

PETERBOROUGH



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EASTERN INDUSTRIES ACCESS IMPROVEMENT SCHEME – DEVELOPMENT OF FULL BUSINESS CASE AND DETAILED DESIGN
COUNCILLOR HILLER, CABINET MEMBER FOR STRATEGIC PLANNING AND COMMERCIAL STRATEGY AND INVESTMENTS
NOVEMBER 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?	NO If yes has it been included on the Forward Plan: Unique Key decision Reference from Forward Plan:
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. PR002391

RECOMMENDATIONS

The Cabinet Member is recommended to:

1. Approve the award of £325k to continue and complete the full business case and detailed design for Eastern Industries Access improvement scheme. Contract to be awarded to Milestone Infrastructure Limited for the full business case and detailed design as per the Peterborough Highway Services contract.

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 largest employment allocation within Fengate is the Red Brick Farm site which covers 12.6 hectares. This is likely to be a mixture of storage and distribution units and general industry units with office space.
- 3.3 The Eastern Industries Access Study Area focuses on the north of Fengate, where the Red Brick Farm site is located. It considers Junction 7 and Junction 8 of the A1139 Fletton Parkway (key access to / from the parkway system), access routes into Fengate such as Parnwell Way and Oxney Road, and internal roads within Fengate such as Edgerley Drain Road and Storey's Bar Road.
- 3.4 The future development of the Red Brick Farm site will have a significant impact on the existing road network in the area. Therefore this scheme will look to address what improvements will be required to mitigate the additional trips that would be generated as a result of this development and others in the area.
- 3.5 The Cambridgeshire and Peterborough Combined Authority (CPCA) have commissioned Peterborough City Council to undertake a project business case for Eastern Industries. A Strategic Outline Business Case (SOBC) was undertaken to review and assess various aspects of the scheme. Once the SOBC had been completed, approval was granted by CPCA to commence the next phase of the business case, which was the Full Business Case (FBC) and detailed design. A budget of £534k was allocated and a Cabinet Member Decision Notice was approved in March 2021 to allow the City Council to begin the FBC and detailed design.
- 3.6 Early into the FBC and detailed design a decision was made to include additional schemes that linked to Eastern Industries area such as the traffic signal improvement works at Junction 7 of the A1139 Frank Perkins Parkway (A1139 Frank Perkins Parkway / Oxney Road / Eastfield Road) in order to enhance the improvements to the Fengate area.
- 3.7 Also, following completion of the public consultation it was recognised that accessibility improvements were required for pedestrians and cyclists, providing a better connection between routes to key destinations. Furthermore, additional design work is required to make all of the schemes planned for in Eastern Industries LTN1/20 compliant. This is a Local Transport Note which sets out standards expected of cycle infrastructure. The LTN1/20 is now adopted for all highway improvement schemes going forward.
- 3.8 As a result of the additional work now required it has been recognised that the £534k previously allocated for the current phase will not be sufficient to complete it. After reviewing how much further budget would be required, it is proposed that £175k in this years Integrated Transport Block grant from Government is transferred to the Eastern Industries project budget. In addition to this a further request will be made to CPCA Board in January to provide an additional £150k funding toward the scheme. This will provide a budget of £325k to complete the FBC and detailed design and bring the project forward for construction.

- 3.9 Since 2017/18 the Council has been awarded funding towards the project by the CPCA. As of end of September 2021 a total of £819,252 has been claimed from the CPCA as grant funding. Table 1 below details the amounts claimed in each financial year.

Table 1: CPCA grant funding

Financial Year	Funding Received
2017/18	£60,710
2018/19	£122,477
2019/20	£82,883
2020/21	£277,923
2021/22*	£275,259
Total	£819,252

*Only covers spend incurred between April to September, the first two quarters of 2021/22.

- 3.10 A decision regarding the £150k additional funding requested from the CPCA will be made at their January 2022 Board Meeting. Should it be approved, the £150k will be covered by this decision notice. The council believes it will be successful in obtaining the additional funding from the CPCA, as the scheme has been supported by the CPCA from the very beginning and when completed it will help deliver many of their strategic objectives and also support the local economy.
- 3.11 If the decision notice is approved the work will be commissioned to Milestone Infrastructure Ltd under the existing Peterborough Highway Services contract (this was awarded through approval of an Officer Decision Notice). To maintain continuity and to avoid delay in the progress made so far, continuation of the business case and detailed design will also be undertaken by Milestone as per the Peterborough Highway Services contract. The budget awarded will also be required to cover other project costs such as design estimates for utility diversions. All payments to other suppliers will be reviewed and the necessary governance and procurement processes shall be followed.

4. CONSULTATION

- 4.1 An online public and stakeholder consultation exercise was undertaken in February 2021, the results of which were reviewed and then incorporated into the business case and design.

5. ANTICIPATED OUTCOMES OR IMPACT

- 5.1 It is anticipated that the Council will award the work to Milestone Infrastructure Ltd 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 continue and deliver the proposed scheme for Eastern Industries. Successful delivery of the funding will help the Council to obtain further funding from the CPCA for 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 Fengate area will suffer from heavy congestion at peak times. 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.
- 7.2 In the unlikely event that the CPCA decide to not award Peterborough City Council the £150k requested, the Council will look at alternative options to fund the project.

IMPLICATIONS

8. Financial Implications

- 8.1 The recommendation will commit capital expenditure of £325k to be funded by confirmed grant of £175k, and further anticipated grant of £150k. Should the anticipated grant not be confirmed then further grant funding or LTP allocation will be sought, and the project will not proceed until this is in place. No borrowing for the Council arises from this decision.
- 8.2 The project will deliver a full business case which will outline the financial implications of the construction phase of the project. It is anticipated that this would be fully funded by CPCA and S106 Developer Contributions. In the event that the project is aborted, costs of business case development and design would need to be expensed to the revenue account.

9. Legal Implications

- 9.1 Eastern Industries access improvements will be delivered as a package of schemes jointly funded by the CPCA and S106 Developer Contributions secured from the Red Brick Farm site. Currently, discussions are ongoing between the Council and developers concerning the S106 agreement and it is hoped a contribution will be finalised during the current stage of the business case.
- 9.2 Furthermore, some of the work to be undertaken will be at Red Brick Farm site (which is neither adopted highway nor Council owned land) and the Council will need to obtain permission to enter the land from the landowner by way of a legal agreement before commencing these works. The Council may have to purchase some land in order to deliver one of the schemes and the outcome will come out through the detailed design process and discussions with the land owner. However, it should be noted that the Council has a range of powers under the Highways Act 1980. Pursuant to S.36 Highways Act 1980, a highway constructed by the highway authority (the Council) even on private land automatically becomes highway maintainable at the public expense, so land ownership is not always essential if other arrangements can be made with the landowner.

10. Equalities Implications

- 10.1 It is not anticipated that any one identified group 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 detailed design will have no impact on carbon emissions. The work to be undertaken solely focuses on completion of the business case and detailed 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 - Eastern Industries Access Improvement Scheme – Development of Full Business Case and Detailed Design – March 2021

<https://democracy.peterborough.gov.uk/documents/s43645/CMDN%20Eastern%20Industries%20Access%20Improvements%20-%20FBC%20and%20detailed%20design%20-%20PUB.pdf>