework for the Leicester and Leicestershire Transport Board that is intended to cover the period of the post-2015 spending review period ie from April 2015 onwards. It may be amended following revised guidance from DfT or in order to better meet the local needs in the light of experience gained.

Evidence of the support of the LLTB members is shown in the letters attached in the appendix from:

- Leicester City Council
- Leicestershire County Council
- Leicester and Leicestershire Enterprise Partnership
- North West Leicestershire District Council, on behalf of the Leicestershire District Councils

The assurance framework follows the same structure as the DfT guidance:

#### **PART ONE: PURPOSE, STRUCTURE AND OPERATING PRINCIPLES**

#### **PART TWO: PRIORITISATION**

#### **PART THREE: PROGRAMME MANAGEMENT AND INVESTMENT DECISIONS**

## **PART ONE: PURPOSE, STRUCTURE AND OPERATING PRINCIPLES**

### **Name**

1. The Local Transport Body for Leicester and Leicestershire will be known as the Leicester and Leicestershire Transport Board (LLTB). The LLTB shall be established once the Department for Transport (DfT) has approved this Assurance Framework.

### **Geography**

2. The geographic area of the LLTB is based on the Leicester and Leicestershire Local Enterprise Partnership boundary. This is the area covering the whole of the administrative areas of Leicester City Council, Leicestershire County Council and the Districts of Leicestershire.

### **Membership**

3. The confirmed members of the LLTB are:

- Leicester City Council.
- Leicestershire County Council.
- Leicester and Leicestershire Local Enterprise Partnership.

The Leicestershire District Councils will be invited to nominate one Leicestershire District Council to represent all the Leicestershire districts with observer non-voting status.

4. There are three voting members consisting of:

- One City Council (City Mayor or nominated democratically elected councillor substitute, being a member of the Executive).
- One County Council (Leader or nominated democratically elected councillor substitute, being a member of the Cabinet).
- One Leicester and Leicestershire Enterprise Partnership (Chair or nominated substitute, not a Council representative, being a member of the LLEP board).

In addition there will be one non-voting member being one District Council (Leader or nominated democratically elected councillor substitute, being a member of the Cabinet) or another District Council (Leader or nominated democratically elected councillor substitute, being a member of the Cabinet) as substitute. The Leicestershire District Councils collectively will nominate the District Council. At its first meeting, and at any subsequent meeting when there is a substitute, the LLTB will vote to accept the representative District Council. The chair will alternate at each meeting between the voting members; the Leicester City Council member will chair the first meeting.

5. Membership will be reviewed annually and at other times by the Board as may be required. The LLTB has been set up in such a way so as to allow for future expansion if considered appropriate by the Board.

6. In order to ensure democratic accountability, the majority of voting members are democratically elected representatives (mayor and councillors). In the event of a membership review, the majority of voting members will always be democratically elected representatives.

### **Conflicts of Interest**

7. All individuals who are members of the LLTB will be required to disclose any potential conflicts of interest, at the beginning of each meeting, which may prevent them from making an impartial decision on either the prioritised programme or a particular investment or scheme. Depending on the nature of the potential conflict of interest, to be determined by the other voting members present, there may be a need to co-opt another member on to the LLTB for the purpose of making a particular decision. The co-opting member will be drawn from the nominated substitutes listed in paragraph 4 above. All such conflicts and co-opting will be recorded in the minutes of the meeting.

8. All members of the LLTB are required to regularly update a register of their interests, which will be made publically available on the LLTB website. Hard copy will also be made available to the public on request.

9. The elected representatives are required to abide by their own authority's code of conduct when conducting LTB business. Non-elected members of the LLTB will be required to sign and adhere to the constitution for the LLEP which is currently being prepared. This will be published on the LLTB website when available.

### **Gifts and Hospitality**

10. LLTB members are not allowed to accept any gift or hospitality from any individual or organisation who has a specific interest in any major scheme or other item of LLTB business. All gifts and hospitality offered must be declared on a publically available register, to be kept by the LLTB and published on the LLTB website, and clearly showing whether the gift or hospitality has been accepted or declined.

### **Status and Role of Accountable Body**

11. The LLTB is an informal partnership, and as such is a non-legal entity.

12. Leicester City Council is the accountable body. The primary role is to hold the devolved major scheme funding and make payments to the delivery bodies. It will account for these funds in such a way that they are separately identifiable from the accountable body's own funds, and provide financial statements to the LLTB as required. The funds will only be used in accordance with an LLTB decision.

13. The responsibilities of Leicester City Council as the accountable body include:

- Ensuring that the decisions and activities of the LLTB conform with legal requirements with regard to equalities, environmental and EU issues.



- Ensuring, through Leicester City Council's Section 151 Officer that the funds are used appropriately.
- Ensuring that this assurance framework as approved by DfT is adhered to.
- Maintaining the official record of LLTB proceedings and holding all LLTB documents.
- Responsibility for the decisions of the LLTB in approving schemes (for example if subjected to legal challenge).

Leicester City Council's Strategic Director City Development and Neighbourhoods has overall officer responsibility for ensuring that the above responsibilities are discharged.

14. Leicester City Council will be entering into legal agreements relating to both incoming funds and outgoing funding for schemes approved by the LLTB. As the LLTB is a non-legal entity, the City Council will be the focal point for any liabilities and is entering into agreements with the Leicestershire County Council (the LLEP being a non-legal entity, for which Leicester City Council is the accountable body). The City, County and District Councils are accustomed to working collaboratively and will ensure that these agreements are in place before the first meeting of the LLTB, to deal with risks associated with Leicester City Council being the host and accountable body.

### **Audit and scrutiny**

15. Independent local audits will be carried out by a qualified auditor and the reports of these audits will be submitted to DfT. The aim of each audit will be to verify that the LLTB is operating effectively within the terms of the agreed assurance framework. Any shortcomings identified within the audit will be reported to the LLTB and appropriate remedial action will be put into place. This is to avoid the risk of DfT withholding or recovering funding due to an adverse audit finding or because remedial action has not been taken in a timely manner.

16. The first audit will be undertaken during the 2013/14 financial year and a report will be sent to DfT no later than December 2014. Further audits will be carried out at least annually with the reports being submitted to DfT no later than December each year.

17. It is acknowledged that DfT will also undertake its own periodic assessments of the quality of appraisal and scrutiny within the LLTB, in order to test the extent to which the LLTB is discharging the responsibilities to deliver value for money. It is noted that the results of these assessments may be taken into account in determining future funding allocations.

### **Strategic Objectives and Purpose**

18. The primary objective of the LLTB is to decide which transport investments should be prioritised from the Local Major Transport funding programme, to review and approve individual business cases for those investments, and to ensure effective delivery of the programme. It will ensure value for money and sound decision making.

19. The LLTB will initially only cover capital transport funding from the DfT Local Major Transport funding programme. It is recognised that in order to maximise the benefits from whatever funding streams are available, there may be some merit in the LLTB taking on a role in respect of related funding streams as may be appropriate. This may enable the LLTB to have a complete picture of the overall funding package for any major transport infrastructure project.

20. The LLTB is responsible for the following in relation to devolved major scheme funding:

- Inviting promoters to submit schemes for prioritisation and programming.
- Ensuring value for money is achieved.
- Identifying a prioritised list of investments within the available budget.
- Making decisions on individual scheme approvals, investment decision making and release of funding, including scrutiny of individual scheme business cases.
- Monitoring progress of scheme delivery and spend.
- Actively managing the devolved budget and programme to respond to changed circumstances, such as scheme slippage, scheme alteration and cost increases.

### **Support and Administration Arrangements**

21. The LLTB will secure the capacity and capability to undertake all the functions of the LLTB described in this framework. Leicester City Council will guarantee that the required support arrangements are in place. It should be noted that, having considered the initial amount of business to be transacted, at this stage it is considered that the LLTB would be supported from existing staffing resources at the City and County Councils due to:

- The relatively modest amount of money likely to be available.
- The small number of schemes likely to be taken forward.
- Peaks and troughs in the projected workload.
- Lack of continuity of workload.
- The mix of expertise, knowledge and skills that will be required, that will have to come from multiple sources.

It is intended that related transport funding made available through the LLEP and LTA's would support the work of the LLTB. Any required additional funding will be provided by both the City and County Councils on an equal (50/50) basis.

22. Leicester City Council will provide the following support:

- Administrative support by the Democratic Services Section as and when required, such as for arranging meetings and sending out the relevant documents.
- Legal support by the Legal Services Section as and when required; this is also front end loaded during the set up period.

- Financial support and advice by a named finance officer; it is estimated that this could amount to 20% of that officer's time; there will also be the input of the Section 151 officer.

23. Professional advice to the LLTB is given by officers as may be appropriate from both Leicester City Council and Leicestershire County Council. During the initial set up period the primary advice is from a Leicester City Council officer, supported by a Leicestershire County Council officer, including advice relating to the prioritised list of schemes; it is estimated that this amounts to 25% of the City officer's time. Following the initial set up period, an officer that is directly involved in any particular scheme will not have a direct involvement in the detailed consideration of that scheme, other than to present the scheme and answer any questions. Independent scrutiny of business cases may be resourced by:

- Appropriately skilled and qualified professional officers from Leicester City Council and/or Leicestershire County Council who have no direct involvement in the particular business case under consideration.
- The external employment, by Leicester City Council as the accountable body, of appropriately skilled and qualified consultants not involved in the particular business case under consideration.

24. The work of the LLTB is supported by a Leicester and Leicestershire Transport Executive Group (LLTEG). The main role of the LLTEG is to provide sound advice, support and professional guidance to the LLTB. This group consists of senior officers representing Leicester City Council, Leicestershire County Council, Leicester and Leicestershire Enterprise Partnership and one Leicestershire District Council. Beneath this sits the Leicester and Leicestershire Transport Advisors Group (LLTAG). This group is attended by officers from Leicester City Council, Leicestershire County Council, Leicester and Leicestershire Enterprise Partnership and Leicestershire District Councils. Representatives of bus companies, local business, chamber of commerce, together with local transport, cycling and environmental organisations are invited to attend. This is the main forum for transport discussion at operational and grass root level. Advice on specific programmes and schemes will be channelled into the LLTEG.

### **Working Arrangements and Meeting Frequency**

25. The LLTB will normally meet twice a year. Additional meetings will be held should the need arise, for example to consider a particular programme or scheme, in accordance with paragraph 28. The LLTB shall meet when determining the initial decision on the composition of the scheme programme and when making individual scheme investment decisions. The meetings of the LLTB will be open to the public and subject to a minimum five day notice period.

26. The intention of the LLTB is to give the right balance between the burden of an overly prescriptive regime of meetings whilst allowing for adequate public involvement.

## Transparency and Local Engagement

27. This section explains how the LLTB ensures a high level of transparency and ensures the involvement of the public and key stakeholders. The LLTB will adhere to the Local Government Transparency Code. The LLTB will have a dedicated web page which will be hosted by the City Council in the first instance; however this is expected to be moved to a dedicated LLTB website in the medium term. This will contain material accessible to the general public to help inform debate (particularly technical material such as modelling and appraisal). It will also contain a clear statement of the approach that will be followed by the LLTB when making major investment decisions. This statement is currently being prepared, however once agreed by the LLTB, it will be publically available on the LLTB website.

28. There will be at least five clear days' notice of any meeting of the LLTB. Details of the meeting will be posted on the Internet sites of Leicester City Council, Leicestershire County Council and the LLTB; and at the City Council's Offices. Leicester City Council will make copies of the agenda and reports open to the public available at the Council's Internet site and at the Council's Offices at least five clear days before the meeting. If an item is added to the agenda later, the revised agenda will be open to inspection from the time the item was added to the agenda. The LLTB regard the opportunity for meaningful input by the public and stakeholders as being very important. The LLTB will use best endeavours to comply with the above five day minimum notice period for reports being made available. However in very exceptional circumstances, where reports are prepared after the notice has been issued, and with good reason, each such report will be made available to the public as soon as the report is completed. The reason for the departure from the five day minimum notice period will be stated at the meeting and recorded in the minutes. It will be for the members at the LLTB meeting to accept or otherwise the reasons for the late availability.

29. Leicester City Council will publish the results of the LLTB decisions on its internet site and that of the LLTB, ensuring that the rationale behind the decisions is clearly explained and understood. This will include the expected outcomes for the schemes that it funds. Leicester City Council will make available copies of the following:

- The minutes of the meeting or records of decisions taken, together with reasons, rationale and expected outcomes.
- A summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record.
- The agenda for the meeting.
- Reports relating to items when the meeting was open to the public, including scheme business cases and evaluation reports.
- Funding decision letters with funding levels and conditions.
- The overall major scheme programme and individual scheme project programmes.
- Regular programme updates on delivery and spend against budget.

30. As the accountable body, Leicester City Council will deal with all information requests made under the Freedom of Information Act 2000 and the Environmental Impact Regulations 2004, in respect of LLTB business.

31. Leicester City Council on behalf of the LLTB will:

- Publish the necessary information on a timely and regular basis.
- Hold all LLTB papers and documents for at least six years.

### **Complaints and whistleblowing**

32. Any individual or organisation is entitled to make a complaint if they feel that the work of the LLTB is not being undertaken in accordance with the standards outlined in this Assurance Framework. Complaints made against the LTB will be treated in accordance with the Leicester City Council two stage complaints procedure, as amended and outlined below.

#### **Stage 1 – Making a complaint**

*Once a complaint has been received by the LLTB (or Leicester City Council as the accountable body), an acknowledgement will then be sent to you within five working days telling you the name and telephone number of the person to be contacted in the event of any further queries on your complaint.*

*If we can, we will sort out your complaint straightaway, but sometimes we may need a little longer to investigate and reply. We will however send a reply in writing to you within 15 working days or let you know when you can expect to hear from us.*

*Please note that where a statutory procedure or a formal appeals mechanism is in place, related complaints must be pursued via the statutory procedure and not the council's complaints procedure.*

#### **Stage 2 – Not satisfied with our response?**

*If when we respond you are not happy with the way we have dealt with your complaint, you may ask for it to be reviewed by a senior manager, from a different section to the one you're complaining about. You should expect a response within 20 working days.*

33. The LLTB members are committed to high standards of conduct and to compliance with legal obligations and good practice. They want malpractice to be pointed out and dealt with and they expect their employees, and others who help to deliver the LLTB services, to help with that. Employees are encouraged to raise genuine concerns as “whistleblowers”. Those who make public interest disclosures reasonably and in good faith will be protected from detriment such as victimisation or discipline. Often, that involves treating the disclosure confidentially, including protecting the whistleblower's identity.

## PART 2: PRIORITISATION

34. This section deals with the prioritisation and development of a scheme programme, within the available DfT funding envelope, as required by July 2013. The appraisal and approval of individual scheme bids is dealt with in Part 3. Prioritisation involves sifting a long list of schemes down to a programme. The methodology being used to generate the prioritised list of schemes is set down below. This will be published on the LLTB website.

35. The identification of a prioritised and affordable list of schemes by July 2013 is being conducted on the basis of a limited set of criteria. The schemes being considered do not yet have a fully developed business case or a WebTAG appraisal completed. Available evidence is being used to inform decisions. Scheme promoters are also asked to provide outline supporting information wherever possible. The LLTB will then carefully examine all the information and data supplied to try to ensure rigour and consistency. Data quality is being verified by:

- Independent checks.
- Sample checks against other databases such as Trics.
- Examining data to check if it is broadly in line with past experience.

36. The LLTB will consider the funding for each prioritised scheme when a business case is completed and it is brought forward to the LLTB for approval. The LLTB will release the actual scheme funding after full approval.

37. The LLTB shortlisting and prioritisation of schemes involves the following stages:

- SP1. Producing a very long list of any potential candidate schemes
- SP2. A coarse sieve of the very long list to produce a long list
- SP3. Sifting of the long list down to a short list
- SP4. Prioritising the schemes on the short list into a programme
- SP5. Fitting the higher priority schemes in to the indicative funding envelope which will include a reserve scheme list in case one or more of the priority schemes are delayed or more funding becomes available

Schemes considered at the prioritisation stage do not need to have a fully worked up business case. An objective methodology is being used with a proportionate level of evidence. This includes a coarse sieve in SP2 to remove early on any schemes that are likely to perform poorly, followed by, in SP3, the DfT's Early Assessment and Sifting Tool (EAST). It would not be possible in the time and resources available to put all schemes through the full EAST assessment. The promoters of schemes that fit within the available funding envelope will then be invited to submit business cases in accordance with part 3.

38. The initial very long list of potential candidate schemes in Stage SP1 is being identified by an examination of:

- Candidate schemes from the former RFA process.
- Local Transport Plans.

- The Growth Infrastructure Assessment list of schemes.
- Recent potential schemes that have emerged, particularly to tackle growth.
- Community Infrastructure Levy list of candidate schemes.

39. The following strategic criteria are used at a high level to sieve the very long list of schemes down to a long list during Stage SP2:

- Deliverability including affordability.
- Economic impact.
- Carbon impact.
- Contribution to housing growth and the strength of developer commitments.
- Value for money.

40. Value for money is being assessed during this initial stage by:

- Benefit to cost ratios (BCR) where supplied.
- Comparing schemes of a similar nature by BCR where this information is supplied.
- Quantitative criteria such as impacts in busier areas, more populous areas, agglomeration benefits.
- Qualitative criteria such as impacts on particular groups or types of area.

41. Sifting of the long list down to a short list during Stage SP3 uses the DfT Early Assessment and Sifting Tool (EAST). This tool is designed to reject outliers, and those that have no chance of being implemented based primarily on qualitative information in individual policy areas (e.g. the scheme is rejected if it is impossible to deliver in the required timeframe). It is noted that, as implemented by the DfT, this tool does not allow comparison between schemes.

42. Prioritisation is a two stage process that uses the EAST parameters augmented with local parameters to measure LLTB policy areas. The first stage of the process is a qualitative assessment to narrow the list, whilst the second part monetises the outputs. The selection criteria includes the following policy areas:

- Value for money.
- Deliverability.
- Environmental impact.
- Social impact.
- Distributional impact.
- Economic impact.
- Housing growth.
- Contribution to objectives of Leicester & Leicestershire's Local Transport Plans.
- Public and political acceptability.

The transport objectives of Leicester & Leicestershire's Local Transport Plans include the following:

- Reduction in congestion and improving journey times.
- Reduction in carbon emissions.

- Improved public transport, outside City Centre (defined as outside Leicester's inner ring road).
- Improved public transport, inside City Centre (defined as inside Leicester's inner ring road).
- Improved connectivity.
- Improved safety and health.
- Improved air quality.
- Improved transport assets.
- Improved quality of life.
- Removal of barriers to housing and economic growth.

Local weightings are being developed and will be published on the LLTB website when agreed by the LLTB

43. The final Stage SP5 involves fitting the higher priority schemes in to the indicative funding envelope and profile, whilst being able to react quickly to  $\pm 33\%$  of the indicative figure, as suggested by DfT. A reserve scheme list will be maintained in case one or more of the priority schemes are delayed or more funding becomes available.

44. The LLTB ensures the above assessment criteria are not retro-fitted by adopting the criteria before schemes are determined.

45. The LLTB balances deliverability against other assessment criteria by:

- Having deliverability as a core requirement.

Deliverability is a vital part of the prioritisation equation, and the LLTB will not prioritise schemes if there is insufficient evidence to suggest that they can be delivered within budget and to timescale. The LLTB will normally only prioritise investments (for schemes) within the funding profile held by the LLTB on behalf of the DfT for LLTB spend up to March 2019. Based on current knowledge, the promoter would have to use other funding sources for any spend after March 2019. This is not to say that such schemes could not be funded from April 2019 onwards and the possibility of funding starting towards the end of the current period for completion during the next period cannot be ruled out, subject to DfT advising on the arrangements post March 2019.

46. Schemes which perform well against deliverability criteria will normally:

- Provide a local contribution of at least 20% of total scheme cost from the scheme promoter, potentially including money from section 106 planning agreements and the Community Infrastructure Levy (CIL). In exceptional circumstances, the local contribution may be reduced to an absolute minimum of 10% of total scheme cost.
- Set out the key milestones for delivery of the scheme, with realistic timescales for obtaining statutory consents, undertaking public consultation, completing the design and procuring a contractor based on a price that is within the proposed funding envelope.



- Include a basic risk assessment and mitigation strategy which can be used to judge the potential for increases to costs and timescales.
- Provide evidence of actual or potential public support.

47. The LLTB will engage with the Highways Agency and Network Rail on any strategic road or rail schemes that are to be considered for funding so that their views on deliverability and impact on the wider network can be considered and taken into account in the initial prioritisation exercise. In cases where schemes have any impact on train services the Train Operating Company and DfT (rail) will also be engaged.

48. The LLTB is aware of the opportunity to collaborate and jointly fund projects with their neighbours. The LLTB has contacts with neighbouring LTBs and will maintain these contacts, should a need arise in the future. There are no relevant opportunities during the initial prioritisation process.

49. The LLTB is required to publish and submit to DfT a prioritised list of schemes by July 2013. Although the individual schemes will not require DfT approval, the prioritised lists will provide DfT with important information on the overall deliverability of the programme and will form part of the evidence base for future Government spending rounds.

50. DfT require information on costs, funding, timescales, state of readiness etc. of schemes on the prioritised list to be comparable across areas. DfT will issue further guidance on this in due course. The LLTB will take this guidance on board once received.

### **Scheme eligibility**

51. Funding will only be considered for schemes that have a defined scope. These need not be ‘traditional’ majors and may include packages of measures. However the important thing is that the scope and composition of the scheme must be sufficiently well defined as to enable a meaningful appraisal to be conducted. Funding will not be passed on to promoters for loosely defined or unspecified uses. Devolved major scheme funding can be used only for capital expenditure. The LLTB will reject any schemes, which in the opinion of the LLTB based on the information supplied, are loosely defined or insufficiently specified.

52. The normal minimum cost threshold appropriate to the LLTB area is a total scheme cost of £5m. The LLTB intends to require a mandatory local contribution of at least 20% or exceptionally a minimum of 10%, of the total scheme cost. The LLTB may exceptionally reduce the minimum cost threshold, particularly in order to be able to fully utilise any surplus funds held by the LLTB (for example, those due to scheme underspends). The LLTB, taking into account the circumstances and funds held at a particular time, may offer less than the funding requested. It would be for the promoter to use best endeavours to secure alternative funding sources to cover for any resulting funding gap.

## PART 3: PROGRAMME MANAGEMENT AND INVESTMENT DECISIONS

### Scheme Assessment and Approval

53. Promoters (usually LA's) will, as previously, be responsible for developing scheme proposals and producing business cases. The LLTB will be responsible for assessing the business case and deciding whether or not to provide funding for the scheme, and on what conditions.

54. Every individual scheme approval decision made by the LLTB will be supported by an assessment of the scheme, carried out independently of the promoting authority and signed off by a named individual.

55. If appropriate in house capacity is not available, the LLTB will normally appoint appropriately skilled and qualified consultants (with appropriate experience in assessing Major Scheme Business cases developed under WebTAG guidance) to assess business cases at the Programme Entry stage, as defined below. These consultants will be separate from the promoter. The consultants will nominate a named individual who will be responsible for overseeing, and signing off, the business case assessment.

56. The LLTB intends to operate a five stage approval process (although the initial prioritisation exercise effectively covers stage 1):

1. **Strategic Business Case** – this initial stage will advise the LLTB of potential future schemes. At this stage the strategic outline business case must include a clear statement of objectives. A broad overview of the scope and an outline cost of the proposals must be included. Proposals must meet strategic policy objectives.
2. **Outline Business Case** – the proposal should now be in outline design, and should include a draft programme and risk assessment with an appropriate action plan for red risks. Constraints at a desktop level must also be identified. An outline Monitoring and Evaluation plan should be submitted. This stage is intended to give LA's confidence to proceed with developing their Major Scheme Business Case in detail, and to commission surveys and modelling work.
3. **Programme Entry** - it is at this stage a full detailed business case, following WebTAG must be submitted. This is not a guarantee of funding, or its timing, but is intended to give LA's confidence to proceed with the development of the scheme, and in particular to apply for necessary statutory powers.
4. **Conditional Approval** - this is an intermediate stage that normally occurs following the granting of statutory powers, but before a firm price for the works is established.
5. **Full Approval** - by formal agreement between the LLTB and the LA. This is only given once firm prices for the works are available, normally when tendering is complete. It will set out what is required of the both the promoter and the LLTB. The agreement will include the approved funding and programme, the

scope and detail of the scheme that has been approved, any specific conditions for the particular scheme, reporting, claims and audit requirements.

The LLTB must be notified within seven days of any changes of scope or delays in the approved programme. Full details will need to be submitted to the LLTB. There will be no automatic increase in funding from the LLTB. The LLTB will consider the merits of the submission and take into account any headroom in the overall funding profile held by the LLTB.

## **The Transport Business Case**

57. The LLTB will require that all scheme proposals meet the key principles of the DfT Transport Business Case guidance, with the assessment of a scheme set out according to five cases as follows:

- the strategic case
- the economic case
- the commercial case
- the financial case
- the management case

This will be required in outline at the Outline Business Case stage and in detail at the Programme Entry stage. Every funding bid should have a clear statement of objectives and the specific outcomes that the scheme is intended to achieve. This will enable the public and stakeholders to reach a clear judgement on the success or otherwise of the scheme when it is evaluated. The core of the economic case is the value for money assessment and this is discussed in more detail below.

## **Value for Money**

58. Value for money (VFM) is an assessment of the scheme costs against total investment. The greater the Benefit to Cost Ratio (BCR) of a scheme, the higher the value for money it is. Scheme benefits potentially encompass a wide range of economic impacts including:

- Journey time savings for individuals.
- Reduction in costs to businesses, transport operators and passengers.
- Increasing access to education and jobs.
- Increasing inward economic investment.
- Keeping roads open to traffic (especially freight).
- Reducing accidents / improving safety and security.

VFM may also take into account non monetised benefits, such as more general impacts on the local area, ambience and public realm.

59. The LLTB requires each scheme submission to be supported by appropriate modelling and appraisal proportionate to, and fit for purpose for, the scheme under consideration. WebTAG should be applied proportionately, based on the impact of the

scheme and the scale of the impacts. It is up to the scheme promoter to make the case for the proportionate use of WebTAG based on the type of scheme, modelling requirements, potential environmental impacts and projected social / distributional impacts. The scheme promoter will be required to produce a short Appraisal Scoping Report (ASR) which will summarise the proposed modelling and appraisal approach. The LLTB will be able to provide advice to scheme promoters on the use of proportionate appraisal.

60. The use of WebTAG is mandatory for all schemes. Scheme promoters will be required to conduct appraisals and value for money assessments using the DfT's WebTAG tool kit: <http://www.dft.gov.uk/webtag/>. Central case assessments must be based on forecasts which are consistent with the definitive version of NTEM (DfT's planning dataset). The appraisal and modelling will be scrutinised by the LLTB and this will be undertaken independently of the promoting authority. This will be done either:

- If in-house capacity is available by appropriately skilled and qualified professional officers from Leicester City Council and/or Leicestershire County Council who have no direct involvement in the particular business case under consideration.
- More usually by the external employment, determined by Leicester City Council as the accountable body, of appropriately skilled and qualified consultants not involved in the particular business case under consideration.

61. The LLTB will scrutinise the appraisal and modelling to include checks on whether:

- The proposed scheme fits with LLTB priorities
- The figures used for forecasting of growth, traveller numbers, costs, etc. are appropriate
- The scheme appraisal complies with WebTAG including checks on the suitability of models used and the modelling work undertaken,
- The factors used to show a benefit or dis-benefit are appropriate, proportionate and reasonable - such as in connection with the impact of smarter choices
- The combined package of measures proposed is likely to result in the claimed outputs and outcomes

62. The LLTB will need to sign off the appraisal work before the outline business case is approved and the full business case submitted. The LLTB and independent specialists will be responsible for scrutinising the scheme appraisal and value for money case. The LLTB will, if necessary, appoint an independent expert to quality assure the internal work of the LLTB and any external advice. If such an appointment is considered appropriate by the LLTB, the Leicester City Council or Leicestershire County Council's normal practices for procurement, commissioning and monitoring will be used. This will be approved at director level. The process includes the assessment of potential consultants, to ensure, amongst other things, their suitability for the work and their financial strength. Recognised frameworks will be used if considered appropriate by the LLTB.

63. There will be a Designated Officer, who is not directly involved in the delivery of any of the schemes on the agreed prioritised list, as the LLTB point of contact with the promoters and the public. This officer will be experienced in transport strategy and scheme delivery and will be on Leicester City Council's grade 12 or above. The Project Director responsible for setting up the LLTB is currently the Designated Officer, as this officer is not involved directly with the delivery of any of the schemes on the agreed prioritised list. The Designated Officer will give, and will be responsible for giving, LLTB advice to promoters.

64. The Designated Officer will be responsible for the co-ordination of LLTB responses, the dissemination of independent assessments, and other LLTB work to ensure board members are kept informed of progress with scheme assessments and any other relevant information such as feedback / advice given to promoters in order to improve their submission. The officer will also ensure board members are made aware of any key risks that are involved in the promoters' submissions.

65. At each stage of the last three stages of the business case approval, the LLTB will normally produce a Value for Money Statement (VfMS) which will summarise the economic case for the scheme, so that stakeholders can understand the potential costs, benefits and impacts. DfT guidance on the VfMS is available at: <http://assets.dft.gov.uk/publications/value-for-money-assessments-guidance/vfmguidance.pdf>.

66. Where appropriate, the VfMS will provide an overall Benefit to Cost Ratio (BCR) which will compare the monetised benefits with the costs (such as those in relation to journey time savings and the reduction in accidents). In purely monetised economic terms, the value for money of a scheme will be categorised as follows:

- Poor VFM if the BCR is less than 1.0
- Low VFM if the BCR is between 1.0 and 1.5
- Medium VFM if the BCR is between 1.5 and 2.0
- High VFM if the BCR is between 2.0 and 4.0
- Very high VFM if the BCR is greater than 4.0

67. Schemes with a BCR of less than 1.0 will not normally be funded. Schemes with a high value for money BCR of over 2.0 will have the best chance of being funded. This will not exclude schemes in the medium and low categories particularly if there are other non-monetised benefits. Therefore the VfMS will not only consider the directly monetised costs and benefits, as measured by the BCR, but will also consider wider appraisal evidence including in relation to:

- Wider economic benefits.
- Environmental impacts.
- Social / Distributional impacts.

68. A summary pro forma will be prepared by the LLTB and will be populated as far as possible by the person/s carrying out the assessments on behalf of the LLTB. This pro forma will be completed and signed off by the Designated Officer.

69. The standard assessment procedure will examine opportunities for higher performing schemes that could deliver higher VfM. The standard process will also check on scheme development to ensure that schemes are not being de-scoped.

70. The Designated Officer mentioned above would be responsible for ensuring that sufficient checks are carried out and by suitably qualified persons. This will include a consideration of the robustness and relevance of all the non monetised evidence provided by the promoters. Any inconsistencies within this evidence, and between this evidence and the economic case, will be carefully considered by the Designated Officer, who may request the advice of outside consultants, and this advice will be reported to the board with recommendations.

71. The Designated Officer will be the officer responsible for the VfM sign off on behalf of the LLTB.

72. The LLTB will approve the business case based on the VfMS and other evidence as appropriate.

73. The LLTB may approve schemes that offer less than high VfM due to perceived non monetised wider economic benefits, positive environmental and/or social impacts. It may also take into account important local community requirements, local priorities and sensitivities and links to other non-transport initiatives and projects, particularly where LLTB funding could make a real difference to the deliverability of an important local project.

74. If a conflict of interest becomes apparent at any stage, Leicester City Council's Strategic Director City Development and Neighbourhoods will be advised and will if necessary appoint another officer to act as the Designated Officer to be responsible for sign off.

75. Evaluation is an important element of VFM. It allows promoters and the LLTB to be able to demonstrate to stakeholders, the public and the Government that an investment has delivered as predicted. It also allows any 'lessons to be learnt'. Monitoring is defined as the collection of data to check progress against planned targets and benefits. Evaluation is defined as the assessment of the scheme effectiveness and efficiency during and after implementation. This includes measuring the causal effect of the scheme on planned outcomes and impacts and assessing whether the anticipated benefits and value for money have been realised. The results of evaluation and monitoring for each scheme will be published on the LLTB website.

76. The method that the LLTB will use to carry out evaluations (the evaluation plan) will be published. Subsequently the actual evaluation reports will also be published. Hard copy will be available on request to the Designated Officer and these documents will be published on the LLTB web site.

77. Promoters must submit proposals for, and undertake monitoring and evaluation in accordance with the DfT guidance documents on evaluation available at: <http://www.dft.gov.uk/topics/appraisal-evaluation/evaluation> and also at <http://assets.dft.gov.uk/publications/local-majors-monitoring-evaluation/la-major-schemes-monitoring-evaluation.pdf>.

78. The outline business case should clearly state how the proposed scheme will be evaluated. Scheme promoters are expected to submit a detailed Monitoring and Evaluation Plan to the LLTB within 3-6 months prior to the Full Approval submission or before any data collection is programmed, whichever is the earliest. This plan will be assessed independently of the promoter, The LLTB will advise the promoter of any improvements required to the plan.

79. In most cases promoters will be expected to propose and implement a standard monitoring and evaluation plan, but in some instances enhanced monitoring may be required. If promoters require early guidance on the level of monitoring required, they should request this when they submit their outline monitoring and evaluation plan with the Major Scheme Business Case at the Programme Entry stage. The plan should include:

- The proposed before and after monitoring regime.
- The proposed approach to project management; and arrangements for monitoring its efficiency and effectiveness.
- The proposed timescale for post-scheme evaluation.

### **External Views on Business Cases**

80. Business cases will be published (and publicised) on the LLTB website with the meeting papers, the meeting of the Transport Board that will consider the business case, so that external comment is possible. Opinions expressed by the public and stakeholders will be available to LLTB members when decisions are being taken. There will be exceptions for any commercially sensitive information.

### **Release of Funding, Cost Control and Approval Conditions**

81. The LLTB scheme contributions will be capped with the promoting LA responsible for all cost increases. Funding can only be spent on the specified scheme and only on capital. Funding will only be released after the full approval stage and only in quarterly instalments (which can be suspended if spend is not keeping pace). The promoting LA section 151 officer must sign off applications for payment. However the LLTB may consider applications for a part contribution to cost increases on a one off basis and subject to the LLTB having sufficient funds available. Full supporting information will need to be submitted to the LLTB and there is no guarantee of any additional funding being made available.

82. All scheme promoters in receipt of LLTB funding are required to provide regular quarterly progress reports containing financial and delivery information to the LLTB, including a full outturn cost profile. No funding will be allocated to the scheme promoter until the full business case has been approved by the LLTB. The LLTB approval will contain:

- The overall agreed level of funding for the scheme.
- The agreed funding profile of the scheme.
- General approval conditions – eg capital expenditure only.
- Any scheme specific approval conditions (for example in relation to third party contributions, dates and format of progress reports).

83. Before any funding is released, the scheme promoter will need to accept the funding (and the conditions for its use) through confirmation of the section 151 finance officer that the money will be spent on the agreed purpose.

84. The scheme promoter will be responsible for submitting timely three monthly claims to the LLTB for payment in arrears, on dates specified by the LLTB and in a format to be specified by the LLTB. On receipt of the claim, the LLTB will then instruct the accountable body to release the funds to the scheme promoter. If the claim differs from the agreed funding profile, the scheme promoter will need to provide an explanation to the LLTB and there is no guarantee of funding outside the agreed funding envelope. Only actual costs can be claimed. In the event of a scheme under spend, the difference between the under spend and the Approved Budget must not be claimed. If a scheme is completed and it transpires later that - after outstanding accounts are settled - there has been an under spend, any over claimed monies must be returned to the LLTB within 28 working days. LLTB monies cannot be transferred to fund other schemes without the approval of the LLTB. The LLTB will be mindful of the need to ensure that there is a mechanism in place to be able to make available any surplus funds held by the LLTB to promoters particularly in the case of scheme underspends.

85. The LLTB will regularly arrange audits of the expenditure by requesting evidence that it is being spent against the deliverables of the agreed scheme. The LLTB reserves the right to withhold future funding, or request the return of previous funding,

### **Programme and Risk Management**

86. The major scheme programme will initially run from April 2015 to March 2019. A realistic programme is essential to enable funding to be provided within the LLTB available funding envelope and profile. It is then necessary to plan expenditure to an agreed profile. In particular, project delays need to be brought to the LLTBs attention as soon as they are foreseen. There is no guarantee of funding outside the agreed profile for the scheme. A named LLTB officer will be responsible for overall management and monitoring of the major scheme programme.



87. For each scheme that is included in the four-year programme, the scheme promoter will be required to provide an initial project programme including estimated timescales for:

- Production of the business cases and all associated technical work.
- Progress of outline and detailed design.
- Statutory Orders.
- Public consultation.
- Scheme procurement.
- Construction.

As the business case work progresses, scheme promoters will need to provide timely updates on progress and provide an up to date register of project risks.

88. A programme risk workshop will be held to ensure all the risks are captured. All the risks identified will be registered in a risk management table. This will show the actions required to mitigate each risk, the owner of the risk and eventually the date of closure. The risk management table will be reviewed and updated every two weeks, new risks added, and any appropriate action will be taken immediately.

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## **THE LEICESTER NORTH WEST MAJOR TRANSPORT SCHEME PHASE 1**

### **Report of LLTB ‘Designated Officer’**

#### **1. Purpose**

- 1.1 The purpose of this paper is to seek Full Approval (including detailed Business Case approval) for the Leicester North West Major Transport Scheme Phase 1 in accordance with the Leicester and Leicestershire Transport Board (LLTB) Assurance Framework.

#### **2. Background**

- 2.1 The Leicester North West Major Transport Scheme comprises the A50 Groby Road transport corridor improvements and A6 Abbey Lane/Loughborough Road transport corridor improvements schemes. These schemes were prioritised for funding by the Leicester and Leicestershire Transport Board at its meeting on 22<sup>nd</sup> July 2013.
- 2.2 The scheme has been programmed into phases for deliverability reasons with Phase 1 comprising improvements to the A50 “County Hall” roundabout, A50/New Parks Way roundabout, A563/Aikman Avenue Junction and pedestrian and cycling infrastructure improvements along the A50 between the A50 “County Hall” roundabout and A50/Blackbird road junction. Plans of the Phase 1 proposals will be provided at the meeting. The proposals have been approved by both promoting authorities (Leicester City and Leicestershire County Councils). The Decision papers relating to the scheme are available on the relevant websites at:

Leicester City Council:

<http://www.cabinet.leicester.gov.uk:8071/ieDecisionDetails.aspx?ID=575>

Leicestershire County Council:

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4360&Ver=4>  
(see item 275)

#### **3. Scheme Delivery**

##### ***Detailed Business Case***

- 3.1 The scheme has been programmed into phases for deliverability reasons. The proportionate business case for the first phase of the scheme has been developed and assessed in accordance with the Leicester and Leicestershire Transport Body’s Assurance Framework. The scheme is expected to produce a Benefit Cost Ratio of 3.8. This is classified as High Value for Money by the Department for Transport. The business case is included at Appendix C1 and can also be accessed via the following link:  
<http://www.leics.gov.uk/lnwmtpbusinesscase.pdf>

- 3.2 The Designated Officer to the LLTB (Andy Rose, LLEP Economic Growth & Investment Manager), in accordance with the Assurance Framework, commissioned AECOM consultants to provide an independent review of the North West Major Transport Scheme Phase 1 Business Case, with the objective of advising the LLTB whether the submitted document represents a proportionate business case which the LLTB can use to assess whether the scheme should proceed; and whether the value for money assessment produces results which are in line with schemes of this type.
- 3.3 The AECOM review provided some useful suggestions as to how the Business Case could be further developed and presented. It is noted that a simplified approach has been adopted, but nevertheless which follows DfT/WebTAG methodologies proportionate to the timescale, budget, objectives and deliverability of the scheme. The AECOM review confirms that the Business Case is proportionate and that the Value for Money assessment is in-line with the expectations of the Assurance Framework. The progress of the scheme and the development and delivery of future phases will be monitored by the LLTB.

#### ***Procurement Strategy and Scheme Cost***

- 3.4 The procurement strategy for the scheme is to secure the main works through the Midlands Highways Alliance Medium Schemes Framework using the “Early Contractor Involvement” route. The main contractor has been selected and engaged and the Target Price (in accordance with the New Engineering Construction form of contract) is currently being finalised. Minor civil engineering work such as construction of the proposed cycle and pedestrian facilities between the New Parks Way Roundabout and the Blackbird Road/A50 junction will be provided by Leicester City Council’s in-house unit “City Highways”.
- 3.5 The estimated scheme cost is £7.7m as identified in the business case. The authorities are also taking the opportunity to deliver highway maintenance works concurrently with the improvement works to minimise disruption on the highway network over the next two years. The Transport Board is being asked to allocate Local Growth Funds to Phase 1, that have been ring fenced for the Leicester North West Transport Scheme for 2015/16/17, with the balance of the cost of the scheme being funded by the promoters’ contributions.

#### **4. Accountable Body Comments**

- 4.1 The overall scheme is estimated to cost £19m (spread over the 3 years from 2015/16 to 2017/18) of which £16.1m is expected to be funded by the Government’s Local Growth Fund. The remaining £2.9m is match funding, shared between Leicester City Council (£1.5m) and Leicestershire County Council (£1.4m). The original spending profile includes £4.5m for 2015/16 (£3.5m of LGF and £0.5m from each Council). The estimated cost of Phase 1 is £7.7m as identified in the business case plus the cost of maintenance works to be added to the scheme.

- 4.2 The LGF is received by Leicester City Council as accountable body to the LLEP. There is a risk, albeit thought to be small, that the Government could adjust subsequent years' LGF allocations. A contract of circa £7.5m is to be awarded by the County Council, resulting in a commitment to expenditure of some £3m more than the £4.5m funding identified for 2015/16. In the unlikely event that future years' LGF funding ceases to be available, £1.9m could be covered from the remaining identified council match funding for the subsequent phases of the scheme which would be unlikely to proceed. However, the balance of £1.1m would need to be shared between the two councils (likely to be from other planned match funding freed up due to any other LGF schemes also not progressing).

Colin Sharpe, Head of Finance, te: 0116 454 4081

## **5. Recommendation**

- 5.1 The Transport Board is recommended to:-

- a) approve the Business case for the Leicester North West Transport Scheme Phase 1;
- b) grant Full Approval for Phase 1 of the Leicester North West Major Transport Scheme with funding as set out in this report; and
- c) note that the accountable body (Leicester City Council) will enter into relevant agreements with the two scheme promoters to make funds available in accordance with LLTB budget approval.



2015

## Leicester North West Major Transport Scheme

LLTB/SEP Business Case



**Edwards & Edwards Consultancy Ltd**

HIGHWAYS PLANNING AND DESIGN

EAE Consultancy  
March 2015









**Edwards & Edwards Consultancy Ltd**  
HIGHWAYS PLANNING AND DESIGN

# **Leicester North West Major Transport Scheme**

LLTB/SEP Business Case

For Client: Leicester City Council and Leicestershire County Council

Ver.	Date	Prepared	Checked	Approved	Comment
0.9	Jan 2015	NE & DF	SC	SC	Internal Review
0.21	Feb 2015	NE & DF	SC	SC	Presented to Management Meeting
0.23	Mar 2015	NE & DF			Minor revisions

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Document Control: LNWMTPBBusinessCasev0.23.docx

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## 1 Summary

- 1.1.1 To support the LLEP's Strategic Economic Plan and the LTP3 objectives of the City and County Council's, the Leicester and Leicestershire Transport Board (LLTB) have prioritised the funding of two transport projects for the 2015 to 2019 Spending Review Period. Considering the nature and location of the projects the promoters have agreed to develop the projects as if it is one scheme. These have been brought together into the Leicester North West Major Transport Project (LNMWTP). This scheme will support the Leicester Launchpad and will aid connectivity to the West Loughborough and Roxhill development project sites. The scheme area consists of a wedge broadly around the transport corridors of the A50 Groby Road and the A6 Loughborough Road.
- 1.1.2 There will be a phased approach to delivering the construction elements of the scheme mainly due to the need to minimise disruption to road users. To help realise the benefits of the highway infrastructure improvements, the scheme will also include marketing and promotional activities.
- 1.1.3 The scheme will support the ambitions of the LLEP's Strategic Economic Plan (SEP) and in particular the Leicester Growth Area (GA1) which is defined within the plan. The Growth Area aims to support the delivery of the Leicester Launchpad.
- 1.1.4 The GA1 objective is to:
- release 20ha of land for development
  - provide 111,500 sqm of workspace
  - support 120 businesses
  - provide 600 training places
  - facilitate the creation of 7,700 new jobs
  - provide 11km of cycleway
  - provide 11km of highway improvements
  - facilitate the creation of 26 new apprenticeships
- 1.1.5 The creation of 7,700 new jobs to the Leicester Growth area is worth £285M per year in GVA<sup>1</sup>
- 1.1.6 **This business case supports the delivery of the 2015/16 scheme** which will deliver:
- Improvements to the A50 County Hall Roundabout to increase the vehicle capacity as well as improve facilities for walker and cyclist wishing to cross the junctions
  - Improvement to A50/New Parks Way Roundabout to increase the vehicle capacity as well as improve facilities for walker and cyclist wishing to cross the junctions
  - Improvements to A563/Dillon Road junction

<sup>1</sup> In 2011 the GVA per employee in East Midlands was £37,097. <sup>2</sup> [http://consultations.leicester.gov.uk/city-development-and-neighbourhoods/nwleicester-traffic/supporting\\_documents/Consultation%20Letter%20Occupier%20%20public.pdf](http://consultations.leicester.gov.uk/city-development-and-neighbourhoods/nwleicester-traffic/supporting_documents/Consultation%20Letter%20Occupier%20%20public.pdf)



- Improvements to the A563/Aikman Avenue junction
  - Cycle path between Blackbird Road and A50/New Parks Way Roundabout
  - Cycle path between New Parks Way Roundabout and County Hall Roundabout
  - Outbound bus lane between New Park Way Roundabout and County Hall Roundabout
  - A Smarter Choices and Travel Planning initiative to complement the infrastructure improvements that are aimed at supporting walkers and cyclists.
- 1.1.7 The promoters have agreed to implement a Quality Audit process for this scheme. This process will broadly follow the advice as set out in the Traffic Advisory Leaflet 5/11 (November 2011) published by the Department of Transport (DfT). It will provide a systematic review of the scheme using a series of discrete but linked evaluations to ensure that the broad objectives of safety, accessibility, equality etc. are achieved.
- 1.1.8 **The scheme is expected to produce a Benefit Cost Ratio (BCR) of 3.8. This is classified by the DfT as High Value for Money (VfM).** This means that for every £1 of public money that is invested there is a return of £3.80. This is based upon:
- 60 year appraisal of the highways benefits of the roundabout improvements
  - 30 year appraisal of the highway benefits attributed to the drivers who switch to walking and cycling
  - 10 year appraisal of the health benefits of increased walking and cycling
- 1.1.9 Sensitivity analysis is included within section 4 which shows a minimum BCR of 2.88 and a maximum BCR of 6.74 which demonstrates a high to very high VfM outcome.
- 1.1.10 Modelling has demonstrated that the combination of the infrastructure works and the smarter choices programme is forecast to deliver:
- Improved flow and operation of both roundabouts with, for instance, average transit times forecast to reduce from 62 seconds to 27 seconds in the morning peak at the County Hall roundabout
  - Improved flow and operation of both the A50 (radial) and A563 (orbital) roads.
  - 2% to 3% increase in average speed in the A50 wedge area in the morning peak
  - 1164 new walkers and 733 new cyclists each day
- 1.1.11 For the 2015/16 schemes the SLGF contribution of £3.5M is to be matched by £4.185M of Local Authority funding. The funding profile from the SLGF does not match the spend profile for the project, therefore to ensure early delivery of the scheme the local authorities have brought forward around £1M of funding which will be reclaimed in 2016/17 or 2017/18 in order that the total local contribution is 15%. In addition to the capital funds there is a £326K of revenue funding in 2016/17 together with £63K of private sector contributions in support of the smarter choices activities.
- 1.1.12 The funding for the future years is set out in the Financial case.
- 1.1.13 Work will commence in July 2015 with a phased programme that is dependent of the levels of funding received through the SLGF process



- 1.1.14 The programme will include stakeholder engagement and consultation. This will include direct engagement/consultation<sup>2</sup>, Press Releases, Website<sup>3</sup> and Stakeholder workshops.
- 1.1.15 The scheme will not involve the use of statutory powers.
- 1.1.16 Delivery has been an important consideration during the development of the package. The potential resource requirements and procurement routes have been assessed and the promoters will use a combination of their own direct labour capabilities (City Highways and Leicestershire DLO) and the existing Midlands Highway Alliance partnership arrangement (which the County Council led the creation of) to procure the scheme and support preliminaries where appropriate.
- 1.1.17 A project board will oversee the delivery of the scheme.
- 1.1.18 This scheme fits within a wider set of measures to deliver economic growth to Leicester. The success of the transport aspects of the scheme will be measured by before and after monitoring of the transport movements within the area.
- 1.1.19 Details of the LLEP/LLTB approval process are contained within Appendix A

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<sup>2</sup> [http://consultations.leicester.gov.uk/city-development-and-neighbourhoods/nwleicester\\_traffic/supporting\\_documents/Consultation%20Letter%20Occupier%20%20public.pdf](http://consultations.leicester.gov.uk/city-development-and-neighbourhoods/nwleicester_traffic/supporting_documents/Consultation%20Letter%20Occupier%20%20public.pdf)

<sup>3</sup> [http://consultations.leicester.gov.uk/city-development-and%20neighbourhoods/nwleicester\\_traffic/](http://consultations.leicester.gov.uk/city-development-and%20neighbourhoods/nwleicester_traffic/)



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### 3 Strategic Business Case:

**What is the problem the scheme means to address, what options have been considered, and why does this solution meet the requirements?**

- 3.1.1 To support the SEP objectives and the LTP3 objectives of Leicester City Council and Leicestershire County Council the Leicester and Leicestershire Transport Board (LLTB) have prioritised the funding of two transport projects for the 2015 to 2019 Spending Review Period. Considering the nature and location of the projects, the promoters have agreed to develop the projects as if it is one scheme. These have been brought together into the Leicester North West Major Transport Project. This scheme will support the Leicester Launchpad and will aid connectivity to the West Loughborough and Roxhill development project sites. The scheme area consists of a wedge broadly around the transport corridors of the A50 Groby Road and the A6 Loughborough Road.
- 3.1.2 The two Councils are working in partnership to develop and deliver the scheme. The process and procedures for the management of the project are contained within the Project Initiation Document<sup>4</sup> (PID). The document also details the workplans of the individual workpackages defined within the project.

**Table 1: Sources of scheme objectives**

LLTB	<a href="http://www.leicester.gov.uk/your-council-services/transport-traffic/transportpolicy/leicester-and-leicestershire-transport-board/">http://www.leicester.gov.uk/your-council-services/transport-traffic/transportpolicy/leicester-and-leicestershire-transport-board/</a>
Strategic Economic Plan	<a href="http://www.llep.org.uk/SEP">http://www.llep.org.uk/SEP</a>
LTP3 Leicestershire County Council	<a href="http://www.leics.gov.uk/ltp3v1-4.pdf">http://www.leics.gov.uk/ltp3v1-4.pdf</a>
LTP3 Leicester City Council	<a href="http://www.leicester.gov.uk/your-council-services/transport-traffic/transportpolicy/transport-plan/">http://www.leicester.gov.uk/your-council-services/transport-traffic/transportpolicy/transport-plan/</a>

#### 3.2 LLEP/SEP OBJECTIVES

- 3.2.1 The LNWMTTP scheme primarily supports the Leicester Growth Area (GA1) defined within the LLEP's Strategic Economic Plan<sup>5</sup> (SEP) to support the delivery of the Leicester Launchpad.
- 3.2.2 The GA1 objective is to:
- release 20ha of land for development
  - provide 111,500 sqm of workspace

<sup>4</sup> Appendix E

<sup>5</sup> <http://www.llep.org.uk/SEP>





- support 120 businesses
- provide 600 training places
- facilitate the creation of 7,700 new jobs
- provide 11km of cycleway
- provide 11km of highway improvements
- facilitate the creation of 26 new apprenticeships

3.2.3 The creation of 7,700 new jobs to the Leicester Growth area is worth £285M per year in GVA<sup>6</sup>

### **3.3 THE LTP3 GOALS AND OBJECTIVES OF LEICESTER CITY COUNCIL**

3.3.1 The Goals and Objectives are shown in Table 2

**Table 2: From LTP3 chapter 3, section 4.1**

Goal	Objective
Economic Growth Supported: Leicester is more prosperous	To reduce congestion and improve journey times
Carbon Emissions Reduced:	To reduce Carbon Emissions
Equality of Opportunity promoted	To improve connectivity and access
Better Safety, Security and Health	To improve Safety, Security and Health To improve Air Quality and Reduce Noise
Quality of life and healthy natural environment are improved	To improve quality of life To Better maintain transport assets
Population Growth is supported	To reduce congestion and improve journey times

### **3.4 THE LTP3 GOALS OF LEICESTERSHIRE COUNTY COUNCIL**

3.4.1 The goals and objectives are shown in Table 3

**Table 3: From LTP3 Chapter 4 (page 47)**

Strategic Goals	Strategic transport outcomes
A transport system that supports a prosperous economy and provides successfully for population growth	Our transport system provides more consistent, predictable and reliable journey times for the movement of people and goods  All residents have efficient, easy and affordable access to key services (such as employment, education, health care and food shopping), particularly by public transport, bike and on foot
An efficient, resilient, and sustainable transport system that is well maintained	Our transport system and its assets are effectively managed and well maintained  Our transport system is resilient to the impacts of climate change
A transport system that helps to reduce the carbon	The negative impact of our transport system on the environment and individuals is reduced

<sup>6</sup> In 2011 the GVA per employee in East Midlands was £37,097.





footprint of Leicestershire	More people walk, cycle and use public transport as part of their daily journeys
An accessible and integrated transport system that helps to promote equality and opportunity for our residents	All residents have efficient, easy and affordable access to key services (such as employment, education, health care and food shopping), particularly by public transport, bike and on foot
A transport system that improves the safety, health and security of our residents	The number of road casualties is reduced More people walk, cycle and use public transport as part of their daily journeys
A transport system that helps to improve the quality of life for our residents and makes Leicestershire a more attractive place to live, work and visit	<p>The negative impact of our transport system on the environment and individuals is reduced</p> <p>There is improved satisfaction with the transport system amongst both users and residents</p> <p>The natural environment can be accessed easily and efficiently, particularly by bike or on foot</p>

3.4.2 In addition to the economic and transport goals an Equality Impact Assessment has been undertaken to assess the impacts on different sections of society and to ensure that the needs of all community groups are addressed and no group is discriminated against. See section 6.5

### **3.5 DETAILS OF GEOGRAPHIC AREA**

3.5.1 Figure 1 shows the boundary of the combined A50 and A6 wedges<sup>7</sup> in which schemes to be delivered between 2015 and 2019 are located.

<sup>7</sup> In the remainder of the report the combined wedge will be referred to as 'the wedge'



### 3.6 PROBLEMS AND OPPORTUNITIES IDENTIFIED

3.6.2 The schemes presented in this business case form the first part of a series of measures to provide new infrastructure to support economic growth, improve accessibility and support the health benefits of walking and cycling. These schemes will be delivered in 2015/16

<sup>8</sup> <http://www.leicester.gov.uk/your-council-services/transport-traffic/transportpolicy/leicester-and-leicestershire-transport-board/>



**LNWMTP: SEP Business Case (March 2014). (see Appendix F)**

- 3.6.4 The original SEP 'business case' from March 2014 set out the initial plans regarding the development of the complete LLTB programme including the possible schemes and planned delivery dates. This proposed that the County Hall Roundabout and New Parks Way Roundabout should be delivered first. These schemes directly support growth within the wedge including at Waterside and Abbey Meadows. In addition, the schemes support the desire for increased orbital movements as well as improving facilities for walkers and cyclists.

**A50 Desktop Study (2013). (see Appendix G)**

- 3.6.5 This study was produced by the Infrastructure Planning Team (Transport Policy & Strategy Group). The main thrust of the feasibility work outlined in the package is to:-
- review proposals to reduce the congestion and delays at the A46/A50 Roundabout, using existing traffic flows (2009);
  - assess various improvement options for the A50/Gynsill Lane Roundabout using existing flows (2012);
  - assess the peak period traffic interaction between the proposed improved A46/A50 Roundabout and the existing A50/Gynsill Lane Roundabout;
  - review the 2009 proposals for inbound and outbound bus lanes along the A50 corridor between the A46/A50 Roundabout to the A50 Groby Road/Glenfrith Way Roundabout .
- 3.6.6 The report is based on establishing the peak period traffic conditions along the various sections of this corridor, analysing the accident cluster sites and identifying the most appropriate feasible solution or highlighting various possible options outlining the pros and cons of each one.
- 3.6.7 The report recommended that:
- The A46/A50 Roundabout would benefit from signal control and would provide the optimum solution at this locality. This would result in an improvement in the peak period capacities with reduced queues and delays that would also benefit the local buses travelling along the A50 through this junction. It is expected that some accident types would reduce with these proposals, but no formal analysis of the accident benefits has been carried out.
  - The A50/Gynsill Lane Roundabout would also benefit from signal control. There will be an improvement in the peak period capacities with reduced queues and delays that would also benefit the local buses travelling along the A50 through this junction. It is expected that some accidents types would reduce with these proposals, but no formal analysis of the accident benefits has been carried out.
  - If no improvements are carried out at the A50/Gynsill Lane Roundabout at the same time or shortly after the A46/A50 Roundabout signalisation, it is highly likely that the A50 inbound traffic in the AM peak period will queue back and block traffic trying to exit the A46/A50. This will result in the loss of any capacity benefits gained by the installation of the traffic signals at the A46/A50 Roundabout. .



**LNWMTP: Work Package 1: Forecasting future performance of the A50 and A6 wedge (see Appendix H)**

3.6.8 Key findings of the Wedge Summary report ( Appendix H) were:

- The A50 and A6 wedges will accommodate a significant amount of the housing and commercial floorspace growth allocated within the city,
- Over the next 10 years LLITM forecasts little change in the net number of jobs within the wedge. Employment within the remainder of the city is forecast to fall.
- Car ownership for households within the wedge is forecast to increase by over 30% over the next 10 years
- Average morning peak traffic speeds in the wedge are forecast to fall by 11% compared to a HMA average of 5% between 2016 and 2026
- In the morning 3 hour peak around 26% of trips associated with the wedge are entirely within the wedge, 45% are orbital and 19% radial. Only around 3% travel radially right-through the wedge.
- The model forecasts a faster rise in outbound traffic compared to inbound traffic as workers living within the City increasingly look outside to find employment
- The A50 wedge is a net attractor of trips in the AM peak period (3hour) whilst the A6 wedge is a net producer of trips. Between 2016 and 2026 the model forecasts that the number of households will increase faster than the number of jobs. This will result in the ratio of the number of trips attracted to the area compared to the number of trips produced falling. There is therefore a net increase in the proportion of trips flowing out of the wedge.
- Public Transport (PT) demand and mode share will continue to struggle. Rises in bus fares and reductions in car operating costs will continue to make PT unattractive.
- The PUA assessment for 2031 highlighted congestion on:
  - A563 between Aikman Avenue and Anstey Lane.
  - A50 east of Blackbird Road
  - A6 at various major junctions
  - It also shows that the inner ring road is severely congested at virtually every junction at or near capacity.

**LNWMTP: Work Package 2: Investigation of current performance, opportunities and constraints of the transport network within and surrounding the wedge (See Appendix I)**

3.6.9 The purpose of the study was to undertake a comprehensive assessment of all aspects of the current transport related performance, opportunities and constraints of the transport network within the geographical scope of the project. It included appraising, and if necessary updating, existing studies that examined transport infrastructure within the A50/A6 wedge area.



- 3.6.10 Investigation of the current transportation issues support the identification of the wedge for investment with the three radial routes already serving a higher proportion of traffic than the other seven radials to the city. The anticipated future development proposals will further concentrate demand on the wedge highway network.
- 3.6.11 The report concluded that based upon evidence relating to existing state of the network
- The evidence largely correlates with the work packages identified within the PID. The work package objectives focus on facilitating travel by sustainable modes and accommodating 2026 predicted traffic levels.
  - Evidence identified additional schemes for potential delivery pre and post 2019 that would support the LLEP/SEP strategic objectives subject to funds being made available. These focus on accommodating the the orbital movements and the A5630 section of the Anstey Lane.
  - With the development of the active travel and public transport network there is sufficient evidence from work place travel plans and current distances travelled by mode that the Smarter Choice Measures referred to in the PID can significantly influence modal choice within the wedge.

### **3.7 SCHEME DESIGN**

- 3.7.1 Design options for the roundabouts were undertaken and a briefing note and appraisal summary table produced to compare the merits of design options in order to allow County Council Members and the City Mayor to agree optimum design solutions.
- 3.7.2 Design options for the cycle route were undertaken and outline options produced in order to allow County Council Members and the City Mayor to agree optimum design solutions. The design objective is to provide a route serving the National Cycle Network (NCN 6) alongside the A50.
- 3.7.3 Details of the design options and the option appraisal are contained in Appendix J
- 3.7.4 Details of the proposed scheme components can be found at the following link  
[http://www.leics.gov.uk/index/highways/road\\_pathway\\_maintenance/road\\_schemes/major\\_transport\\_projects/nwleicester-overview.htm](http://www.leics.gov.uk/index/highways/road_pathway_maintenance/road_schemes/major_transport_projects/nwleicester-overview.htm)
- 3.7.5 A Smarter Choices programme is proposed to encourage non-driving modes and to complement the cycle lanes and improved crossing provision at the CH and NPW roundabouts. The programme is proposed to run in the year after the completion of the scheme in order to ensure the measures are in place before commencing with the activities aimed at changing travel behaviour.

### **3.8 SCHEME IMPACTS AND BENEFITS**

- 3.8.1 The scheme has been assessed in two ways. Firstly using the LLITM transport model to assess the highway impacts and secondly a separate exercise to assess the impacts on walkers and cyclists of the proposed improvements together with the Smarter Choices measures.





- 3.8.2 The LLITM assessment<sup>9</sup> compares the core scenario (where there are no improvements to the roundabouts) with a 'With Intervention' (WI) scenario. Differences are assessed for 2016 and 2026.
- 3.8.3 The model mainly forecasts changes in routes used by car travellers, with little change between the core scenario and the 'With Intervention' (WI) scenario in mode share or origins and destinations of trips. This is consistent with the type and scale of intervention proposed and assessed.
- 3.8.4 This reinforces the decision to separate the assessment into the two parts, and suggests that the approach will not result in the double counting of benefits.
- 3.8.5 Compared to making no changes, the improvements are forecast to result in increased levels of traffic through the roundabouts, but reduced average delays per vehicle

#### **Improvements at the County Hall and New Parks Way Roundabouts**

- 3.8.6 The CH Roundabout predominantly has traffic travelling radially (in/out) on the A50 with the design improving these movements considerably whilst accommodating the cross movements from Gynsill Lane and Station Road.
- 3.8.7 The New Parks Way roundabout has a greater level of conflicting orbital and radial movements to accommodate as orbital movements are at a similar level to the radial movements.
- 3.8.8 Comparing the '2026 with the improvements' to the '2016 core' the following highlights are obtained from the model:

#### **County Hall Roundabout**

- Volumes increase between 14% (AM Peak) and 17% (PM Peak)
- Delay per vehicle reduce between 24% (AM Peak) and 3% (PM Peak)

#### **New Parks Way Roundabout**

- Volumes increase 10% in both the AM and PM Peaks
- Delays per vehicle increase by 7% in the AM Peak and 11% in the PM Peak

#### **Total Distance travelled**

- 3.8.9 The model forecasts that the improvements to the roundabouts could increase the traffic levels by a small amount (<1%) as traffic re-routes to make use of the improved infrastructure.

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<sup>9</sup> WP1 Technical Note 20: LLITM Impact Assessment of improvement to CH and NPW roundabouts  
Appendix H4

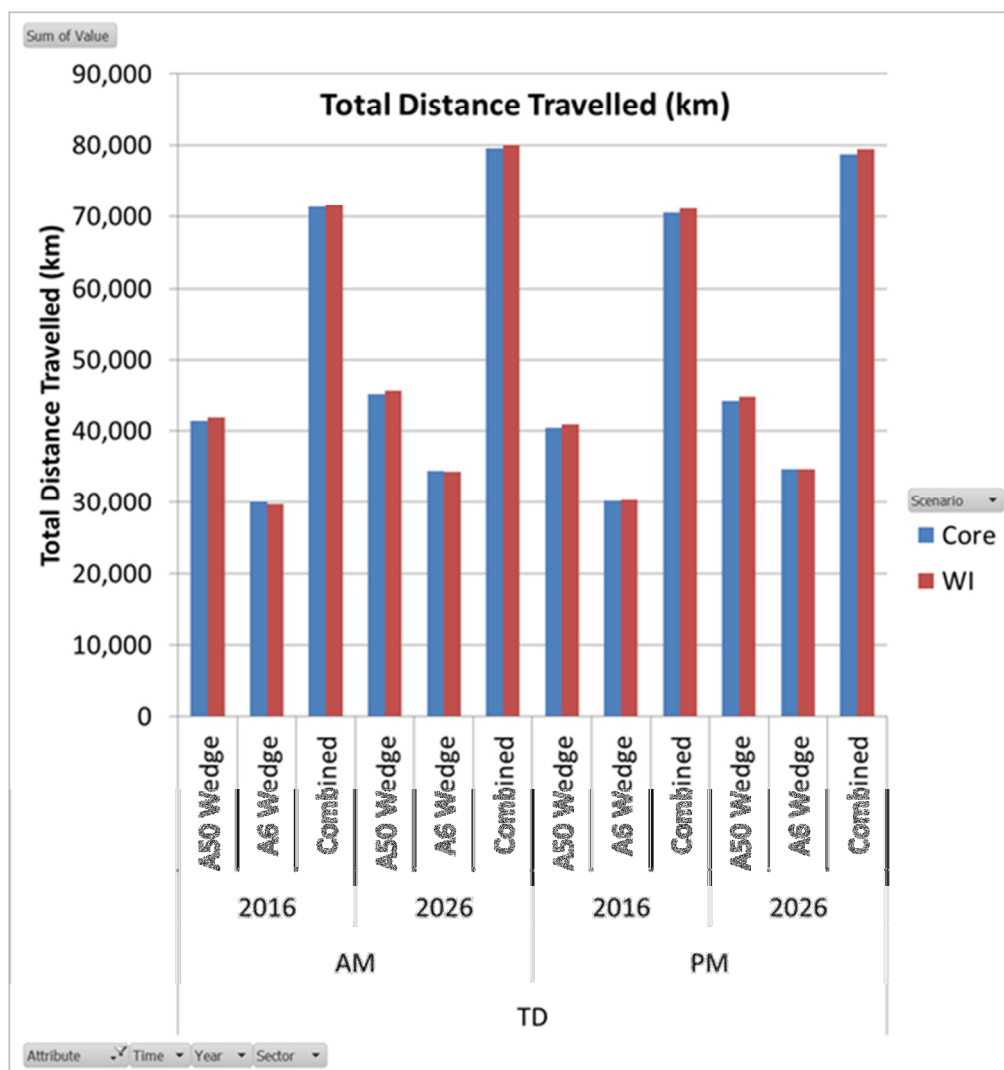
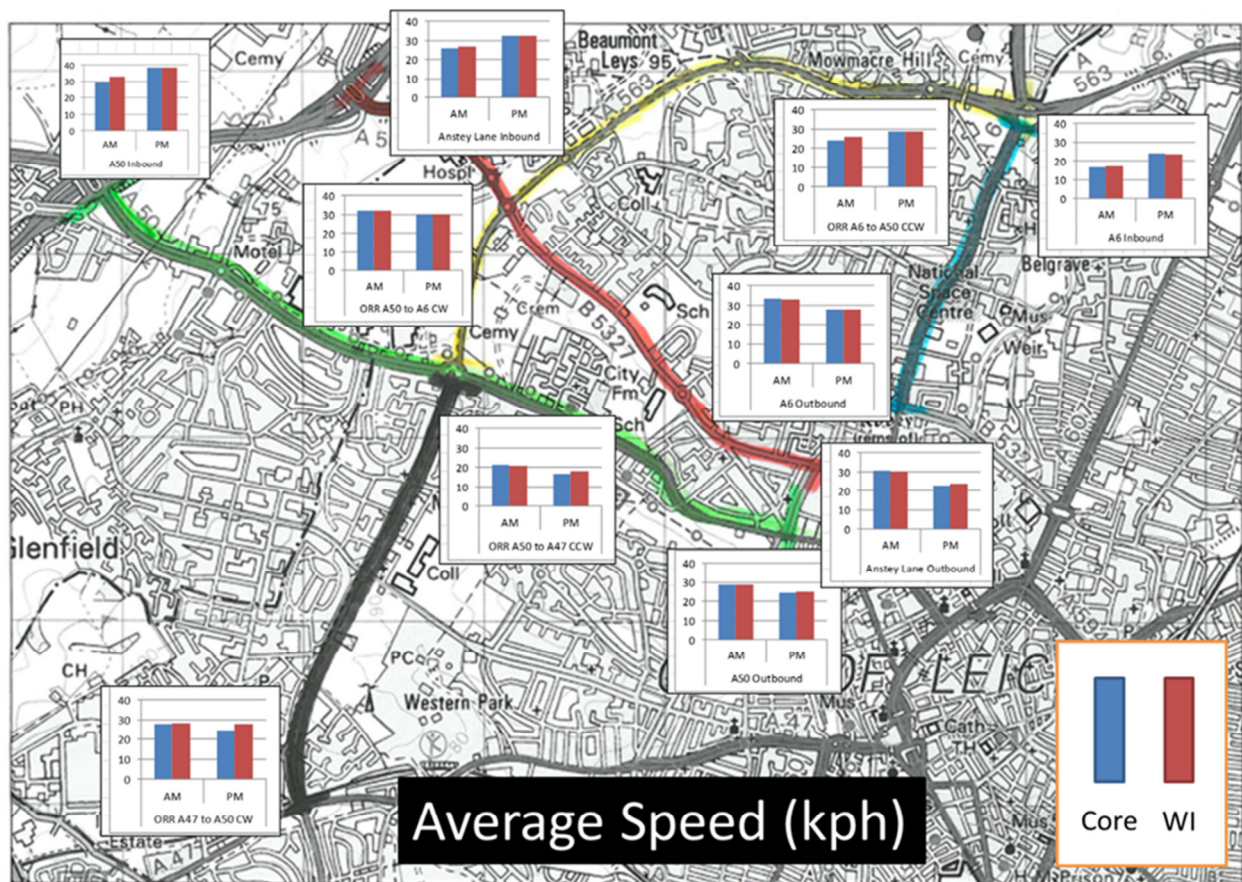


Figure 2: Total distance travelled within the defined areas (vehicle-km)

### Average Speeds

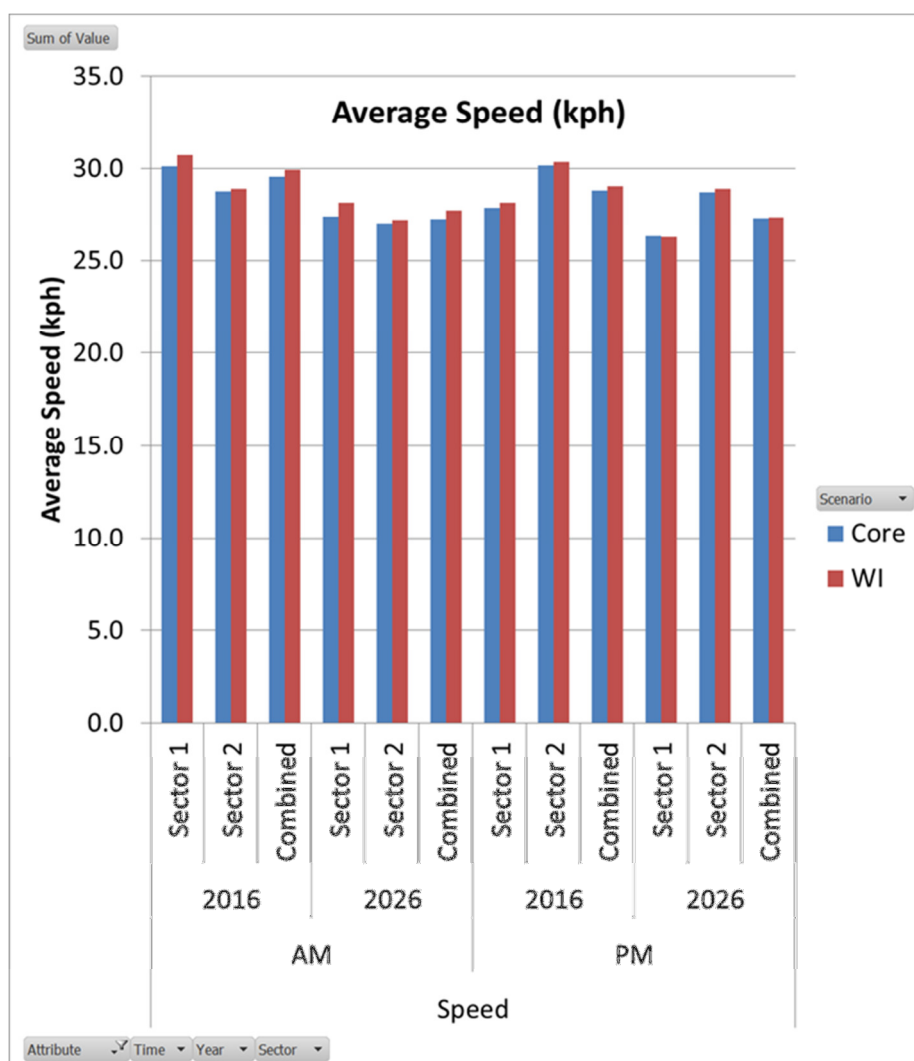
3.8.10 Within the Wedge the Average speeds on key routes are generally improved in the With Intervention (WI) Scenario compared to the core in which no change is made. This is shown in Figure 3



**Figure 3: Average speeds (kph) on key strategic routes within the wedge. Routes marked on map**

3.8.11 Figure 4 shows that this improvement in average speed is reflected across the A50 and A6 wedges.





3.8.12

**Figure 4: Average speed for all traffic with Sector 1 (A50 Wedge) and Sector 2 (A6 Wedge)**

#### **Difference in flow volumes**

3.8.13 The differences in the flow volumes of the 2016 With Intervention scenario compared to the Core scenario for the three time periods are presented below in Figure 5, Figure 6 and Figure 7

3.8.14 **Green** shows an increase in traffic levels in the WI scenario, whilst **blue** shows a decrease. The width of the line indicates the magnitude of the change.

3.8.15 As would be expected there is very little change during the relatively uncongested inter-peak period. However, both the AM and PM periods show some quite complicated changes to routing patterns.

3.8.16 The Following text refers to the 2016 modelled results. The 2026 results are similar.



### AM PEAK HOUR

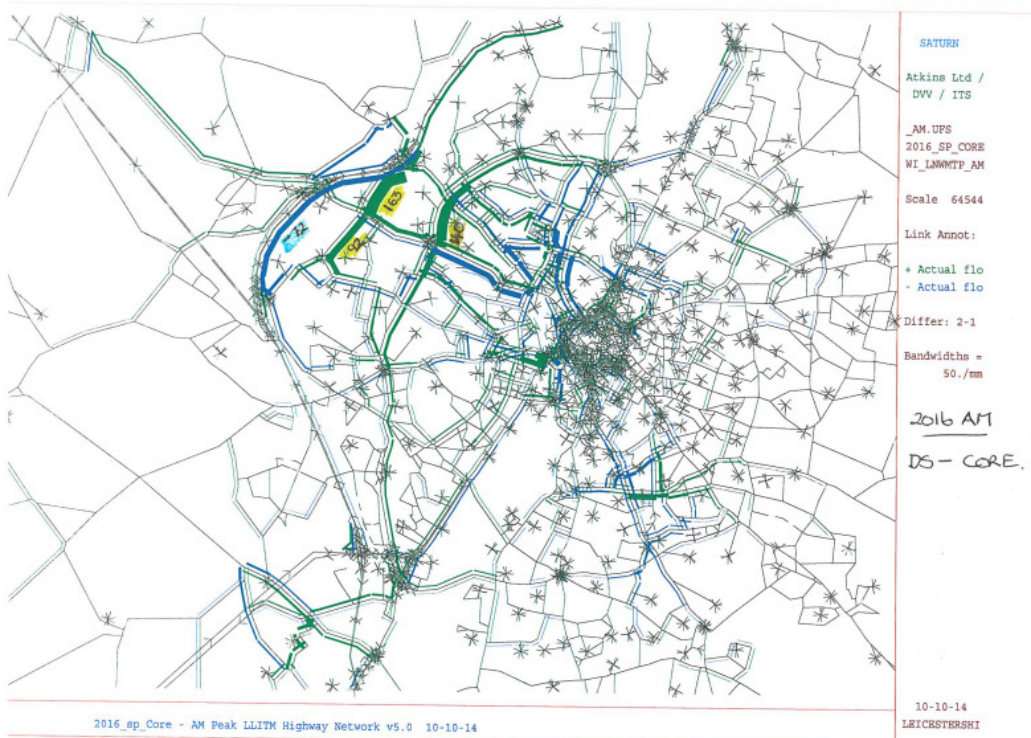
- **Orbital:** The model shows a considerable increase in Anticlockwise orbital movements on both the A563 and on Station Road/Gynsill Lane.
  - The A563 shows increased traffic levels between the A6 around to M1/J21, with the improvements at NPW roundabout improving the use of the A563 as an orbital distributor before travellers use a radial route into the City. Traffic is reduced inbound on the A6, Loughborough Road, Halifax Drive, Beaumont Leys Lane, Strasboug Drive/Heacham Avenue and Anstey Lane whilst increasing inbound on the A50, Aikman Avenue and the A47
  - Reduced delays and increased accessibility across the County Hall Roundabout between Gynsill Lane and Station Road provide a convenient short-cut between the A46/Anstey Lane junction and Glenfield. Traffic Calming, or alterations to the traffic signal timings may be required to reduce this potentially undesirable traffic flow
- **A50 Inbound:** Increased traffic on the A50 inbound with traffic increasing through Blackbird Road (rather than through Waterside) to meet with the A6 near to the B&Q junction (and also increasing along Abbey Park Road). This supports the previous ideas of prioritising movements in this direction
- **A50 Outbound:** This decreases in volume with traffic redistributing to Anstey Lane and Heacham Avenue

### INTER PEAK

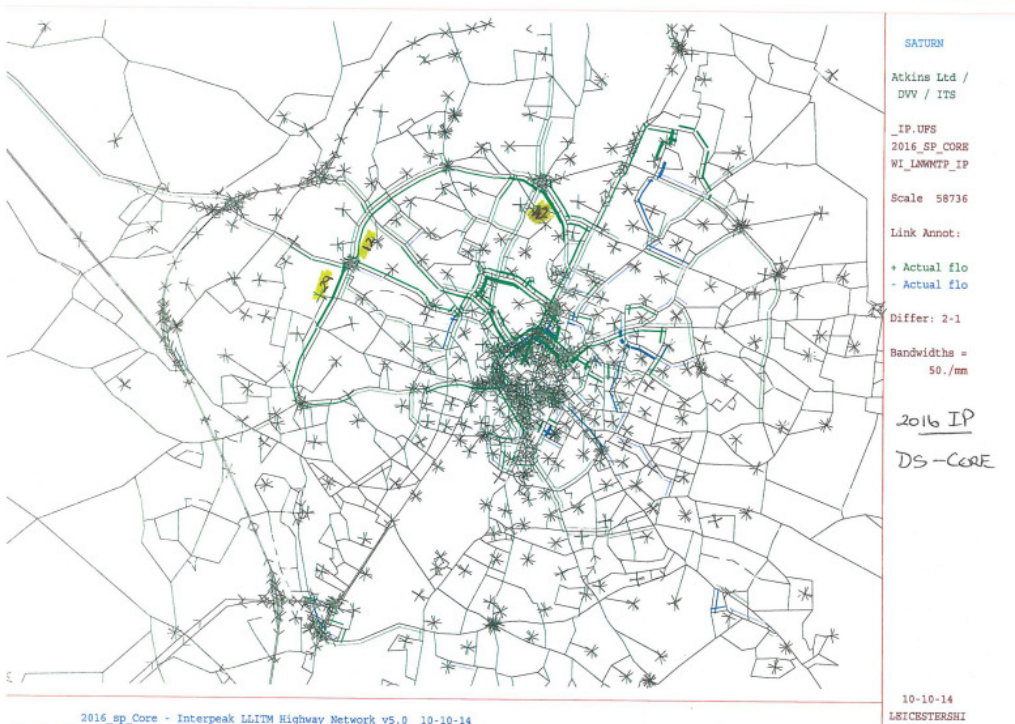
- **Very little change**

### PM PEAK HOUR

- **Glenfield:** The changes shown in Glenfield are modelling artefacts relating to how the highway network is coded in this area. Both Station Road and the A50 outbound are modelled with large increases in capacity; therefore it is unlikely that this will cause an increase of traffic in Faire Road as shown. Should large increases of traffic in Faire Road occur then measures to reduce traffic using this route may be necessary
- **Orbital:** The improvements at the New Park Ways roundabout to increase capacity for orbital movements has greatly increased the A563 as an orbital collector of traffic which collects it onto the A50 and leads it outbound to the A46 E and W and also the A50 Northbound towards Markfield and the M1.
- **A50 inbound:** Traffic levels increase. Again it appears that the A563 is acting as an improved collector/distributor allowing traffic to be taken from parallel roads such as Glenfield Road
- **A50 outbound:** Traffic on the A50 outbound from the city centre from the Blackbird Road junction does not increase. However, between New Parks Way roundabout and the County Hall Roundabout there is a large increase in traffic volume due to the improved operation of the A563 orbital collector/distributor road.

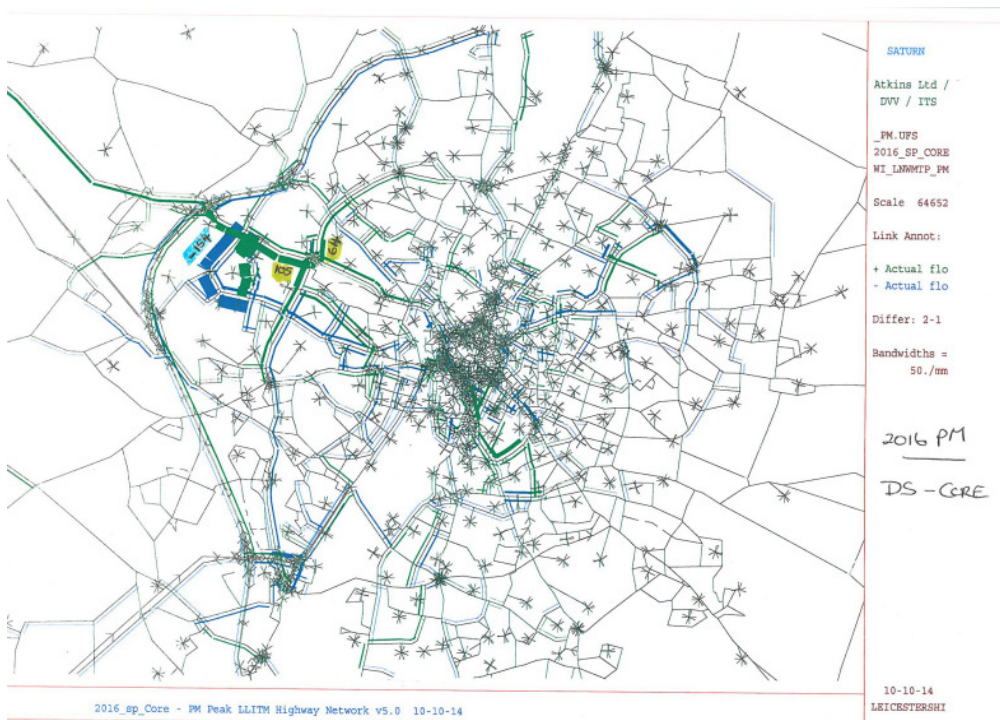


**Figure 5 2016 AM Peak. Flow Volume Differences. Green traffic increase, blue traffic decrease**



**Figure 6 2016 IP. Flow Volume Differences. Green traffic increase, blue traffic decrease**

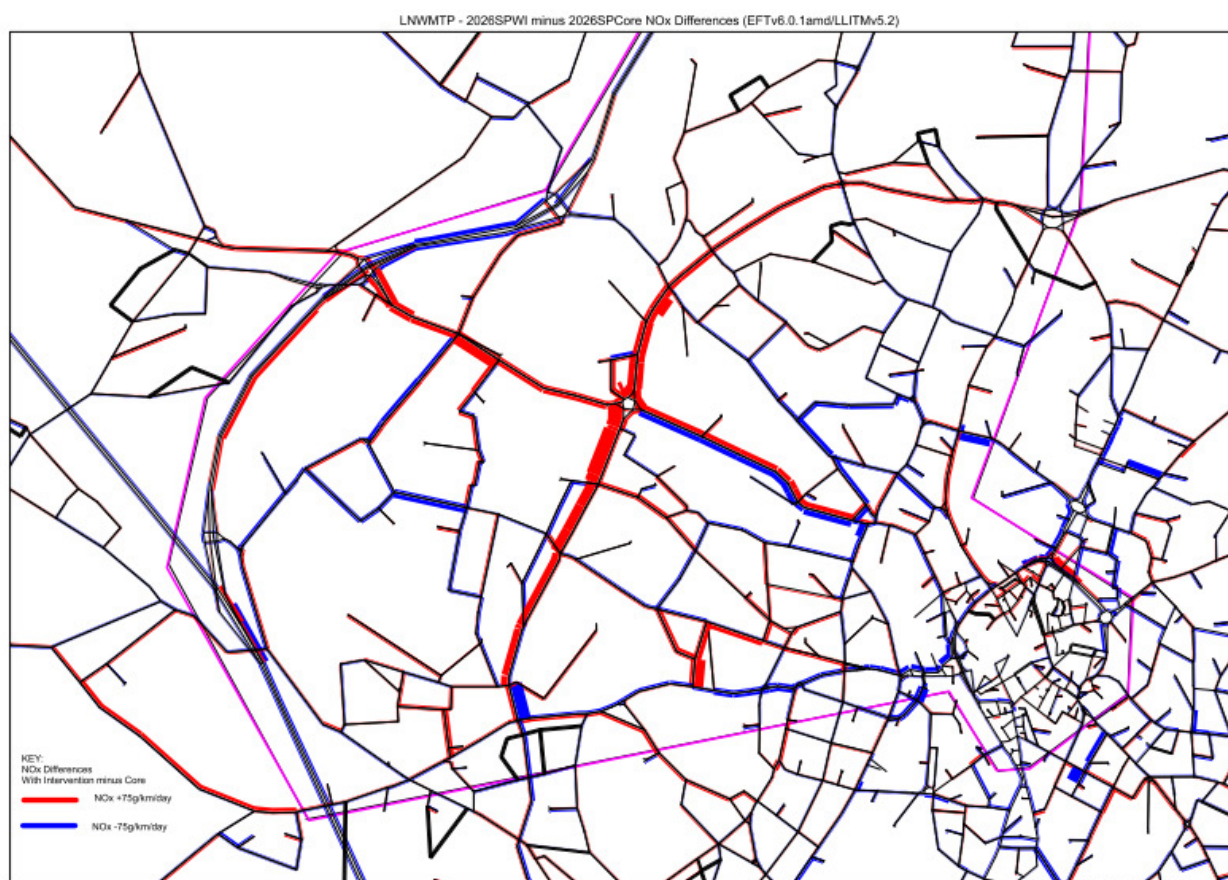




**Figure 7 2016 PM Peak. Flow Volume Differences. Green traffic increase, blue traffic decrease**

### **NOx Emissions**

- 3.8.17 Overall there is a negligible change between the core and WI scenarios in the level of forecast NOx emissions within the combined wedge for 2026.
- 3.8.18 In 2026 LLITM forecasts a daily total of 742kg of NOx emissions within the wedge in the core scenario, and 743kg in WI scenario representing a difference of <0.1%.
- 3.8.19 Figure 8 shows how the changes in travel patterns impact the distribution of the emissions estimated over a 24 hour period. A primary purpose of the scheme is to improve the conditions of the A50 and A563 within the wedge area. The improvements, whilst easing existing traffic conditions, also acts to attract new travellers, and this is reflected in the levels of emissions rising in the vicinity of the A563 and A50, but generally falling elsewhere within the wedge



**Figure 8: NOx emissions (2026, 24 hours)**

### **Walking and Cycling**

3.8.20 It is estimated<sup>10</sup> that the infrastructure improvements, together with the smarter choices measures, could lead to an additional 1,164 new walkers and 733 new cyclists each day. This increase should be seen in the context of around 22,000 walking and cycling trips originating from the wedge each day, and corresponds to a 33%<sup>11</sup> increase in cycling and a 5%<sup>12</sup> increase in the combined level of walking and cycling. The increase in walking and cycling is estimated to reduce the number of car trips by between 250 and 280 vehicles in

<sup>10</sup> WP1 Technical Note 22: The Economic Benefits of Walking and Cycling including the impact of Smarter Choices Initiatives (See Appendix K)

<sup>11</sup> This corresponds to the lower bound of expected increase in expected cycle trips as reported in the Leicester City Cycle Ambition Economic Appraisal Report produced by Sustrans and contained with appendix H of the Connecting Leicester city cycle ambition bid.

[http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCMQFjAA&url=http%3A%2F%2Fwww.leicester.gov.uk%2FAssetsWeb%2Fgetresource.axd%3FAssetID%3D128091%26type%3Dfull%26servicetype%3DAttachment&ei=F9bcVL2qNqXR7QaQsIGgAw&usg=AFQjCNGE1BJ-PxohzR5R2X5\\_yrZZcUe7Fg&bvm=bv.85761416,d.ZGU&cad=rja](http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCMQFjAA&url=http%3A%2F%2Fwww.leicester.gov.uk%2FAssetsWeb%2Fgetresource.axd%3FAssetID%3D128091%26type%3Dfull%26servicetype%3DAttachment&ei=F9bcVL2qNqXR7QaQsIGgAw&usg=AFQjCNGE1BJ-PxohzR5R2X5_yrZZcUe7Fg&bvm=bv.85761416,d.ZGU&cad=rja)

<sup>12</sup> This is the weighted average of 7.5% increase in trip production and a 2% increase in trip attraction



each of the morning and evening peak hours. This is made up of a 2% reduction in car arrivals and a 1% reduction in car departures from the wedge.



## **4 Economic Business Case:**

### **Does the scheme represent value of money?**

#### **4.1 OVERVIEW**

- 4.1.1 The scheme has been assessed as having a Benefit Cost Ratio (BCR) of 3.8. This is classified by the DfT as 'High Value for Money'.
- 4.1.2 The methodology follows the standard approach whereby all costs and benefits are assessed at 2010 market prices with prices deflated and discounted to a 2010 base.
- 4.1.3 The scheme has been modelled using the LLITM Landuse and Transport model to appraise the highways benefits of the improved roundabouts with the appraisal calculated using TUBA. The benefits of the improved walking and cycling infrastructure have been separately assessed using WebTAG guidance contained within WebTAG A5.4.2 and WebTAG A5.4.

#### **4.2 MODELLING APPROACH**

- 4.2.1 A dual-track approach has been adopted whereby the highway benefits of the roundabout improvements have been modelled in LLITM whilst the walking and cycling benefits have been assessed independently.
- 4.2.2 The LLITM model has been run for three time periods in the future years 2016 and 2026 assuming the scheme has been completed, and compared against a scenario in which no improvements are made. A standard 60 year highways appraisal using TUBA has been undertaken. A technical note<sup>13</sup> has been produced setting out the procedures, assumptions and checking undertaken as part of the TUBA running process
- 4.2.3 It is estimated<sup>14</sup> that the infrastructure improvements, together with the smarter choices measures, could lead to an additional 1,164 new walkers and 733 new cyclists each day. This increase should be seen in the context of around 22,000 walking and cycling trips originating from the wedge each day, and corresponds to a 33%<sup>15</sup> increase in cycling and a

<sup>13</sup> LNWMTTP: Highway Economic Assessment Report. Appendix L

<sup>14</sup> WP1 Technical Note 22: The Economic Benefits of Walking and Cycling including the impact of Smarter Choices Initiatives ( Appendix K)

<sup>15</sup> This corresponds to the lower bound of expected increase in expected cycle trips as reported in the Leicester City Cycle Ambition Economic Appraisal Report produced by Sustrans and contained with appendix H of the Connecting Leicester city cycle ambition bid.

[http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCMQFjAA&url=http%3A%2F%2Fwww.leicester.gov.uk%2FEasysiteWeb%2Fgetresource.axd%3FAssetID%3D128091%26type%3Dfull%26servicetype%3DAttachment&ei=F9bcVL2qNqXR7QaQsIGgAw&usg=AFQjCNGE1BJ-PxohzR5R2X5\\_yrZZcUe7Fg&bvm=bv.85761416,d.ZGU&cad=rja](http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CCMQFjAA&url=http%3A%2F%2Fwww.leicester.gov.uk%2FEasysiteWeb%2Fgetresource.axd%3FAssetID%3D128091%26type%3Dfull%26servicetype%3DAttachment&ei=F9bcVL2qNqXR7QaQsIGgAw&usg=AFQjCNGE1BJ-PxohzR5R2X5_yrZZcUe7Fg&bvm=bv.85761416,d.ZGU&cad=rja)





5%<sup>16</sup> increase in the combined level of walking and cycling. The increase in walking and cycling is estimated to reduce the number of car trips by between 250 and 280 vehicles in each of the morning and evening peak hours. This is made up of a 2% reduction in car arrivals and a 1% reduction in car departures from the wedge.

- 4.2.4 It assumes that for every person that no longer makes a trip by car then they will make an identical trip by walking or cycling. The average trip length is either 5.3km for cycling, or 1.3km for walking.
- 4.2.5 The Reduction in trips and the economic benefits are estimated using evidence from:
- Connecting Leicester, Cycle City Ambition, Economic Appraisal Report. Sustrans
  - LLITM TN119. Modelling of Smarter Choices within LLITM
  - WebTAG table A5.4.2
  - WebTAG A5.4
  - World Health Organisation's, Health Economic Appraisal Tool (HEAT)<sup>17</sup>
- 4.2.6 The results are in-line with recent DfT research on the benefits of increased levels of walking and cycling, i.e.
- Value for Money Assessment for Cycling Grants<sup>18</sup>, Aug 2014, DfT
  - Claiming the Health Dividend: A summary and discussion of value for money estimates from studies of investment in walking and cycling<sup>19</sup>, November 2014, DfT
- 4.2.7 **The health (Physical Fitness) and absenteeism benefits** are accumulated over a 10 year period with trips estimated for the whole day. In the absence of further smarter choices initiatives evidence shows that the use of non-car modes declines with time. The 2009 Leicester and Leicestershire Households survey showed that the median tenure in the area was 15 years. Therefore, in order to ensure new households are made aware of the benefits it is necessary to undertake further travel planning and other softer measures every 10-15 years. Should the softer measures (travel planning etc.) be repeated at 10 year intervals then the physical fitness benefits could increase from £15.0M over a 10 year period to £44.0M over a 30 year period.
- 4.2.8 **The highways de-congestion benefits** are accrued over 30 years for congestion occurring only in the morning and evening peak hours. In the peak hours the increased highways congestion that is forecast is likely to reinforce the benefits of walking and cycling. Therefore benefits are likely to continue to accrue over a longer period than the monetised health benefits that are calculated for travel throughout the day. Whilst WebTAG

<sup>16</sup> This is the weighted average of 7.5% increase in trip production and a 2% increase in trip attraction

<sup>17</sup> <http://heatwalkingcycling.org/>

<sup>18</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/348943/vfm-assessment-of-cycling-grants.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/348943/vfm-assessment-of-cycling-grants.pdf)

<sup>19</sup>

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/371096/claiming\\_the\\_health\\_dividend.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/371096/claiming_the_health_dividend.pdf)





recommends appraisal over a 60 year period, a shorter, more robust, 30 year period has been adopted in this appraisal.

- 4.2.9 A technical report<sup>20</sup> summarising the benefits of the walking/cycling improvements has been produced with the results summarised in this business case.

### **4.3 LLITM MODEL VALIDATION**

- 4.3.1 The Leicester and Leicestershire Integrated Transport Model (LLITM) is comprised of five main components:

- Land-use model, built in bespoke DELTA software;
- Variable demand model, built in EMME;
- Highway supply model developed in SATURN;
- Public transport supply model, developed in EMME;
- Environmental module, built in bespoke EASE software

- 4.3.2 The model has been built in accordance with the Department of Transport's modelling and appraisal guidance (WebTAG) and has been approved for a range of transport schemes and as a tool to secure wider-ranging infrastructure.

- 4.3.3 The model has been checked within the area of the A50 and A6 wedges and the results reported in a LLITM model Validation Report in Appendix M

### **4.4 STANDARD WEBTAG TABLES**

- 4.4.1 The Standard Public Accounts (PA), Analysis of Monetised Costs and Benefits (AMCB), Transport Economic Efficiency (TEE) and Appraisal Summary Table (AST) are contained within Appendix C

### **4.5 COMBINED BENEFITS**

- 4.5.1 Table 4 shows the monetised benefits of the complete scheme:

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<sup>20</sup> The Economic Benefits of Walking and Cycling including the impact of Smarter Choices Initiatives Work Package 1 Technical Note 22. (see Appendix K)



**Table 4: Benefits. 2010 prices, discounted to 2010, market prices**

Category	Type	Benefit (£m)	Included in AMCB	Including all benefits
Economy	business user time	5.44	5.44	5.44
Economy	Agglomeration	Not monetised		
Economy	Impact of imperfect competition	Not monetised		
Environment	Air Quality	0.00	0.00	0.00
Environment	Noise	0.01	0.01	0.01
Environment	Greenhouse Gases	-0.15	-0.15	-0.15
Environment	Landscape/Townscape	Neutral	Neutral	Neutral
Environment	Water Environment	Neutral	Neutral	Neutral
Environment	Biodiversity	Neutral	Neutral	Neutral
Social	Highway non-business user time	10.1	10.1	10.1
Social	Highway user reliability	Not monetised		
Social	Absenteeism	0.87		0.87
Social	Accidents	0.20	0.20	0.20
Social	Physical Fitness	15.0	15.0	15.0
Social	Option Values	Neutral	Neutral	Neutral
Social	Affordability	Neutral	Neutral	Neutral
Social	Severance	Neutral	Neutral	Neutral
Public Accounts	Indirect Tax	0.43	0.43	0.43
Private Sector	Private Sector Contributions	0.06	0.06	0.06
<b>Total Benefits</b>	<b>PVB</b>		<b>31.03</b>	<b>31.90</b>

- 4.5.2 The nature and location of the scheme would lead to an expectation that the Wider Impacts benefits of agglomeration would be significant. On a scheme of this type an additional 30% increase in benefits would not be uncommon. However, these benefits have not been included in the scheme appraisal.
- 4.5.3 The small detriment in Greenhouse gases represents a very small change (4,213 tonnes over 60 years- 70 tonnes per year, see Table 20), and is consistent with the overall levels of traffic rising very slightly (paragraph 3.8.9) as drivers adjust their routes to make use of the improved infrastructure
- 4.5.4 Whilst WebTAG recommends that potential adverse effects that could occur during the construction phase of the programme are monetised. This has not been included in this proportionate business case. However a sensitivity test was undertaken to estimate in the BCR should the benefits be reduced by 10%. This is equivalent to the adverse impacts during the year of construction being equivalent to one tenth of the total benefits estimated over 60 years.



#### **4.6 COSTS**

- 4.6.1 The Present Value Cost (PVC) is estimated as £8.07M in 2010 market prices. This is the public sector contribution to the costs for both the Capital and Revenue funding stream.
- 4.6.2 Private sector contributions of £63,000 support the delivery of the smarter choices schemes
- 4.6.3 Costs for the programme preparation and scheme development have not been included in the costs and neither have additional maintenance costs been assessed. However, an appraisal using a 33% increase in costs has been undertaken in order to test the sensitivity of the BCR to a higher cost basis.

#### **4.7 BENEFIT ANALYSIS AND SENSITIVITY TESTS**

- 4.7.1 Both the Benefit Cost Ratio (BCR) and Net Present Value (NPV) have been calculated for
- Standard appraisal parameters
  - Enhance benefits (including absenteeism)
  - Costs increased by 33% (pessimistic view of uncertainty, future maintenance liabilities and project development costs)
  - Benefits reduced by 10% to account for delays/congestions during the delivery phase

**Table 5: Monetised costs and benefits (£M)**

	PVC	PVB	NPV	BCR	VfM category
AMCB standard benefits	8.07	31.03	22.96	3.84	High
Enhanced benefits	8.07	31.90	23.83	3.95	High
Costs increased by 33%	10.76	31.03	20.27	2.88	High
Benefits reduced by 10%	8.07	27.93	19.86	3.46	High

- 4.7.2 The scheme ranges from a BCR of 3.84 to 3.95 for the standard appraisal and the appraisal with enhanced benefits. However the full economic benefits of Wider Impacts and Regeneration have not been included
- 4.7.3 The scheme ranges from a BCR of 2.88 to 3.95 over the range of sensitivity tests. This is classified as High Value for Money by the DfT
- 4.7.4 In addition, a range of tests have been undertaken regarding the assumptions made for the walking and cycling improvements:
- It is assumed 50% fewer motorists are attracted to switch to using a bicycle
  - It is assumed that only pedestrians within 1km of the two roundabouts benefit
  - It is assumed that there is a 50% reduction in car-vehicle-km saved



**Table 6: Sensitivity Analysis of the benefits (PVB) £M**

	50% fewer cyclists	Only walkers within 1km of roundabouts benefit	50% reduction in veh-km saved	Central estimate
Physical Fitness (Walking)	£9.61	£5.63	£9.61	£9.61
Physical Fitness (Cycling)	£2.69	£5.37	£5.37	£5.37
Highway Impacts	£1.39	£1.39	£0.69	£1.39
Absenteeism	£0.87	£0.87	£0.87	£0.87
Highway TUBA	£14.65	£14.65	£14.65	£14.65
<b>Total</b>	<b>£29.19</b>	<b>£27.91</b>	<b>£31.19</b>	<b>£31.89</b>
<b>PVC</b>	<b>£8.07</b>	<b>£8.07</b>	<b>£8.07</b>	<b>£8.07</b>
<b>BCR</b>	<b>3.62</b>	<b>3.46</b>	<b>3.89</b>	<b>3.95</b>

- 4.7.5 Should the softer measures (travel planning etc) be repeated at 10 year intervals (i.e. in 2026 and 2036) in order to reinforce and lock-in the benefits of the increased level of walking and cycling throughout the day, the physical fitness and absenteeism benefits could increase to around £42.7M (**Note:** that this does incur additional costs of £326k in 2026 and 2036)

**Table 7: Sensitivity Analysis with Smarter Choices interventions repeated at 10 year intervals**

	PVC	PVB	NPV	BCR	VfM category
Repeating Smarter Choices every 10 years	8.72	58.74	50.02	6.74	Very High



## 5 Financial Case:

**What does it cost, and who is paying, also the risk to different parts of the contributions not being provided?**

### 5.1 FUNDING PROFILE

- 5.1.1 In December 2014 a letter<sup>21</sup> was sent by the LLEP setting out the expected funding profile from the LLEP, together with the expected local contribution.
- 5.1.2 This confirmed that the Local Growth Fund has a confirmed £3.5M contribution for 2015/16 and an indicative allocation of £12.7M for 2016/17 and 2017/18. Match funding of £1M in 2015/16 and £1.9M for the remaining years is required.
- 5.1.3 In order to deliver the benefits of the scheme as soon as possible Leicester City Council and Leicester County Council each plan to contribute £2,092,500 to the 2015/16 scheme. A proportion of this, £1,381,600 would be recovered in 2016/17 in order that over the total growth deal period the local contribution amounts to £1,400,000 from each authority, accounting for 15.2% of the total costs.
- 5.1.4 Table 8 shows an indicative funding profile over the full period. The yellow shows the committed funding. Revenue funding supports the Smarter Choices measures that have been included in the assessment of the scheme, but are not included within the SLGF allocation. Leicester County Council expect to add to the revenue contribution in 2016/17, however the assessment has been undertaken without this commitment.

**Table 8: Funding Profile (£K). (Yellow cells show the scheme costs included within this business case)**

	£K	2015/16	2016/17	2017/18	2018/19	TOTAL	Proportion
LLTB Capital funding	LLTB	£ 3,500.0	£ 7,414.0	£ 5,286.0		£ 16,200.0	84.8%
	Leics County	£ 2,092.5	-£ 1,331.6	£ 450.2	£ 239.0	£ 1,450.0	7.6%
	Leics City	£ 2,092.5	-£ 1,331.6	£ 450.2	£ 239.0	£ 1,450.0	7.6%
	Total	£ 7,685.0	£ 4,750.8	£ 6,186.3	£ 477.9	£ 19,100.0	
Revenue funding	Leics County					£ -	
	Leics City		£ 326.0			£ 326.0	
	Private		£ 63.0			£ 63.0	
	Total		£ 389.0			£ 389.0	

The forecast spend profile for Work Packages 5 (County Hall Roundabout) and 7 (New Parks Way Roundabout) is shown in Table 9. The Work package 6 programme for the cycle paths is under development

<sup>21</sup> Dated 3<sup>rd</sup> December 2014 (see Appendix N)



**Table 9: Spending Profile**

<b>Cost Heading</b>	<b>Cost (£000's)</b>	<b>Estimated Date</b>
Site Investigation - GPRS & coring	55.00	Feb 2015
WP5 Construction Costs	1,999.50	July 2015
WP5 SU Costs	150.00	April 2015
WP7 Construction Costs:		
New Parks Way Roundabout	2,115.50	July 2015
Aikman Avenue Junction	1,197.10	July 2015
WP7 SU Costs	500.00	April 2015
Fees for WP5 & WP7:		
Design & Supervision (15%)	744.30	?
Project Management (1%)	49.60	?

## **5.2 DRAW DOWN REQUIREMENTS**

- 5.2.1 The programme requires funding to be confirmed and in place for start of April in order to place the Task Order with the Contractor, so that the works can start on site at beginning of July.
- 5.2.1 In addition, funds will be required from this date to allow advance orders to be placed with the statutory undertakers for diversion works and with contractors for site clearance required as part of the scheme. Delay in placing these orders will cause a delay to the overall scheme, potentially by some twelve months to summer 2016/17, at very least delay start until Jan 2016.

## **5.3 LOCAL CONTRIBUTION**

- 5.3.1 The total scheme capital costs are £7.685 million. This excludes historic land costs, off-site mitigation costs, Part 1 Claims under the Land and Compensation Act 1973.
- 5.3.2 Leicestershire County Council and Leicester City Council will each contribute £2.0925M in 2015/16 in order to make up the required cost with the £3.5M SLGF contribution for 2015/16. However part of this contribution will be reclaimed in 2016/17 in order that the total contribution by each of the two authorities is £1.45M over the total period
- 5.3.3 The local contribution will be drawn from a combination of Leicestershire County Council Capital funds and Leicester City Council capital funds and Integrated Transport capital funds. These funds are committed by the current administration.
- 5.3.4 Over the total period this represents a local contribution of 15.2% from Leicestershire County Council/Leicester City Council.



#### 5.4 AFFORDABILITY AND FINANCIAL RISK

- 5.4.1 The scheme is delivered within areas that are responsible of both the County Council and City Council. Joint working between the authorities based upon the functional requirements rather than geographical location has been applied throughout the project to ensure efficiency savings and avoiding duplications of work and procedures.
- 5.4.2 Whilst the SLGF monies have been committed to the LEPs through the Growth Deals on the 7th July, there is a degree of uncertainty around this funding, especially for 2016/17 and 2017/18. As a result there may be some risks around issuing orders for work on these schemes to ensure the timescales for delivery are met. However, a letter sent to LEP chairs by Sir Bob Kerslake, the Permanent Secretary of the DCLG, suggests that these risks are small and encourages LEPs to proceed with delivery of their schemes. Furthermore, if funding for schemes in future years is subsequently withdrawn, this would also free up the County Council's matched funding element against these schemes which could instead be used to fund any committed expenditure against schemes already progressing for which funding will no longer be forthcoming
- 5.4.3 Financial risk is a major factor to be considered during the management of any project or programme. The aim is to manage the exposure to risk by taking actions to keep it to an acceptable level in a cost-effective way.
- 5.4.4 PRINCE2 methodology has been adopted for managing risk ensuring that all risks are captured and processed in a consistent manner. There is a high level risk register included in the PID and each scheme requiring a business case will have its own detailed risk register. Figure 9 shows the risk matrix that has been agreed and enables project risks to be subjectively scored based on their impact and likelihood. When the assessment of risk falls into the red zone, the risk needs to be managed by mitigation.

I M P A C T	SEVERE	A			Some extra risk management action		
	SIGNIFICANT	B					
	MODERATE	C	No extra risk management action				
	MINOR	D					
			4	3	2	1	0
			VERY UNLIKELY	NOT VERY LIKELY	QUITE LIKELY	VERY LIKELY	ISSUE
			LIKELIHOOD				

Figure 9: Risk Matrix





**Main risks to project delivery timescales and impact will this have on the costs**

- 5.4.5 From a construction point of view, the two main risks are statutory undertakers & availability of funds. SU apparatus that requires diversion or protection often causes delays to a project, which in turn has an impact on costs. At present we are planning a start date on site of beginning of July, however, this is dependent on placing an order with the Contractor at start of June. This can only happen if the necessary funding is in place, confirmation of funding could delay the start of the works & therefore impact on timescales & possibly costs.
- 5.4.6 Another risk is the restrictions that may be imposed on the Contractor as to when he is able to carry out works on the network, i.e. restricted working hours will increase the duration of the scheme & subsequently the costs will increase (additional prelims, etc.).

**Dealing with Cost Over-runs**

- 5.4.7 Any cost over-runs would be reported to the Project Board at monthly meetings, plus any advance warning of such costs would be reported at monthly site progress meetings.





## **6 Management Case:**

**This demonstrates that the programme is deliverable.**

### **6.1 DELIVERY**

6.1.1 Leicestershire County Council and Leicester City Council both have an excellent track record on delivery of large and major transport schemes. In the last 5 years, the following projects have been successfully delivered:

- **Loughborough Town Centre Scheme** - £19.0m DfT funded scheme of 18 months duration. The scheme was delivered on time & to budget. The scheme was let through the Midlands Highway Alliance (MHA) Medium Schemes Framework 1 contract (NEC3 Option C). All contract management (e.g. issuing of drawings, programmes, compensation events, submission of valuations, etc.) was conducted through an electronic system called 'Conject'. This aided financial monitoring & provided a system whereby all members of the project team could view important documents/info. The contract was completed on time, as per the originally accepted Clause 31 programme, and within budget (resulting in a gain percentage).
- **A426 Aylestone Road – Better Bus Area Fund (BBAF)** - £5m scheme funded by the DfT in partnership with Leicester City Council.
- **A47 Earl Shilton Bypass** - £14.0m DfT funded scheme, successfully steered through a difficult statutory period and RFA process, completed in March 2009;
- **Leicester Park and Ride, Enderby** - £8m scheme funded in partnership with Leicester City Council, completed within budget and programme in November 2009 and
- **Leicester Park and Ride, Birstall** - £5m scheme funded by government grant in partnership with Leicester City Council, completed within budget and programme in June 2011.

#### **6.1.2 Land Acquisition**

6.1.3 All land requirements & potential land compensation claims were considered at preliminary design stage. As a result the scheme has been designed with this in mind & no land acquisition is required for the scheme

#### **6.1.4 Allotments**

6.1.5 As part of our design process we undertook a design review to ensure that we minimised the effect on the allotments while maintaining the design aspirations and overall benefits of the scheme. As a result of this review we were able to realign the proposed new highway (cycleway/footway) boundary such that no allotment plots or plot holders were affected. The land required for the proposed scheme is only a strip of average width of 0.5m from the



allotments boundary. The new boundary will be secured by the rebuilding of the fence which will make the site more secure. The proposed scheme does not fall under the Allotment Act 1950.

#### **6.1.6 Construction Milestones**

6.1.7 Construction Milestones are shown in Table 10

**Table 10: Construction Milestones**

<b>Milestones</b>	<b>Dates</b>
Design Approval	March 2015
ECI Phase	Feb – June 2015
Place Task Order with Contractor	June 2015
Construction Works Start	July 2015
Opening Date	June 2016

#### **6.1.8 Project Programme**

6.1.9 The planned programme for the substantive parts of the works on WP5 (County Hall Roundabout) and 7 (New Parks Way Roundabout) is shown in the Gantt chart in Figure 10. The programme for the cycle paths (WP6) is in development.



# Edwards & Edwards Consultancy Ltd

## HIGHWAYS PLANNING AND DESIGN

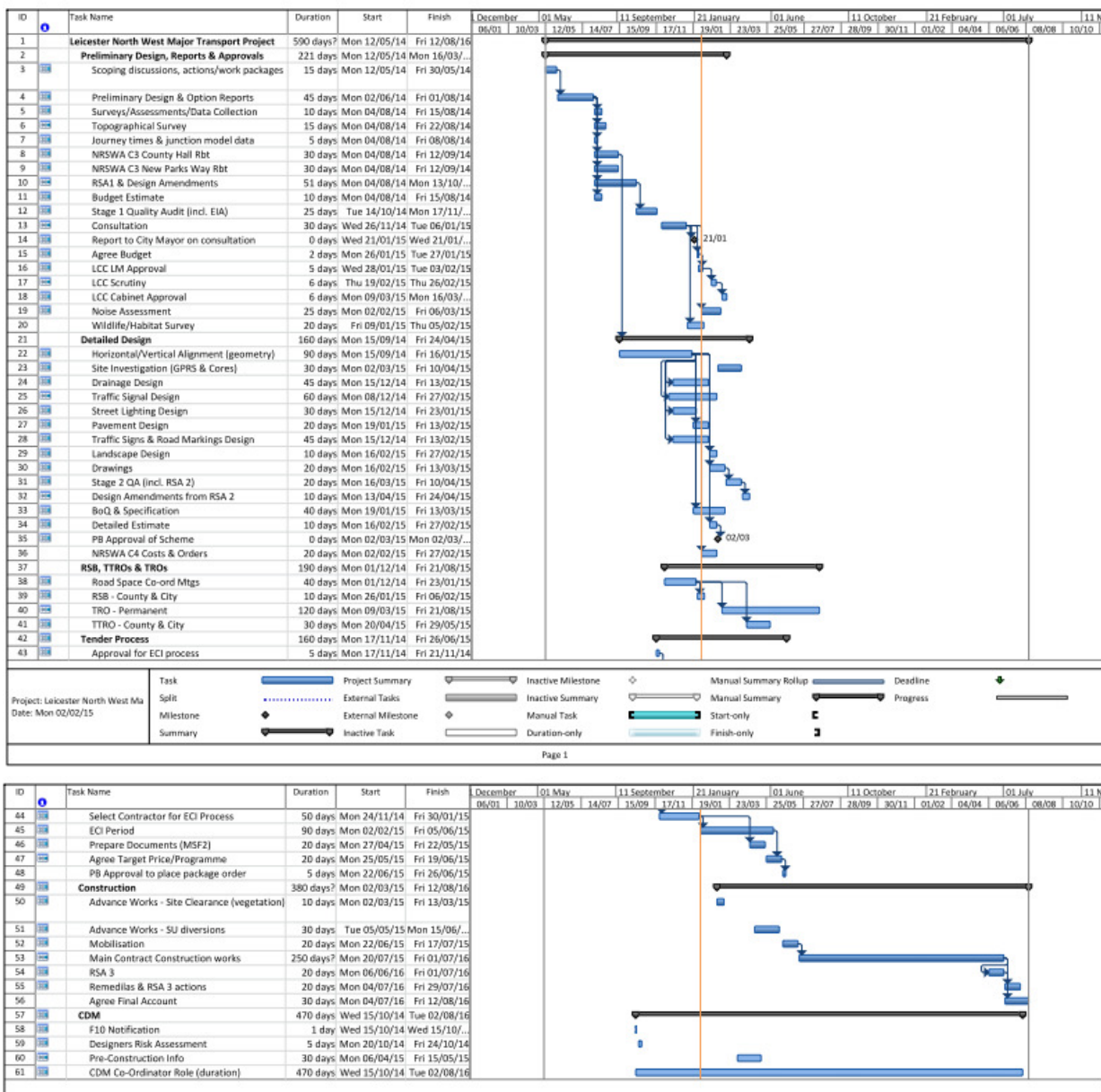


Figure 10: Project Gantt Chart (January 2015)

## 6.2 STATUTORY POWERS AND CONSENTS

6.2.1 The scheme will not involve the use of statutory powers.

## 6.3 GOVERNANCE

### 6.3.1 Roles & Responsibilities

6.3.2 See Appendix D for a Project Governance and Organisation Chart



### **6.3.3 Promoter Group**

6.3.4 The Promoters Group's role will be to:

- Agree a Memorandum of Understanding dealing with the funding of the project, procurement decisions including associated contractual conditions and obligations;
- monitor overall progress;
- promote co-operation between partners and stakeholders;
- assist the Project Board in resolving impediments affecting progress;
- agree to any necessitated changes in direction as proposed by the Project Board.

The Promoters Group will meet every quarter and include the following representatives:

1. Sir Peter Salisbury City (Mayor);
2. Peter Osbourne (County Transport Lead);
3. Andrew L Smith (Director City Council);
4. Peter Price (County Director)
5. Mark Wills (Group Manager Transport Strategy City);
- 6.
7. Steve Clarke Project Manager

### **6.3.5 Project Board**

6.3.6 Responsible for the delivery of the project together with setting the objectives and strategic direction. The Project Board will be responsible for making key decisions in accordance with the 'Approval Protocol' in Appendix D of the PID agreed between Leicestershire County Council and Leicester City Council.

### **6.3.7 Project Manager**

6.3.8 Responsible for delivering the objectives of the project as defined by the board including taking matters for Project Board approval in accordance with the 'Approval Protocol' in Appendix D of the PID.

### **6.3.9 Work Package Leads (WPL's)**

6.3.10 Work Package Leads are responsible for the delivery of the package assigned to them in the PID. They act as the lead manager for their Work Package and are responsible for providing advice to the Project Manager and other Work Package Leads. They will also work as part of the overall project team, to ensure issues are resolved within the project and interfaces and dependencies between work packages are effectively communicated and managed.

6.3.11 Their responsibilities also include:

- Contribution to the PID, reports and planning;



- Contribution to project communication and stakeholder engagement with all areas of the PID;
- Liaison with business as appropriate and in conjunction with other Work Project Leads;
- Reporting to the Project Manager in accordance with Appendix D of the PID;
- Manage the assigned Work Package which will include:
  - Producing a critical path of tasks to ensure delivery of the work package in the designated timescale). Each WP Lead to produce an Excel Spreadsheet and provide Project Manager with an update on progress every month;
  - Ensuring timescales are met;
  - Ensuring quality of outputs;
  - Ensuring outputs meet PID objectives;
  - Employing the methodology for undertaking an appraisal of work packages as set out in Appendix F of the PID;
  - Liaising with staff within the assigned Work Package to ensure consistency of approach etc., across Work Packages and in accordance with Appendix F of the PID;
  - Identification of risks and how they will be managed in accordance with Prince 2 methodology. Each WP Lead to produce an Excel Spreadsheet similar to the example shown in Appendix G of the PID and provide Project Manager with an update every month on progress;
  - Effective management of resources within the assigned Work Package, including staff, budget, equipment as appropriate;
  - Supporting and advising staff who are assigned to their Work Package team, providing clear guidance on their role, the objectives and outputs expected, and addressing any development needs in line with their role on the Work Package;
  - Following relevant guidance and standards as relevant to the project;
  - Producing Construction tender package;
  - Procuring the contractor;
  - Project manage the construction phase.

#### **6.4 RISK MANAGEMENT**

- 6.4.1 Project risks will be kept under review throughout the life of the project by the Work Package Lead and updates will be provided to the Project Manager. The Project Manager maintains a Project Risk Register.
- 6.4.2 In addition, a risk register will also be prepared for the construction works (WP5- County Hall Roundabout & WP7 the New Parks Way Roundabout) with the Contractor under Early Contractor Involvement (ECI) phase.
- 6.4.3 The Project Manager maintains and an overall Project Risk Register throughout the project. The Project Manager reports any problems/difficulties to the Project Board at their regular meetings or can call a special meeting of the Project Board if considered appropriate.
- 6.4.4 Any cost over-runs would be reported to the Project Board at monthly meetings, plus any advance warning of such costs would be reported at monthly site progress meetings.



## **6.5 QUALITY AUDIT (QA)**

- 6.5.1 The promoters have agreed to implement a Quality Audit process for this scheme. This process will broadly follow the advice as set out in the Traffic Advisory Leaflet 5/11 (November 2011) published by the Department of Transport (DfT). It will provide a systematic review of the scheme using a series of discrete but linked evaluations to ensure that the broad objectives of safety, accessibility, equality etc. are achieved.
- 6.5.2 The QA provides a framework for evaluations that:
- ensures that an independent audit of the design is undertaken at two stages;
  - ensures that the design considers the needs of all community groups that would have a stake in the design;
  - leads to a balanced design.
- 6.5.3 A QA coordinator has been appointed by both Leicester City Council and Leicestershire County Council. Their role is to agree with the Work Package Lead the discrete studies that need to be undertaken and by which officers. They will also agree a time frame for the completion of the various audit reports which shall be brought together in an overarching report produced by the QA Co-ordinator which identifies conflicts that may arise between the audits with a view to providing a written balanced response to the Work Package Lead.
- 6.5.4 The identified audits already commissioned as part of this process include:
- Road Safety Audit (RSA)
  - Cycle Audit/Review
  - Equality impact assessment
- 6.5.5 Additional audits, such as those listed below, will be commissioned by the Work Package leads and the QA co-ordinator if considered appropriate for the context.
- Street character review
  - Maintenance Regime audit
  - Public transport Audit
  - Technical Standard Audit

## **6.6 STAKEHOLDER MANAGEMENT**

- 6.6.1 The promoters of this major transport scheme are committed to constructive engagement with all stakeholders as an important aspect of a successful scheme delivery. The Project Initiation Document (PID) has identified a wide range of stakeholders. The PID also outlines engagement opportunities and routes of communication.
- 6.6.2 The following groups of stakeholders have been identified as important consultees during the course of the project. Many authorities/bodies are directly involved in the project whilst others need to be able to convey their representations through consultation. Table 11 identifies the key stakeholders and how it is proposed to engage with them.





**Table 11: Stakeholders**

<b>Authority/Body</b>	<b>To be Represented by</b>
LLEP	LLTB/Promoters Group
City Mayor and senior Council team	Sir Peter Soulsby
County Councillor lead	Peter Osborne CC
County Council	LLTB/Promoters Group/PID Project Board
City Council	LLTB/Promoters Group/PID Project Board
Leicester and Leicestershire Transport Advisors Group	Quarterly at the meetings. Group includes representatives from the planning authorities (strategic planning), freight transport, LLEP etc.
Charnwood Borough Council	Stakeholder Consultation
North West Leicestershire District Council	Steve Bambrick
Blaby District Council	Stakeholder Consultation
Leicester Access Forum Leicestershire Access Forum	Quarterly at the Access Forum meetings.
Bus operating companies	Monthly at the 'Improving Bus Services' (formally the Quality Bus Partnership Management) meetings'. Also by meeting operators on an individual basis as and when required or requested.
Bus users	Quarterly at the Bus User Panel meetings.
Leicester Local Taxi Forum	Quarterly at the Taxi Forum meetings.
Parish Council	Stakeholder Consultation
Business	Local Business Forum and at critical stages of the project through public consultations, press releases, advertisements and meetings as appropriate.
General Public	At critical stages of the project through public consultations, press releases, advertisements and meetings as appropriate.

6.6.3 There are a number of stakeholders, however, who are not directly involved in the project and these stakeholders will need to be engaged by a number of different methods.

6.6.4 These communication methods are shown in Table 12.

**Table 12: Communication methods**

<b>Method</b>	<b>Responsibility</b>
Press Releases (to community media as well as mainstream media).	Project Manager to draft press release in consultation with the County/City media officers and send to County/District Group Managers for comments/approval
Website	County and City Council are responsible for their website.
Stakeholder workshops	Project Manager to organise workshops at appropriate venues in accordance with the PID Programme

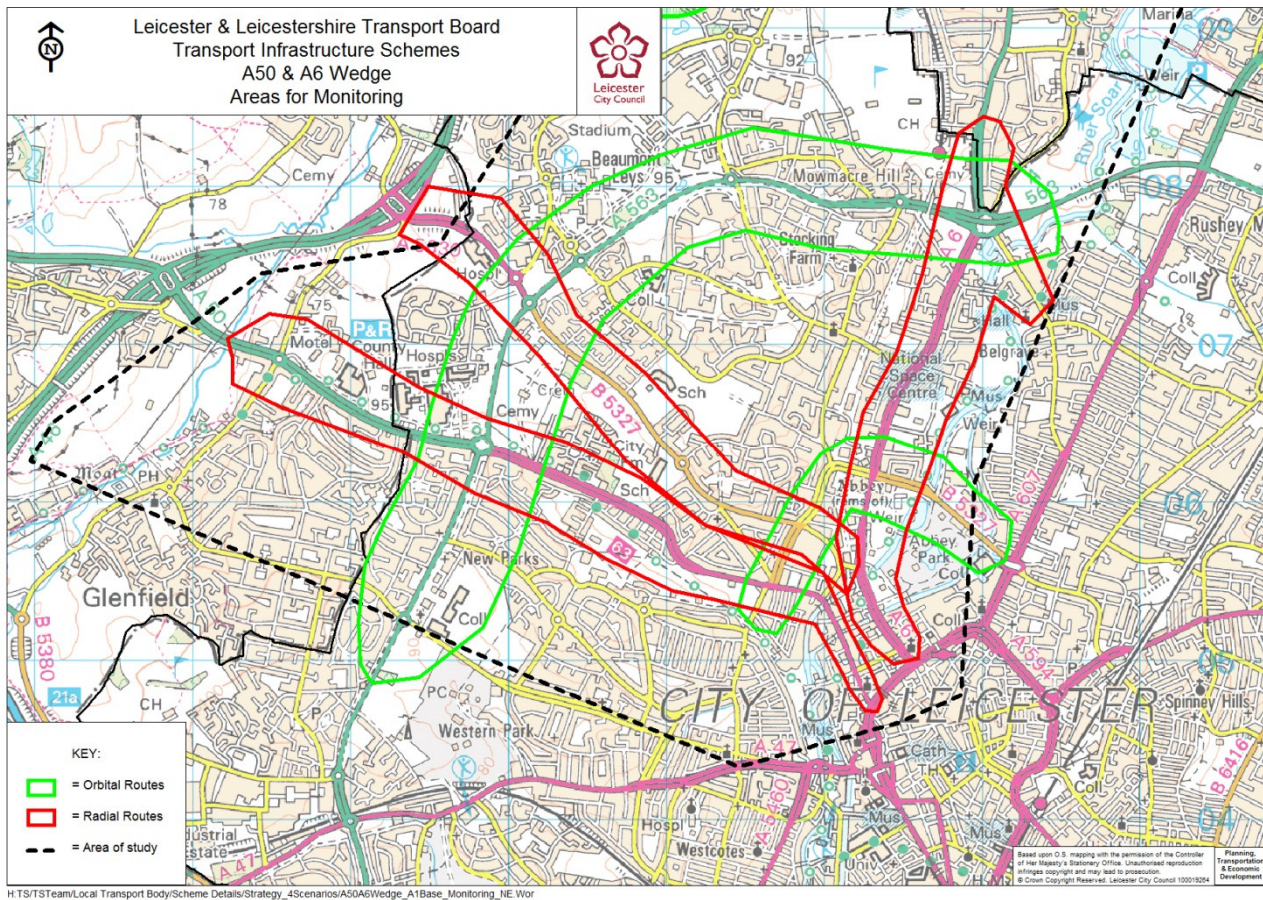


- 6.6.5 A Communications Plan has been developed (See Appendix H of the PID in Appendix E) to ensure all those with a stake in the work package proposals are engaged so that their views and concerns can be taken into account. This is in the interests of transparency, increasing awareness, encouraging buy-in and seeking the wider views of affected community groups

## **6.7 MONITORING AND EVALUATION**

- 6.7.1 Evaluation has been identified as an essential part of the scheme and future year scheme development. Monitoring will be undertaken to assess the success of the measures and evaluate the outcomes of the scheme. A separate work package has specifically been identified in the PID to develop a methodology for post scheme monitoring.
- 6.7.2 In order to monitor the overall benefit of the bid package the key indicators will be used in conjunction with planned LTP3 and LSTF monitoring. This will comprise of:
- 6.7.3 Highway network statistics**
- Total vehicle kilometres
  - Average vehicle speed
- 6.7.4 Public Transport statistics**
- Average queue time per mile (mins) for buses
  - Bus patronage
- 6.7.5 Changing travel behaviour on the journey to work**
- Number of commuting trips and modal share: - Highway / PT / Active
- 6.7.6 Changing travel behaviour generally**
- Total number of trips, trip length and modal share: - Highway / PT / Active
- 6.7.7 Accessibility**
- Working age people with access to employment by public transport and other specified modes
- 6.7.8 Perception-based indicators**
- Satisfaction with local bus services
- 6.7.9 Environment**
- Carbon emissions from road transport





**Figure 11: Orbital and Radial routes to be monitored**

- 6.7.10 **Cars and other vehicles** will be monitored with permanent automatic counters on the main radials and orbitals, which we may supplement with additional counters on the A563, A50 & A6. Manual classified counts will also be available on all the radials just inside the Outer Ring Road and across the Central Transport Zone cordon.
- 6.7.11 **Buses** will be monitored by the same manual classified counts, with bus punctuality surveys and additional bus occupancy counts at the same locations. New bus timetable/network is used in Accession and is evaluated at least once a year, typically for the month of October. Quarterly bus patronage data from the bus companies' electronic ticket machines.
- 6.7.12 **Cycles & walkers** will be monitored by the same manual classified counts, with some additional permanent radar counters. These could be strengthened with 2 week tube monitoring (tubes can count cycles; radar units can count pedestrians and cycles)-
- 6.7.13 **Travel Choice** will be monitored with feedback from Personalised Travel Planning



#### 6.7.14 Journey time and reliability / Delay and queue lengths

6.7.15 There are various options for this to be monitored:

- Traffic Master (Dft data) – 6 months lag in data being evaluated; bias towards vans/goods vehicles with greater proportion of GPS loggers
- TomTom – can buy data, say for a neutral month and is available historically [need to know what is the sample rate and if there is any bias with devices in any type of vehicle]
- Blue Tooth devices – permanent/temporary equipment can be installed to collect data, thought to be in the order of 30% of traffic.
- Floating Cars – we have 85 GPS trackers that can be used in survey vehicles [may be staff intensive and sample rate may be less than other sources and subject to variations on the day]

#### 6.7.16 Change in congestion and traffic levels

6.7.17 City Centre & Central Transport Zone annual cordons (classified 12 hour counts) and ATC automatic counts

6.7.18 **Air Quality:** there are large monitoring stations which provide definitive levels of gases and particulates but are very expensive. Smaller mobile units may be available which could be used to identify changes in levels. Possible options are shown in Table 13.

**Table 13: Air Quality measurement technologies**

Technology	Features
Portable Detectors	CO2 and NOx only. Less sensitive but will give readings by the minute. 3 year lifespan. U.S. product. Meets Defra spec
Motes/Pods	Developed by Leicester University. Like Portable detectors, can be fixed to lampposts. Give hourly measurements. NOx & CO2.
Diffusion tubes	NO2. 50% accuracy. Gives the amount over a week or a month.

### 6.8 PROJECT HANDOVER AND CLOSEDOWN

6.8.1 On completion the construction contractor will provide

- Health and Safety File
- Original and as-built information and drawings for anything 'Contractor Designed'
- List of suppliers and materials
- Product data sheets and/or technical specs for all materials used
- As-built information for any stats discovered or moved during the works
- CCTV footage of drainage



- Methods Statements for works carried out
- Road lighting, signs and traffic signals
- Operation and Maintenance (O&M) manuals
- As built drawings in AutoCAD
- Test results and records

6.8.2 A substantial completion certificate will be issued which will trigger the start of the 12 month defects period



## **7 Commercial Case:**

**This demonstrates the commercial viability of the programme and the procurement strategy**

### **7.1 PROCUREMENT STRATEGY**

- 7.1.1 Implementation has been an important consideration during the development of the bid package. The potential resource requirements and procurement routes have been assessed and the promoters will use a combination of their own direct labour capabilities (City Highways and Leicestershire DLO) and the existing Midlands Highway Alliance partnership arrangement (which the County Council led the creation of) to procure the scheme and support preliminaries where appropriate.
- 7.1.2 The scheme delivery is secured through a clearly identified and established procurement route.**
- 7.1.3 The scheme has undergone a thorough risk assessment and has a high level and a risk register associated with each work package. This is considered proportionate to the nature and complexity of the scheme. A Risk Management Strategy has also been developed that outlines how risks will be managed.
- 7.1.4 The greatest risk, in financial terms, to the scheme relates to the delay in the grant of consent from the Leicester & Leicestershire Transport Board (LLTB). Whilst this cost would be significant, the risk potential is considered to be very low. It is anticipated that a decision from the LLTB will be forthcoming following their next scheduled meeting in January 2015.
- 7.1.5 The joint promoters (Leicester City Council and Leicestershire County Council) do not consider the need for a cost appraisal in the conventional approach to a Quantified Risk Assessment (QRA). It is the promoters' view that the risk is time related only and the effect of this for the Strategic Economic Plan funding is the potential to not spend the monies within the prescribed period of time. On this basis, the risk that the LLTB contribution will not be spent is considered to be minimal and it is more a question of delay to the delivery.





## Appendix A. LEP Approval Process

There are two approval processes in place depending on the source of the SLGF funding. The schemes developed for the LLTB should be approved through a staged process that mirrors the DfT WebTAG process which is described in the Assurance Framework whilst SEP schemes follow a gateway process that is set-out in the SEP.

The LNWMTTP is to be approved through the LLTB Assurance Framework process.

### A.1 LLTB (ASSURANCE FRAMEWORK) PROCESS

The Assurance Framework<sup>22</sup> (AF) set out the process by which schemes were proposed, sifted, prioritised and eventually put forward for consideration for funding by the DfT

Part 1 and 2 of the AF relating to the governance, sifting, prioritisation and selection of schemes for approval by the LLTB board was approved and 'signed-off' by the DfT.

Part 3 relating to 'Programme Management and Investment Decisions' was not fully signed-off.

A letter was received by the LLTB on the 23 December 2013 from DfT (Head of Local Transport Funding, Growth and Delivery Division). An extract from the letter is provided as Figure 12 in which the DfT state that Part 3 of the AF is redundant apart from the Value for Money segment. Table 14 shows the 'attached sheet' within the letter showing the status of the approval process.

¶  
LTBs can consider individual business cases for any of the schemes that already feature in their published lists, firmly committing some of the post-2015 LEP funding to them, provided that: -¶  
¶  
(a) The LTB does so within the terms of their assurance framework that has been signed off by DfT. We have already signed off Parts 1 and 2 of most assurance frameworks and are signing off only those elements of Part 3 that relate to value for money in scheme assessments. The remaining elements of Part 3 are now redundant in that they relate to the ongoing operation of the LTB in matters that will now be the responsibility by the LEP. **The attached sheet indicates the status of your LTBs assurance framework and whether any further steps need to be taken before it is fully signed off.**¶

Figure 12: Extract from the DfT Letter

Table 14: Table from the DfT showing the status of the AF approval

Part 1	Signed-off
Part 2	Signed-off
Part 3 (Value for Money)	Signed-off

The Value for Money section of the AF consists of paragraphs 58 to 79 of the September version of the AF. This section primarily relates to items that would traditionally form part of the Economic Case together with evidence of a robust monitoring and evaluation plan which would appear in the Management Case.

<sup>22</sup> <http://www.leicester.gov.uk/EasysiteWeb/getresource.axd?AssetID=123717&type=full&servicetype=Attachment>



As specified in paragraph 61 of the AF an appraisal specification report<sup>23</sup> was submitted to the LLEP on the 25 September 2014, and a meeting held with the LLEP on 5 November 2014. An email from Andy Rose was received (see Figure 13) on 6<sup>th</sup> November 2014 confirming that the methodology for appraising the scheme met the LLEPs requirements

The LLEP has not contributed to the process of developing the business case. However the steps below show the key milestones related to the scheme development.

Date	Action
Jan –July 2013	<ul style="list-style-type: none"> <li>• LLTB sift, prioritise and select schemes to be put forward for funding as part of the LLTB funded schemes</li> </ul>
Jul 2013	<ul style="list-style-type: none"> <li>• LLTB Board Meeting (<a href="#">ref LLTB Website</a>) <ul style="list-style-type: none"> <li>○ July Version of AF submitted to Project Board (LLTB)</li> <li>○ Board adopt part 1 and 2 of the AF</li> <li>○ <b>Board adopted the A50 and A6 corridor schemes as required by DfT</b></li> <li>○ Board noted Part 3 would be considered for adoption at future meeting</li> </ul> </li> </ul>
20 Mar 2014	<ul style="list-style-type: none"> <li>• SEP (LEP Proforma) business case submitted by promoters of the joint A50 and A6 scheme to LEP</li> </ul>
May 2014	<ul style="list-style-type: none"> <li>• Meeting between DfT/DCLG/BIS and Leicestershire County Council, Leicester City Council and the LLEP regarding the schemes for the SLGF which included LNWMTF</li> </ul>
Aug 2014	<ul style="list-style-type: none"> <li>• Amion Consulting appointed by LLEP to review the business cases</li> <li>• LNW project team met with representatives of Amion to discuss the business case.</li> </ul>
Aug 2014	<ul style="list-style-type: none"> <li>• Meeting between DfT/DCLG/BIS and Leicestershire County Council, Leicester City Council and the LLEP regarding the schemes for the SLGF which included LNWMTF</li> </ul>
22 Sep 2014	<ul style="list-style-type: none"> <li>• Wedge Transport Strategy Workshop. Transport professionals from city council, county council and LLEP see Appendix H</li> </ul>
25 Sep 2014	<ul style="list-style-type: none"> <li>• Submission of Appraisal Specification Report to see Appendix O</li> </ul>
6 Nov 2014	<ul style="list-style-type: none"> <li>• Reply from LLEP confirming the methodology met the LLEP's requirements (email from Andy Rose dated 6 Nov 2014, see Figure 13)</li> </ul>
3 Dec 2014	<ul style="list-style-type: none"> <li>• Letter from LLEP to Mark Wills confirming the 2015/16 SLGF allocation</li> </ul>
6 Feb 2015	<ul style="list-style-type: none"> <li>• Letter from DCLG to LLEP confirming LGF capital payment will be made to the LLEP on 1 April 2015</li> </ul>

<sup>23</sup> WP1 Technical Note 16: Appraisal Specification Report. Appendix O



# Edwards & Edwards Consultancy Ltd

## HIGHWAYS PLANNING AND DESIGN

### Duncan Forbes

**From:** Andy Rose <andy.rose@llep.org.uk>  
**Sent:** 06 November 2014 13:26  
**To:** 'Duncan Forbes'; neal.edwards@EAEconsultancy.co.uk  
**Subject:** RE: LNWMT: Business Case

Duncan / Neal,

Further to our catch up yesterday; I would like to confirm that the proposed methodology meets the LLEP's requirements.

Regards

Andy Rose  
Economic Strategy Manager (Place)  
Leicester & Leicestershire Enterprise Partnership  
City Hall  
115 Charles Street  
Leicester LE1 1FZ

Mobile: 0783 707 2234  
Telephone: 0116 454 2912  
[www.llep.org.uk](http://www.llep.org.uk)



Creating prosperity for all

**From:** Duncan Forbes [<mailto:Duncan.Forbes@EAEconsultancy.co.uk>]  
**Sent:** 25 September 2014 20:38  
**To:** Andy Rose; Mark Wills; John Dowson; Paul Sheard; [bernard.evans@leics.gov.uk](mailto:bernard.evans@leics.gov.uk); [Andy.Yeomanson@leics.gov.uk](mailto:Andy.Yeomanson@leics.gov.uk); [clarkestev@aol.com](mailto:clarkestev@aol.com); [neal.edwards@EAEconsultancy.co.uk](mailto:neal.edwards@EAEconsultancy.co.uk)  
**Subject:** LNWMT: Business Case

Hi Andy.

Please find attached a note that sets out our proposed 'high-level' methodology for undertaking the proportionate economic assessment of the 2015/16 LLTB schemes which will be submitted to yourselves in the LLEP as part of the business case for these schemes.

**Would you please confirm that this approach meets your requirements.**

In parallel we are putting together a template for the business case which we will submit to you in due course. We would be happy to meet with you to discuss the development of the business case and the contents of these documents.

As we progress with the development of the business case we will continue to provide you with updates

Please note that whilst we, as scheme promoters, can set out what we consider to be proportionate. WebTAG only provides guidance on what **could** be included in a business case, but it is up to the scheme funders to agree with the scheme promoter what **is** required, and what is considered proportionate.

If you have any questions then please get in contact with me or Neal.

Regards

Duncan

Duncan Forbes  
07891 137778  
[Duncan.Forbes@EAEconsultancy.co.uk](mailto:Duncan.Forbes@EAEconsultancy.co.uk)

**Figure 13: Confirmation Received from LLEP on acceptance of the methodology**



## Appendix B. Definitions and Abbreviations

**Table 15: Acronyms**

AMCB	Analysis of Monetised Costs and Benefits (standard DfT form of presenting costs and benefits)
EIA	Equality Impact Assessment
LGF	Local Growth Fund (See SLGF)
LLEP	Leicester and Leicestershire Enterprise Partnership
LLITM	Leicester and Leicestershire Integrated Transport Model
LNWMTP	Leicester North West Major Transport Project (see also LNWMTS)
LNWMTS	Leicester North West Major Transport Scheme (see all LNWMTP)
PA Table	Public Accounts table (standard DfT form of presenting
PID	Project Initiation Document
PT	Public Transport
SEP	Strategic Economic Plan
SLGF	Single Local Growth Fund
LTP3	3 <sup>rd</sup> version of the Local Transport Plan
WebTAG	Guidance from the DfT on business case development, scheme appraisal and transport modelling

**Table 16: Transport Modelling Terms**

AM Peak	Peak hour is 0700 to 0800, A peak period is 0700 to 1000
Core Scenario	Scenario without improvements to County Hall and New Parks Way roundabouts
DS scenario	Do Something (modelling term to describe WI scenario)
IP	Inter Peak hour is average between 1000 and 1600
PM Peak	Peak hour is 1700 to 1800, A peak period is 1700 to 1900
WI scenario	With Interventions scenario
Forecast Year	Typically 2016 and 2026. It is the year in which the model provides outcomes





## Appendix C. Standard Appraisal Tables

**Table 17: PA Table**

Public Accounts (PA) Table				
	ALL MODES TOTAL	ROAD INFRASTRUCTURE	BUS and COACH	RAIL OTHER
<b>Local Government Funding</b>				
Revenue	393,000			393,000
Operating Costs				
Investment Costs	714,000			714,000
Developer and Other Contributions	-64,000			-64,000
Grant/Subsidy Payments				
<b>NET IMPACT</b>	1,043,000 (7)			
<b>Central Government Funding: Transport</b>				
Revenue				
Operating costs				
Investment Costs	6,995,000	6,995,000		
Developer and Other Contributions				
Grant/Subsidy Payments				
<b>NET IMPACT</b>	6,995,000 (8)			
<b>Central Government Funding: Non-Transport</b>				
Indirect Tax Revenues	-434,896 (9)			
<b>TOTALS</b>				
<b>Broad Transport Budget</b>	8,038,000 (10) = (7) + (8)			
<b>Wider Public Finances</b>	-434,896 (11) = (9)			

Notes: Costs appear as positive numbers, while revenues and 'Developer and Other Contributions' appear as negative numbers.  
All entries are discounted present values in 2010 prices and values.



**Table 18: TEE Table**

**Economic Efficiency of the Transport System (TEE)**

<b>Non-business: Commuting</b>		<b>ALL MODES</b>	<b>ROAD</b>	<b>BUS and COACH</b>	<b>RAIL</b>	<b>OTHER</b>
<u>User benefits</u>	<b>TOTAL</b>		<b>Private Cars and LGVs</b>	<b>Passengers</b>	<b>Passengers</b>	
Travel time	3,514,489		3,514,489			
Vehicle operating costs	-8,000		-8,000			
User charges						
During Construction & Maintenance						
<b>NET NON-BUSINESS BENEFITS: COMMUTING</b>	3,506,489	(1a)	3,098,000			
<b>Non-business: Other</b>		<b>ALL MODES</b>	<b>ROAD</b>	<b>BUS and COACH</b>	<b>RAIL</b>	<b>OTHER</b>
<u>User benefits</u>	<b>TOTAL</b>		<b>Private Cars and LGVs</b>	<b>Passengers</b>	<b>Passengers</b>	
Travel time	7,095,795		7,095,795			
Vehicle operating costs	-508,000		-508,000			
User charges						
During Construction & Maintenance						
<b>NET NON-BUSINESS BENEFITS: OTHER</b>	6,587,795	(1b)	5,896,000			
<b>Business</b>						
<u>User benefits</u>			<b>Goods Vehicles</b>	<b>Business Cars &amp; LGVs</b>	<b>Passengers</b>	<b>Freight</b>
Travel time	4,927,104		2,560,000	2,367,104		
Vehicle operating costs	510,000		419,000	91,000		
User charges						
During Construction & Maintenance						
<b>Subtotal</b>	5,437,104	(2)	2,979,000	2,242,000		
<b>Private sector provider impacts</b>					<b>Freight</b>	<b>Passengers</b>
Revenue						
Operating costs						
Investment costs						
Grant/subsidy						
<b>Subtotal</b>		(3)				
<b>Other business impacts</b>						
Developer contributions		(4)				
<b>NET BUSINESS IMPACT</b>	5,437,104	(5) = (2) + (3) + (4)				
<b>TOTAL</b>						
Present Value of Transport Economic Efficiency Benefits (TEE)	15,531,388	(6) = (1a) + (1b) + (5)				

Notes: Benefits appear as positive numbers, while costs appear as negative numbers.  
All entries are discounted present values, in 2010 prices and values

Notes: Benefits appear as positive numbers, while costs appear as negative numbers.  
All entries are discounted present values, in 2010 prices and values



**Table 19: AMCB Table**

**Analysis of Monetised Costs and Benefits**

Noise	13,830	(12)
Local Air Quality	526	(13)
Greenhouse Gases	-157,956	(14)
Journey Quality		(15)
Physical Activity	14,985,086	(16)
Accidents	206,537	(17)
Economic Efficiency: Consumer Users (Commuting)	3,506,489	(1a)
Economic Efficiency: Consumer Users (Other)	6,587,795	(1b)
Economic Efficiency: Business Users and Providers	5,437,104	(5)
Wider Public Finances (Indirect Taxation Revenues)	434,896	- (11) - sign changed from PA table, as PA table represents costs, not benefits
Present Value of Benefits (see notes) (PVB)	31,014,307	(PVB) = (12) + (13) + (14) + (15) + (16) + (17) + (1a) + (1b) + (5) - (11)
Broad Transport Budget	8,038,000	(10)
Present Value of Costs (see notes) (PVC)	8,038,000	(PVC) = (10)
<b>OVERALL IMPACTS</b>		
<b>Net Present Value (NPV)</b>	22,976,307	NPV=PVB-PVC
<b>Benefit to Cost Ratio (BCR)</b>	3.86	BCR=PVB/PVC

Note : This table includes costs and benefits which are regularly or occasionally presented in monetised form in transport appraisals, together with some where monetisation is in prospect. There may also be other significant costs and benefits, some of which cannot be presented in monetised form. Where this is the case, the analysis presented above does NOT provide a good measure of value for money and should not be used as the sole basis for decisions.



**Table 20 Appraisal Summary Table**

Appraisal Summary Table		Date produced:	Dec-14		Contact:			
Name of scheme:		Leicester North West Major Transport Project				Name	Duncan Forbes	
Description of scheme:		Improvements to				Organisation	EAE Consultancy	
						Role	Promoter	
Impacts		Summary of key impacts	Assessment					
			Quantitative			Qualitative	Monetary £(NPV)	Distributional 7-pt scale/ vulnerable grp
Economy	Business users & transport providers	Reduced congestion due to improvements at roundabouts and reduced car use due to increased walking and leads to reduction in journey times	Value of journey time changes(£)			large beneficial	5,437,104	
			Net journey time changes (£)					
			0 to 2min	2 to 5min	> 5min			
	Reliability impact on Business users	Reduced congestion due to improvements at roundabouts and reduced car use due to increased walking and leads to reduced congestion and increased journey reliability	n/a			n/a	n/a	beneficial
Regeneration	Transport infrastructure to support the LLEPs Strategic Economic Plan and the Leicester Growth Area (GA1) known as the Leicester Launchpad	The scheme supports the LLEPs objective of creating 7,700 jobs within the Launchpad. This would lead to an increase of £285M per year in GVA			large beneficial			
Wider Impacts	Benefits are likely to arise largely as a result of agglomeration	The benefits have not been assessed. However the benefits are likely to be substantial as the scheme improves connectivity and accessibility within a key industrial and commercial part of the city of Leicester			large beneficial			
Environmental	Noise	Noise has not been identified as an issue and has not been specifically appraised	The monetary benefits of the reduction in car levels do to the shift to walking and cycling produce a neutral impact			neutral	13,830	
	Air Quality	The increased veh-km that results from reducing congestion results in a small increase in fuel consumption and therefore emissions	The impact of the highway improvements have not been included in the assessment, the scheme			neutral	526	
	Greenhouse gases	Improvements to the roundabouts leads to an increase in traffic volume within the wedge. Although average journey time decreases this does result in an increased of 4,213 tonnes of CO2 over 60 years. However the cycling/walking measures have a small impact in reducing the increase in CO2 emissions	change in non-traded Carbon over 60yrs (CO2e)		+4,213 tonnes	slight adverse	-157,956	
			change in traded Carbon over 60yrs (CO2e)					
	Landscape	not assessed						
	Townscape	not assessed						
	Historic Environment	not assessed						
	Biodiversity	not assessed						
Water Environment	not assessed							
Social	Commuting and Other users	Reduced congestion due to improvements at roundabouts and reduced car use due to increased walking and leads to reduction in journey times	Value of journey time changes(£)			large beneficial	10,094,284	
			Net journey time changes (£)					
			0 to 2min	2 to 5min	> 5min			
	Reliability impact on Commuting and Other users	Reduced congestion due to improvements at roundabouts and reduced car use due to	Details of the benefit has not been assessed			beneficial		
	Physical activity	Increased levels of walking and cycling result in reduced mortality.	This has been assessed by the WHO HEAT tool. A detailed assessment of the benefits was undertaken			large beneficial	14,985,086	
	Journey quality	not assessed						
	Accidents		Monetised benefits calculated for impact of modal shift from car to walking/cycle. Additional benefits that have not been monetised include direct benefits at the 2 roundabouts from improved design for drivers and walkers and cyclists			slight benefit	206,537	
	Security	not assessed						
	Access to services	improvements to walking and cycling accessibility	improved crossing provision at the CH and NPW roundabout improve pedestrian access across the A50 and A563 to the hospital			beneficial	-	
	Affordability						-	
Severance	improvements to walking and cycling accessibility	improved crossing provision at the CH and NPW roundabout improve pedestrian access across the A50 and A563 to the hospital			beneficial	-		
Option and non-use values								
Public Accounts	Cost to Broad Transport Budget						8,104,000	
	Indirect Tax Revenues		The increase in walking and cycling reduces tax revenues however the improvements to the roundabout leads to additional veh-km which increase fuel consumption and tax revenue				434,896	

Equality	Work Package 22 Steve Warwick
Communication	Work Package 20 John Dowson - LGIC





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## **Appendix E. Project Initiation Document (PID)**

Note that this document is kept under review and is updated in accordance with the governance arrangements of the project board



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## **Appendix F. SEP Business Case (March 2014)**



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## **Appendix G. A50 Desktop study (2013)**





## **Appendix H. Work Package 1 Report and Technical Notes**

**Report:**

**Appendix H1:** A50/A6 Wedge Forecasting: Summary Findings

**Supporting Technical Notes:**

**Appendix H2:** TN18 Leicester North West Transport Strategy Workshop

**Appendix H3:** TN08 LLITM distribution of trips

**Appendix H4:** TN20 LLITM Impact Assessment of improvement to CH and NPW roundabouts .

**Appendix H5:** Review of Impact on Gynsill Lane as consequence of A50/County Hall Junction Improvements



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## **Appendix I. Work Package 2 Report**

Work Package 2: Investigation of current performance, opportunities and constraints of the transport network within and surrounding the wedge



## Appendix J. County Hall Roundabout Design Options

**Table 21: County Hall Roundabout**

J1	A50 Groby Road/Gynsill Lane Roundabout (County Hall Roundabout) Appraisal Report (July 2014, Pravin Patel)	
J2	Members briefing: roundabout	
J3	Members briefing: roundabout additional points	
J4	Members briefing- Station Road signalisation	

**Table 22: New Parks Way Roundabout**

J5	Appraisal Table	
J6	Members briefing	



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## **Appendix K. The Economic Benefits of Walking and Cycling including the impact of Smarter Choices Initiatives**



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## **Appendix L. LNWMTP: Highway Economic Assessment Report**



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## **Appendix M. LNWMTP –LLITM Validation Report**



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## **Appendix N. LLEP Funding Letter**



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## **Appendix O. Appraisal Specification Report**