

PETERBOROUGH



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A16 NORWOOD IMPROVEMENT SCHEME – DEVELOPMENT OF OUTLINE BUSINESS CASE AND PRELIMINARY DESIGN
COUNCILLOR HILLER, CABINET MEMBER FOR STRATEGIC PLANNING AND COMMERCIAL STRATEGY AND INVESTMENTS
APRIL 2021
Deadline date: N/A

Cabinet portfolio holder: Responsible Director:	Councillor Hiller, Cabinet Member for Strategic Planning and Commercial Strategy and Investments Director: Steve Cox, Executive Director of Place and Economy
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/10MAY21/01
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so has it been registered on Verto?	YES, Project No. PR002577

RECOMMENDATIONS

The Cabinet Member is recommended to:

1. Approve the award of £630k to Skanska (Construction) UK Limited to deliver an outline business case and preliminary design for A16 Norwood improvement scheme.
2. Authorise the Executive Director of Place & Economy to vary the works order value when required subject to;
 - i. available budget being in place;
 - ii. the total sum of each variation not exceeding £100,000,
 - iii. the combined value of any authorised variation(s) do not exceed the total sum of £500,000.

Any variations are to be made in prior consultation with internal audit, finance and legal services.

1. PURPOSE OF THIS REPORT

- 1.1 This report is for Councillor Peter Hiller, Cabinet Member for Strategic Planning and Commercial Strategy and Investments to consider exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (b).

2. TIMESCALES

2.1	Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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3. BACKGROUND AND KEY ISSUES

- 3.1 The Peterborough City Council Local Plan (adopted July 2019) sets out the overall vision, priorities and objectives for Peterborough up to 2036. The updated strategy identifies the required delivery of 19,440 new homes and 17,600 new jobs by 2036.
- 3.2 The 80-hectare Norwood site will provide 2,000 dwellings, a local centre and primary school. The delivery of the development has been split into two phases.
- 3.3 The first phase of development (2019 – 2031) is known as the land off Newborough Road (Leeds Farm Development), which includes up to 870 dwellings and auxiliary uses, including a primary school and local centre, and would initially be accessed via Newborough Road.
- 3.4 The second phase of development (2026 – 2031) will complete the build of the Norwood site, and will include the remaining dwellings.
- 3.5 Adjacent to the Norwood site (to the west of Newborough Road) is the Paston Reserve Urban Extension. Development at this site has begun, with 87 dwellings now complete, and the site will eventually include 945 dwellings, a local centre, a primary school and a secondary school with space for 900 pupils.
- 3.6 A Strategic Outline Business Case (SOBC) for A16 Norwood was commissioned by Cambridgeshire and Peterborough Combined Authority's (CPCA) Transport and Infrastructure Committee in November 2019. This was following initial approval provided by the CPCA Board in March 2018 of a pipeline of projects outlined in their Transport Delivery 2018/19 report.
- 3.7 The SOBC sets out the case for transport improvements in the A16 Norwood area. It was completed in December 2020 and assessed a number of options against the project's primary objectives:
- Tackle congestion and improve journey times along the A16 and on the primary approaches to the A16/A47/Welland Road Roundabout;
 - Support Peterborough's growth agenda to ensure that the planned employment and housing growth at Norwood can be realised;
 - Limit impact on the local environment and improve biodiversity.
- 3.8 The SOBC concludes that a package of interventions is needed to improve congestion, safety and enable growth in the area. The package includes:
- Closure of Newborough Road access onto A47;
 - Dualling of A16 between the A16/A47/Welland Road Roundabout and the Norwood Development Access;

- Signalisation of A16/A47/Welland Road Roundabout on the A16 southbound approach;
- A 50-metre flare added to the A47 westbound approach to provide additional capacity for left turning traffic to Welland Road;
- Dedicated Left Turn Lane (LTL) from the A47 eastbound to the A16 northbound.

- 3.9 This package of works will be further developed at Outline Business Case (OBC). The SOBC reports that the package has a Benefit Cost Ratio (BCR) of 3.2, which demonstrates high value for money. The financial case estimates the construction cost at approximately £6,615,466 including a 20% risk allowance. Further work will be undertaken to refine the cost estimating further through the business case stages.
- 3.10 The project is interdependent with the development of the sites. Improvements along the A16 corridor are required as part of planning applications at the Norwood Urban Extension to accommodate new housing. The developer is expected to provide a new access roundabout with the A16 and a new access priority junction with Newborough Road. It is currently understood that the two points of access will be connected by an internal road, providing all residents with direct access to the A16.
- 3.11 These improvements are considered necessary for traffic from the development to be able to access the wider network as planned. Engagement with officers at Peterborough City Council will continue at OBC to ensure the recommended option remains appropriate.
- 3.12 The recommended option has been discussed with Highways England who agree in principle to the proposed interventions. Engagement with Highways England will continue throughout the project development and delivery.
- 3.13 The business case also details the management and commercial considerations for progressing the project and concludes that the City Council should continue managing the project and development of the business case to the next stage which is the OBC.
- 3.14 This has been further supported by an independent third party review of the SOBC, that confirmed the BCR and report has been appropriately developed. Therefore, approval has been obtained to undertake the next phase of business case and further develop recommended options.
- 3.15 Since 2019/20 the Council has previously been awarded funding towards the project by the CPCA. A total of £128k has been received previously as grant funding as detailed in Table 1 below.

Table 1: CPCA grant funding

Financial Year	Funding Received
2019/20	£69,264
2020/21	£58,839
Total	£128,103

- 3.16 The funding above was used to complete the SOBC stage of the business case. The next stage is now the development of the OBC and preliminary design. At the CPCA board meeting held on 27 March 2021, the CPCA approved £630k of funding for the next stage.
- 3.17 Previously, the work had been commissioned to Skanska under the existing Peterborough Highway Services contract (this was awarded through approval of an Officer Decision Notice). The business case and design phase of the scheme will also be undertaken by Skanska as per the Peterborough Highway Services contract and to maintain continuity and to avoid delay in the progress made so far. As the project spend and budget allocated has

now exceeded £500k threshold, it now requires approval from the Cabinet Member for Strategic Planning, Commercial Strategy and Investment in order for it to continue into 2021/22.

4. CONSULTATION

- 4.1 An online public and stakeholder consultation exercise on the final scheme will be undertaken following approval, and prior to completion of the detailed design.

5. ANTICIPATED OUTCOMES OR IMPACT

- 5.1 It is anticipated that the council will award the work to Skanska (UK) Construction Limited as outlined in this report.

6. REASON FOR THE RECOMMENDATION

- 6.1 This recommendation has been made to ensure that the Council is able to effectively deliver grant funding awarded to it by the CPCA for A16 Norwood Improvement Scheme. Successful delivery of the funding will help the Council to obtain further funding from the CPCA for the next stage of the business case and construction of the scheme. Delivery of the scheme will improve the capacity and operational performance of the highway network which is crucial to supporting further growth.

7. ALTERNATIVE OPTIONS CONSIDERED

- 7.1 Not to deliver the scheme: This has been discounted because the highway network around the Norwood and Paston Reserve area will suffer from heavy congestion at peak times once the development is fully occupied. This will have a negative impact on the local economy by deterring potential new businesses looking to invest in the city due to the long journey times in the area. Successful delivery of the scheme will provide significant benefits to the wider travelling public, resulting in improvements to; journey times, accessibility and the environment.

IMPLICATIONS

8. Financial Implications

- 8.1 The recommended programme will ensure that the planned expenditure is consistent with the capital programme of works via the performance measurement and efficiency mechanisms built into the Highway Services Agreement.

9. Legal Implications

- 9.1 Part of the scheme will require access to non-highway land, particularly that which may belong to Highways England (HE). Essential improvements that form part of the preferred package are located along the A47. HE agreement and permissions will be essential to deliver the scheme and early engagement is underway..
- 9.2 Delivery of the scheme will be dependent on consent from HE to work on sections of the A47. Although other space may be needed within their boundary for the positioning of equipment and the deployment of traffic management. HE are aware of the scheme and will be an active stakeholder during the option development phase. The Council have a successful track record of working with HE on schemes along the A47 and they will be included within the scheme delivery planning phase.

No purchase of land is required to undertake the improvement scheme.

10. Equalities Implications

10.1 It is not anticipated that any one identified groups will be disproportionately affected by this proposal.

11. Carbon Impact Assessment

11.1 It is recognised that the current stage of the business case and design will have no impact on carbon emissions. The work to be undertaken solely focuses on completion of the business case and preliminary design, no adverse effect on the environment is expected as a result of this work. However, this will be reviewed again when the project progresses onto the construction phase of the scheme. Further details will be provided nearer the time.

12. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

12.1 None.

13. BACKGROUND DOCUMENTS

13.1 N/A

14. APPENDICES

14.1 Appendix A – CPCA Board Meeting (27-01-21) – Item 641 (page 13) – confirmation of funding approval