

A10 Ely to Cambridge Outline Business Case

To: Highways and Transport Committee

Meeting Date: 7th December 2021

From: Steve Cox, Executive Director – Place and Economy

Electoral division(s): All

Key decision: Yes 2021/068

Forward Plan ref:

Outcome: To agree that the Council will take forward the Outline Business Case work on improvements to the A10 between Cambridge and Ely, subject to the agreement of the scope of work, timescales and funding.

Recommendation: Members are requested to:

Confirm that subject to the agreement of the scope of the work and of an appropriate funding agreement, Cambridgeshire County Council undertakes development work up to and including the production of an Outline Business Case for improvements to the A10 between Ely and Cambridge.

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Member contacts:

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1 Background

1.1 In January 2018, Cambridgeshire County Council (CCC) published a Preliminary Strategic Outline Business Case (PSOBC) for improvements to the transport network between Ely and Cambridge as part of the Ely to Cambridge Transport Study. The PSOBC made recommendations in three main areas:

- Policy, Planning and Regulation
A demand management approach should be adopted for development and applied to planning applications for proposals in, and impacting, the corridor, whereby development should:
 - Minimise external vehicular trip generation through maximising trip internalisation
 - Provide significantly lower levels of car parking than has traditionally been provided, particularly at employment locations
 - Promote a site-wide approach to car parking management to reduce the need for significant increases in car parking provision
 - Promote the use of non-car modes through appropriate investment in supply-side measures and aggressive travel planning to encourage the required mode shift
- Delivery of multi-modal “quick wins”
 - early implementation of the cycle measures (identified in the study),
 - a relocated railway station at Waterbeach and
 - early progression of the segregated public transport corridor from Waterbeach to Cambridge’s Northern Fringe, together with park and ride provision at the new town.
- Longer-term major highway interventions on the A10 as necessary to provide for development on the corridor
 - Improvements to junctions on the A10
 - Consideration of further major highway improvements

1.2 Considering these three areas:

- The County Council and Greater Cambridge Shared Planning have taken forward the Policy, Planning and Regulation points through the Development Plan process (Local Plans and Area Action Plans), and through the planning application process.
- The Greater Cambridge Partnership has taken forward development of the multi-modal “quick wins”.
- The Cambridgeshire and Peterborough Combined Authority (CPCA) has taken forward development of the major highway interventions.

1.3 The CPCA completed a Strategic Outline Business Case (SOBC) for dualling of the A10 and improvements to junctions on the route in 2020 and is seeking to progress the to an Outline Business Case (OBC), which would identify a preferred option and undertake preliminary design. The OBC would be submitted to the Department for Transport (DfT) for consideration for further funding from its Major Road Network programme.

1.4 The CPCA has asked the County Council to undertake the Outline Business Case work. They have identified the cost of this stage of work as between £2M and £6M. The following funding is identified:

- In July 2021 the DfT awarded £2M “for development work on the A10 Dualling and Junctions (Cambridge to Ely) scheme up to and including the production of an Outline Business Case (OBC) as defined in the DfT’s Transport Business Case guidance.”
- The CPCA has identified a further £2M of funding for the work.
- There will also be an opportunity to seek an additional £2m from the DfT as options emerge, depending on solutions proposed, for potential further technical development on which future funding decisions can be based.

1.5 The SOBC assessed seven options for the dualling of the A10 and concluded that six of these options would deliver Very High value for money (Benefit to Cost Ratio (BCR) of greater than 4.0) as assessed against criteria set out in the DfT’s Transport Business Case guidance relating to the Economic Case (one of the five cases set out in HM Treasury / DfT Business Case guidance, along with the Strategic Case, Commercial Case, Financial Case and Management Case).

2 Main Issues

2.1 If Members are minded that the Council should undertake this work, the following issues will need to be addressed:

Scope of work

2.2 The broad scope of work is set out in paragraph 1.4. It is recommended that engagement with the CPCA and DfT is necessary to produce a full specification, procurement strategy and a realistic programme. It seems that from the information presented to date that the full budget needs to be spent by the end of the 2022/23 financial year.

2.3 Allowing for development of the specification and a major procurement exercise, this would be high risk and would need to be tested with potential suppliers. It would also need to be resourced fully by the Council to manage and deliver the project. Officers advise that there are resource implications – both internally and in the supply chain – that are not currently factored into the Council’s Business Planning. It is likely that extensive survey and environmental work will be needed.

2.4 The CPCA has also indicated that work on a ‘quick win’ should be undertaken, developing solutions that would provide significantly enhanced active travel provision at the A10 / A142 ‘BP’ roundabout to the west of Ely that might be delivered early with their own funds. It is envisaged that a separate funding allocation for this work will be made.

Funding Arrangements

2.5 The CPCA has proposed that they would issue a Capital Grant Fund Agreement to Cambridgeshire County Council for the delivery of the project, and that the County Council would appoint and manage:

- An Employers Agent – This role would project manage the technical supplier ensuring progress against cost time and quality, managing risk and cost control.
- A Technical Supplier – This organisation will produce all the required documentation for the successful completion of an appropriately detailed Transport Appraisal Guidance (TAG) compliant business case to obtain a Green status within an independent Infrastructure and Projects Authority (IPA) assurance panel review.

- 2.6 Under a capital grant funding agreement as previous used between the CPCA and the County Council, the County Council would be fully liable for all risks involved in project delivery including cost and programme. The timeframe proposed by the CPCA for the work is for completion by February 2023. As noted above, this needs to be properly planned before any commitment to an agreed delivery timescale could be made.
- 2.7 In this context, for the Council to take forward the development of the scheme to Outline Business Case a funding agreement will first be required with the CPCA to address and avoid the following potential financial risks:
- If, following the development of the Outline Business Case, the scheme is not constructed, then any abortive costs of the Outline Business Case will be required to be funded from revenue.
 - If, following the development of the Outline Business Case, construction does not happen, then the DfT reserves the right to seek reimbursement of the £2m grant.
 - Responsibility for funding any costs above the £4m (£2m from DfT and £2m from CPCA) if the cost of developing the Outline Business Case exceeds £4m and if the further £2m from DfT were not forthcoming.

Policy alignment

- 2.8 The SOBC was commissioned by the previous mayoral administration at the CPCA, and it will be necessary for the OBC to be considered in the policy context set out by the current mayoral administration, and also in the context of national and local commitments to 'net zero' and carbon budgets.
- 2.9 The Department for Transport explicitly stated in its grant determination to CPCA that:
- DfT expects the needs of all users, including cyclists, pedestrians, disabled people and public transport users, to be considered and benefits for them delivered as part of the solutions proposed in this scheme.
 - The OBC must include a fully worked up lower cost alternative option based on a scheme to deliver improvements to the junctions on their own. This should be presented alongside any preferred option, if the latter is based on a combined scheme of junction improvements and dualling.
- 2.10 While consideration of all modes of transport can be made in the OBC work, it is likely that a dual carriageway solution will continue to score highly on the Economic Case, but will have significant negative carbon impacts, both in embedded carbon during construction and in operation.
- 2.11 HM Treasury guidance expects that in the Strategic Case, schemes will be able to demonstrate a "*synergy and holistic fit with other projects and programmes*", and this requires "*an up-to-date organisational business strategy that references all relevant local, regional and national policies and targets.*" Achievement of a high BCR does not negate the need for strategic alignment with wider policy objectives including on carbon.
- 2.12 In the context of the above, the OBC will need to consider the needs of all users, and the interaction with the other proposals on the corridor that are being brought forward as detailed in paragraph 1.1 above.

3 Alignment with corporate priorities

3.1 Communities at the heart of everything we do

The following bullet points set out details of implications identified by officers:

- Achieving good access and connectivity for major development planned at a new town north of Waterbeach and at North East Cambridge is a priority for the Council and the Local Planning Authorities, and will support the establishment of thriving new communities.
- The A10 can form a barrier to movement and rural access for existing communities, especially by active travel modes, and the Department for Transport expects such issues to be addressed in the Outline Business Case

3.2 A good quality of life for everyone

The following bullet point sets out details of implications identified by officers:

- Current travel conditions between Ely and Cambridge, particularly in peak periods, are unreliable and congested. The Ely to Cambridge study identified multi-modal transport solutions to address this issue, and to support planned growth. The OBC work takes forward the highway strand of the recommendations from that study, and as noted above, should address the needs of all users, including cyclists, pedestrians, disabled people and public transport users,

3.3 Helping our children learn, develop and live life to the full

There are no significant implications for this priority.

3.4 Cambridgeshire: a well-connected, safe, clean, green environment

The following bullet point sets out details of implications identified by officers:

- Achieving good access and connectivity for major development planned at a new town north of Waterbeach and at North East Cambridge is a priority for the Council and the Local Planning Authorities.

3.5 Protecting and caring for those who need us

There are no significant implications for this priority.

4 Significant Implications

4.1 Resource Implications

The resource implications are set out in paragraphs 2.6 and 2.7. For the Council to take forward the development of the scheme to Outline Business Case a funding agreement will first be required with the CPCA to address and avoid the potential financial risks identified in paragraph 2.7.

4.2 Procurement / Contractual / Council Contract Procedure Rules Implications

The following bullet point sets out details of significant implications identified by officers:

- The Outline Business Case will require consultant resource through either the Joint Professional Services contract, or through procurement exercises compliant with the Council's procedure rules.

4.3 Statutory, Legal and Risk Implications

The following bullet point sets out details of significant implications identified by officers:

- Risk implications are summarised in paragraph 2.5 above and will need to be agreed with the CPCA / DfT prior to commencement of work.

4.4 Equality and Diversity Implications

The following bullet point sets out details of significant implications identified by officers:

- While this work will be undertaken on behalf on the CPCA, Equality Impact Assessments will be undertaken and kept under review throughout the programme at the appropriate stages.

4.5 Engagement and Communications Implications

The following bullet point sets out details of significant implications identified by officers:

- Consultation and engagement will be needed with stakeholders and the public as part of the OBC development process. The scope and timing of this will need to be established with the CPCA.

4.6 Localism and Local Member Involvement

The following bullet point sets out details of significant implications identified by officers:

- It is envisaged that Local Members will have opportunity to engage as part of the consultation and engagement processes that are noted above.
- Governance arrangements for the work will need to be agreed with the Combined Authority, including the role of the Council's Highways and Transport Committee and reporting lines to the Combined Authority's Transport and Infrastructure Committee and the Combined Authority Board.

4.7 Public Health Implications

There are no significant implications within this category.

4.8 Environment and Climate Change Implications on Priority Areas:

4.8.1 Implication 1: Energy efficient, low carbon buildings.

Status: Neutral

Explanation: There are no significant implications within this category.

- 4.8.2 Implication 2: Low carbon transport.
Status: Full dualling – Negative
Potential for more neutral impacts with lower cost alternatives
Explanation: A full dualling scheme would be likely to lead to significant increases in travel by motor vehicles without restrictive demand management measures. There is significant embedded carbon associated with major road building.

Lower cost options would have much lower levels of embedded carbon and would be much more likely to support reductions in carbon when planned public transport and active travel measures on the corridor between Ely and Cambridge are delivered. Addressing severance issues with the existing road would also offer better opportunity for active travel.
- 4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.
Status: Negative
Explanation: Survey work as part of the OBC work would establish implications in this area, but a dual carriageway scheme would require significant additional land. Lower cost options would be likely to have a smaller impact. There would be an expectation that proposals would deliver biodiversity net gain.
- 4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.
Status: Neutral
Explanation: There are no significant implications within this category.
- 4.8.5 Implication 5: Water use, availability and management:
Status: Neutral
Explanation: There are no significant implications within this category.
- 4.8.6 Implication 6: Air Pollution.
Status: To be determined
Explanation: Air quality impacts would need to be quantified in detail in the Outline Business Case.
- 4.8.7 Implication 7: Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change.
Status: Neutral
Explanation: The Outline Business Case will need to address any implications in this area.

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Sarah Heywood

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement? Yes

Name of Officer: Henry Swan

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? Yes

Name of Legal Officer: Fiona McMilan

Have the equality and diversity implications been cleared by your Service Contact? Yes

Name of Officer: Elsa Evans

Have any engagement and communication implications been cleared by Communications?
Yes

Name of Officer: Sarah Silk

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Jeremy Smith

Have any Public Health implications been cleared by Public Health? Yes

Name of Officer: Iain Green

If a Key decision, have any Environment and Climate Change implications been cleared by the Climate Change Officer? Yes

Name of Officer: Emily Bolton

5 Source documents

- Cambridgeshire and Peterborough Combined Authority A10 website including links to work to the Strategic Outline Business Case
<https://cambridgeshirepeterborough-ca.gov.uk/what-we-deliver/transport/roads/a10/>
- Cambridgeshire and Peterborough Combined Authority Press Release on A10 Business Case funding
<https://cambridgeshirepeterborough-ca.gov.uk/news/combined-authority-wins-2m-for-a10-dualling-study/>
- Cambridgeshire and Peterborough Combined Authority Local Transport Plan
<https://mk0cpcamainsitehdbtm.kinstacdn.com/wp-content/uploads/documents/transport/local-transport-plan/LTP.pdf>
- Recommendations from the Ely-Cambridge Transport Study paper to Economy and Environment Committee, February 2018
<https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/678/Committee/5/Default.aspx>
- Ely to Cambridge Transport Study
Strand 1: Preliminary Strategic Outline Business Case, January 2018
<https://www.greatercambridge.org.uk/asset-library/imported-assets/18-01-05%20Ely%20to%20Cambridge%20Transport%20Study%20-%20PSOBC%201.0.pdf>
Strand 2: New Town North of Waterbeach Transport Report, 1 February 2018
<https://www.greatercambridge.org.uk/asset-library/imported-assets/2018-02-15%20Ely-Cambridge%20Strand%202%20Waterbeach%201.0.pdf>
Strand 3: Cambridge Northern Fringe East / Cambridge Science Park Transport Report, 21 February 2018
<https://www.greatercambridge.org.uk/asset-library/imported-assets/Ely%20to%20Cambridge%20Strand%203%20CNFE%20CSP%20v1.0%2021-02-2018.pdf>