

**To** Greater Cambridge Greater Peterborough Local Transport Body Board

**Cc** Adrian Cannard, Dearbhla Lawson, Jeremy Smith, Edward Cheng, Mark Speed, Dave Boddy, Sharon Daly

**From** Steven Bishop (Independent Advisor)

**Date** 2 December 2014

**Project** Initial Assessment of Growth Deal Round 2

Project No. 22766701

## Initial EAST Assessment, Ranking & Prioritisation - Process and Results

### Introduction

1. This technical note outlines **the process followed by Steer Davies Gleave to conduct an independent initial assessment** of schemes for which Local Growth Fund allocation are being sought as part of 'Growth Deal Round 2'. **This is a requirement of the Local Transport Body's Assurance Framework.** It also provides a summary of the assessment; ranking of each scheme against the five 'cases' of HM Treasury Green Book Guidance on business case development and appraisal; and prioritisation.
2. The assessment, ranking and prioritisation exists to inform the Local Transport Body Board and not to make decisions on its behalf - that **this is 'to note' and not 'to approve'**. The high-level initial assessment has been made in a short period of time (three weeks) with limited information available (typically a two to six page pro forma). As such, **information and evidence has generally been lacking and scheme sponsors will be submitting additional supporting information as part of the Greater Cambridge Greater Peterborough Local Enterprise Partnership's bid to government.**

### Process

#### Framework Development and Assessment

3. The basis of the framework used for the assessment of schemes was the Department for Transport's Early Assessment and Sifting Tool (EAST). This framework is based on HM Treasury's Green Book Guidance as well as the Department for Transport's own web-based transport analysis guidance (WebTAG). As such, it contains questions relating to the 'five cases' of a Green Book compliant business case for which high-level yes/no answers or simple scoring is given, supported by a short rationale. This is of useful relevance to the assessment of all schemes, but is obviously biased to transport and infrastructure schemes.
4. All non-transport schemes we initially assessed against the six 'key areas of intervention' (e.g. objectives) of the Greater Cambridge Greater Peterborough Strategic Economic Plan. Assessment criteria were identified relating to the objectives against which schemes aligned. As such modifications were made to the strategic and economic cases of the EAST framework to make it fit-for-purpose in assessing all typical schemes (see Appendix A).

#### Ranking

5. Once assessed, the results were presented for all schemes were presented in a summary table. Within each case, average scores were calculated for three cases (strategic, delivery and financial) and a bespoke overall score for the other two cases (economic and commercial). The bespoke scores require independent and professional judgement of each scheme. Between the five cases, scores were not averaged or summed. Schemes we ranked by each case based on the overall score for each case, followed by one or two key sub-criteria based on knowledge of how Local Growth Fund schemes are typically assessed by government.

### Prioritisation

6. Using the five ranking for each scheme, one for each of the five cases, and knowledge of the schemes from the information provided, a professional judgement was made of which schemes were best performing. Bias was given to schemes which scored best against the strategic and economic cases, recognising that further work on the delivery, commercial, financial cases was required for many schemes at this early stage.

### Results

7. Appendix B contains the ranked summary assessment for each scheme against each of the cases. No one scheme came in the top half or bottom half of the rankings in all five criteria, reflecting the diversity of relative strengths of each scheme. In addition, all schemes have a good to very good strategic case. The following table provides the prioritisation of the 13 schemes assessed.

CASES	STRATEGIC CASE	ECONOMIC CASE	DELIVERY CASE	FINANCIAL CASE	COMMERCIAL CASE	OVERALL PRIORITISATION
<b>Ely Southern Bypass</b>	=1 <sup>st</sup>	=1 <sup>st</sup>	=4 <sup>th</sup>	11 <sup>th</sup>	=5 <sup>th</sup>	<b>1<sup>st</sup></b>
<b>Huntingdon Capacity for Growth</b>	=1 <sup>st</sup>	=1 <sup>st</sup>	=9 <sup>th</sup>	8 <sup>th</sup>	=1 <sup>st</sup>	<b>2<sup>nd</sup></b>
<b>Whittlesey Station Improvement</b>	=5 <sup>th</sup>	3 <sup>rd</sup>	=4 <sup>th</sup>	1 <sup>st</sup>	10 <sup>th</sup>	<b>3<sup>rd</sup></b>
<b>Peterborough Sustainable Future (including LSTF)</b>	=3 <sup>rd</sup>	=4 <sup>th</sup>	=9 <sup>th</sup>	=9 <sup>th</sup>	=1 <sup>st</sup>	<b>4<sup>th</sup></b>
<b>Getting Cambridgeshire Moving (LSTF)</b>	11 <sup>th</sup>	=4 <sup>th</sup>	2 <sup>nd</sup>	=9 <sup>th</sup>	=1 <sup>st</sup>	<b>5<sup>th</sup></b>
<b>M11 Junction 8</b>	=3 <sup>rd</sup>	=6 <sup>th</sup>	=6 <sup>th</sup>	4 <sup>th</sup>	13 <sup>th</sup>	<b>6<sup>th</sup></b>
<b>Strategic Water Infrastructure</b>	=5 <sup>th</sup>	=6 <sup>th</sup>	12 <sup>th</sup>	5 <sup>th</sup>	=5 <sup>th</sup>	<b>7<sup>th</sup></b>
<b>Institute of Advanced Construction</b>	=5 <sup>th</sup>	11 <sup>th</sup>	1 <sup>st</sup>	6 <sup>th</sup>	=1 <sup>st</sup>	<b>8<sup>th</sup></b>
<b>Peterborough Riverside Opportunity Area</b>	=8 <sup>th</sup>	=12 <sup>th</sup>	=6 <sup>th</sup>	12 <sup>th</sup>	=5 <sup>th</sup>	<b>9<sup>th</sup></b>
<b>Cambridge Science Park Strategic Link</b>	=8 <sup>th</sup>	=9 <sup>th</sup>	=6 <sup>th</sup>	2 <sup>nd</sup>	=5 <sup>th</sup>	<b>10<sup>th</sup></b>
<b>Skills Specialist Equipment</b>	=8 <sup>th</sup>	=12 <sup>th</sup>	=9 <sup>th</sup>	7 <sup>th</sup>	11 <sup>th</sup>	<b>11<sup>th</sup></b>
<b>Growing Places Fund Extension</b>	12 <sup>th</sup>	8 <sup>th</sup>	3 <sup>rd</sup>	13 <sup>th</sup>	12 <sup>th</sup>	<b>12<sup>th</sup></b>
<b>Local Enterprise Housing Scheme</b>	13 <sup>th</sup>	=9 <sup>th</sup>	13 <sup>th</sup>	3 <sup>rd</sup>	9 <sup>th</sup>	<b>13<sup>th</sup></b>

## APPENDIX A – AMENDMENTS TO THE DEPARTMENT FOR TRANSPORT’S EARLY ASSESSMENT & SIFTING TOOL

- **Strategic Case:** fit with wider transport and government objectives expanded to include all six objectives of the strategic Economic Plan:
  - **Transport:** Strategic transport infrastructure and services to connect businesses with their workers, keeping them moving by road, rail and other modes (such as the innovative Guided Busway).
  - **Digital & Technology:** Getting the right digital infrastructure in place for our technology companies, and exploiting digital markets.
  - **Business Growth:** Targeted financial support to help businesses grow across the Greater Cambridge Greater Peterborough area, complemented by an extension to our newly formed Growth Hub.
  - **Innovation & Incubator:** Supporting the delivery of new innovation centres located at strategic points on our key growth corridors, both to spread the Cambridge phenomenon and to develop local specialisms.
  - **Skills:** Changing the culture of skills provision to become more business responsive and to provide a steady flow of highly skilled workers to support our fast-paced growth.
  - **Alconbury Weald Enterprise Campus:** Bringing forward 3 million square feet of space between two of the fastest growing cities in the UK, building capacity for new jobs and new homes at the heart of the Greater Cambridge Greater Peterborough area.
- **Economic Case:** additional criteria added or existing criteria’s definitions broadened, as follows:
  - **Accessibility:** definition expanded to include access to labour markets, business to business access, and access to services.
  - **Safety:** definitions broadened to not be specifically about road or rail safety, and a sub-criteria of personal security added.
  - **Well-being:** a sub-criteria of public health added (in addition to physical activity).
  - **Business, jobs, skills:** an entire new section added on businesses engaged or supported, direct and jobs, indirect jobs, and increase in skill levels.
  - **Carbon emissions:** definitions broadened to not be exclusively relating to vehicle emissions.

**APPENDIX B – RANKING OF SCHEMES USING OVERALL SCORES FROM THE FIVE CASES OF THE EARLY ASSESSMENT & SIFTING TOOL**

STRATEGIC CASE	Ely Southern Bypass	Huntingdon Capacity for Growth	Peterborough Sustainable Future (including LSTF)	M11 Junction 8	Whittlesey Station Improvement	Institute of Advanced Construction	Strategic Water Infrastructure	Cambridge Science Park Strategic Link	Skills Specialist Equipment	Peterborough Riverside Opportunity Area	Getting Cambridgeshire Moving (LSTF)	Growing Places Fund Extension	Local Enterprise Housing Scheme
PRIMARY: MODERATED STRATEGIC CASE SCORE (Low = 1 to High = 5)	3.8	3.8	3.6	3.6	3.5	3.5	3.5	3.4	3.4	3.4	3.3	3.3	3.0
SECONDARY: SIGNIFICANT EVIDENCE GAPS (Y/N)	N	N	N	N	N	N	N	N	N	N	N	Y	N
<b>RANKING</b>	<b>=1<sup>st</sup></b>	<b>=1<sup>st</sup></b>	<b>=3<sup>rd</sup></b>	<b>=3<sup>rd</sup></b>	<b>=5<sup>th</sup></b>	<b>=5<sup>th</sup></b>	<b>=5<sup>th</sup></b>	<b>=8<sup>th</sup></b>	<b>=8<sup>th</sup></b>	<b>=8<sup>th</sup></b>	<b>11<sup>th</sup></b>	<b>12<sup>th</sup></b>	<b>13<sup>th</sup></b>

ECONOMIC CASE	Ely Southern Bypass	Huntingdon Capacity for Growth	Whittlesey Station Improvement	Peterborough Sustainable Future (including LSTF)	Getting Cambridgeshire Moving (LSTF)	Strategic Water Infrastructure	M11 Junction 8	Growing Places Fund Extension	Cambridge Science Park Strategic Link	Local Enterprise Housing Scheme	Institute of Advanced Construction	Peterborough Riverside Opportunity Area	Skills Specialist Equipment
PRIMARY: MODERATED BENEFITS SCORE (Low = 1 to High = 5)	4.5	4.5	4.0	4.0	4.0	3.5	3.5	3.5	3.0	3.0	3.0	3.0	3.0
SECONDARY: MODERATED VALUE FOR MONEY SCORE (Low = 1 to High = 5)	0.9	0.9	3.2	0.8	0.8	1.4	1.4	0.7	1.8	1.8	1.2	0.6	0.6
<b>RANKING</b>	<b>=1<sup>st</sup></b>	<b>=1<sup>st</sup></b>	<b>3<sup>rd</sup></b>	<b>=4<sup>th</sup></b>	<b>=4<sup>th</sup></b>	<b>=6<sup>th</sup></b>	<b>=6<sup>th</sup></b>	<b>8<sup>th</sup></b>	<b>=9<sup>th</sup></b>	<b>=9<sup>th</sup></b>	<b>11<sup>th</sup></b>	<b>=12<sup>th</sup></b>	<b>=12<sup>th</sup></b>

DELIVERY CASE	Institute of Advanced Construction	Getting Cambridgeshire Moving (LSTF)	Growing Places Fund Extension	Ely Southern Bypass	Whittlesey Station Improvement	Peterborough Riverside Opportunity Area	M11 Junction 8	Cambridge Science Park Strategic Link	Peterborough Sustainable Future (including LSTF)	Huntingdon Capacity for Growth	Skills Specialist Equipment	Strategic Water Infrastructure	Local Enterprise Housing Scheme
PRIMARY: MODERATED DELIVERY CASE (RISK) SCORE (Low = 1 to High = 5)	3	3	3	2	2	2	2	2	2	2	2	1	1
SECONDARY: PRACTICAL FEASIBILITY (Low = 1 to High = 5)	5	4	3	4	4	3	3	3	3	2	2	3	1
<b>RANKING</b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>3<sup>rd</sup></b>	<b>=4<sup>th</sup></b>	<b>=4<sup>th</sup></b>	<b>=6<sup>th</sup></b>	<b>=6<sup>th</sup></b>	<b>=6<sup>th</sup></b>	<b>=9<sup>th</sup></b>	<b>=9<sup>th</sup></b>	<b>=9<sup>th</sup></b>	<b>12<sup>th</sup></b>	<b>13<sup>th</sup></b>

FINANCIAL CASE	Whittlesey Station Improvement	Cambridge Science Park Strategic Link	Local Enterprise Housing Scheme	M11 Junction 8	Strategic Water Infrastructure	Institute of Advanced Construction	Skills Specialist Equipment	Huntingdon Capacity for Growth	Peterborough Sustainable Future (including LSTF)	Getting Cambridgeshire Moving (LSTF)	Ely Southern Bypass	Peterborough Riverside Opportunity Area	Growing Places Fund Extension
PRIMARY: MODERATED FINANCIAL CASE SCORE (High Cost = 1 to Low Cost = 5)	4	3	3	2	2	2	1	1	1	1	1	1	1
SECONDARY: REVENUE CASE (High Cost = 1 and Low Cost = 5)	5	5	4	5	3	1	5	5	4	4	4	3	3
TERTIARY: RISK ASSOCIATED WITH CAPITAL COST (High Risk = 1 to Low Risk = 5)	3	2	2	2	3	3	5	3	4	4	3	4	3
<b>RANKING</b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>3<sup>rd</sup></b>	<b>4<sup>th</sup></b>	<b>5<sup>th</sup></b>	<b>6<sup>th</sup></b>	<b>7<sup>th</sup></b>	<b>8<sup>th</sup></b>	<b>=9<sup>th</sup></b>	<b>=9<sup>th</sup></b>	<b>11<sup>th</sup></b>	<b>12<sup>th</sup></b>	<b>13<sup>th</sup></b>

COMMERCIAL CASE	Institute of Advanced Construction	Huntingdon Capacity for Growth	Peterborough Sustainable Future (including LSTF)	Getting Cambridgeshire Moving (LSTF)	Ely Southern Bypass	Strategic Water Infrastructure	Peterborough Riverside Opportunity Area	Cambridge Science Park Strategic Link	Local Enterprise Housing Scheme	Whittlesey Station Improvement	Skills Specialist Equipment	Growing Places Fund Extension	M11 Junction 8
PRIMARY: MODERATED COMMERCIAL CASE SCORE (1 to 5)	3	3	3	3	3	3	3	3	3	3	3	3	2
SECONDARY: INCOME GENERATION (Y/N)	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes	No	Yes	No
TERTIARY: FUNDING CERTAINTY (Low = 1 to High = 5)	4	4	4	4	4	4	4	4	3	2	2	1	3
<b>RANKING</b>	<b>=1<sup>st</sup></b>	<b>=1<sup>st</sup></b>	<b>=1<sup>st</sup></b>	<b>=1<sup>st</sup></b>	<b>=5<sup>th</sup></b>	<b>=5<sup>th</sup></b>	<b>=5<sup>th</sup></b>	<b>=5<sup>th</sup></b>	<b>9<sup>th</sup></b>	<b>10<sup>th</sup></b>	<b>11<sup>th</sup></b>	<b>12<sup>th</sup></b>	<b>13<sup>th</sup></b>