



Derby City Council

COUNCIL CABINET
13 July 2016

ITEM 10

Report of the Cabinet Member for Communities
and City Centre Regeneration

A52 Wyvern Transport Improvement Scheme – revised scheme costs and funding.

SUMMARY

- 1.1 In July 2013, the Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership prioritised £6,720,000 of its indicative budget towards the A52 Wyvern Transport Improvement scheme. In February 2014, Cabinet approved the preferred option for the scheme – a feasibility design for an at grade improvement to the A52 and Wyvern Way. This option will improve traffic flow on the A52 and within Wyvern and Pride Park addressing existing access and congestion issues and provide access to the Derby Triangle development.
- 1.2 During the detailed design process further significant improvements were made to the feasibility design, the modifications were approved by Cabinet in June 2015. The improvements included:
 - Realignment of the Wyvern off slip and proposed reduction in speed limit on the A52
 - A signalised cross roads Derwent Parade and Wyvern Way junction
 - New pedestrian and cycle facilities within Wyvern.

Authority was delegated to the Strategic Director of Resources and the Acting Strategic Director of Neighbourhoods to complete the necessary preparatory work required and to submit a planning application for the scheme.
- 1.3 Cabinet, having previously approved the principle and general layout of the scheme, approved the making of a Compulsory Purchase Order (CPO) in November 2015.
- 1.4 In March 2016 the Council was invited to submit a bid to the £100 million Growth and Housing Fund (GHF) administered by Highways England. An urgent decision report, on 31 March 2016, requested approval of the submission of a bid and delegated approval to accept the funding, should the bid be successful, to the Strategic Director of Communities and Place.
- 1.5 This report provides an update on scheme cost, progress, scope and funding and seeks approval to submit a Stage 2 funding application to D2N2 LEP.

RECOMMENDATION

- 2.1 To note the report.
- 2.2 To note more detailed financial information is contained within the private report.

REASONS FOR RECOMMENDATION

- 3.1 The A52 experiences severe congestion in the morning peak hour when traffic can queue back beyond the Borrowash Bypass junction and can impact on both the strategic and local highway network. Congestion occurs when a high volume of traffic exits the A52 into Pride Park and drivers weave across lanes when leaving the A52 and then slow to negotiate the constrained Wyvern junction. Without the improvements journeys on the A52 and to Pride Park and Wyvern will be significantly delayed by congestion, it is likely that some drivers will divert onto local distributor roads resulting in increased delays on routes used by local bus services.
- 3.2 The A52 scheme will improve existing conditions within Pride Park as well as accommodate forecast background traffic growth and facilitate a further extension to Pride Park and Wyvern. The scheme will improve accessibility for all highway users through the creation of shared use cycle and pedestrian routes, a replacement footbridge and crossings at all junctions. The scheme will improve vehicle flow and safety on the A52 and Wyvern Way through the creation of additional lanes and junction improvements.
- 3.3 The increase in the Scheme cost will facilitate a robust scheme that has progressed through detailed design and planning. The revised cost includes:
 - Up to date construction costs
 - necessary maintenance work to improve network resilience
 - More accurate utility diversion costs
 - A more aesthetic bridge design
 - Pedestrian and cycling improvements



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Report of the Strategic Director for Communities and Place

SUPPORTING INFORMATION

- 4.1 In July 2013, the Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership, prioritised £6,720,000 of its indicative budget towards the A52 scheme, against a scheme cost which, in July 2013 ranged between £10,576,000 and £12,275,000. The £12,275,000 estimated scheme cost for the preferred solution includes £1,699,000 for maintenance works to the A52.
- 4.2 The £10,576,000 cost was an estimated scheme cost provided for the LEP bid and based on the feasibility design. Following submission of the bid the feasibility design has been progressed to detailed design. Following approval of the detailed design by Cabinet in June and public consultation in July 2015, preferred contractors were appointed in September 2015 for the Early Contractor Involvement (ECI) stage of the project.
- 4.3 Construction costs in the revised scheme costs have been estimated, one of the key aims of the ECI Stage is to work closely with the contractor to ensure best value and reduced impact on the programme. The methodology used for costing assumed the worst case scenario where detailed design work has not been completed and value engineering may reduce construction costs.
- 4.4 The Contractors have provided revised cost estimates to construct the approved, modified scheme. The Scheme will include replacement barriers and some reconstruction or resurfacing of the A52 carriageway, reducing the future maintenance liability on this strategic route. In addition, £600,000 of further maintenance work has been identified that would further improve the resilience of the A52. While contractors are on site and temporary traffic management is in place it will be efficient to carry out the additional maintenance as part of the Scheme. The £600,000 worth of maintenance work is included in the whole scheme cost.
- 4.5 The revised cost includes an estimate for infrastructure for a revised speed limit on the A52 of approximately £512,000. Detailed design established that a reduced speed limit would be more appropriate for the geometry of the A52 for safety reasons. Initial consultation has taken place with Highways England and Derbyshire Constabulary and there is consensus that a reduced speed limit would have safety benefits, where appropriate infrastructure is in place to enforce the restriction.

4.6 The Council has made an investment progressing the project to date. The following progress has been made:

- Public consultation complete August 2015
- Early Contractor Involvement stage commenced January 2016
- Planning permission given April 2016
- Compulsory Purchase Order prepared May 2016

A total of £582,800 has been spent over 2014/15 and 2015/16, these costs are included in the whole scheme cost.

4.7 The costs for utility diversions were originally estimated as a percentage of the construction costs and did not account for characteristics of the site. The costs for utility diversions within the whole scheme cost have now been provided by the utility companies and this is a further £1,682,000 than originally estimated. Combined working with the utility companies will seek to reduce the costs further.

4.8 The revised scheme cost includes contingency to allow for uncertainty over land costs, constructions costs and to allow for some variability in utility diversion costs. Efforts will be made to manage the whole scheme cost and make savings where possible.

Funding

4.9 The Scheme has been prioritised by the D2N2 LEP for £6,720,000 funding from the Local Growth Fund 1 programme. This is subject to a successful Stage 2 application. The Stage 2 application will be supported by a business case. A Stage 2 application will make a robust case for funding and will confirm it is possible to deliver the Scheme 2016/17 and 2017/18 as programmed.

4.10 A further bid for funding was made in March 2016 to the Growth Housing Fund (GHF) administered by Highways England. The GHF is intended to support road schemes that can be completed by 2021 that unlock housing and mixed use development sites and are on or near the Strategic Road Network. A response on whether the bid has been successful is imminent.

OTHER OPTIONS CONSIDERED

5.1 A detailed study of all the highway solutions to existing problems and issues is set out in detail in the Options Appraisal Report.

5.2 A further alternative option would be to not progress the A52 Wyvern Transport Improvements scheme. However, this would not address the accident risks, congestion and delays which affect road users on this strategic route into the city. It would have severe implications for the robustness of the core strategy and the City's ability to support future economic growth.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Stephen Teasdale Amanda Fletcher Jayne Sowerby-Warrington
For more information contact: Background papers: List of appendices:	Tara McKenna 01332 641755 tara.mckenna@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 The Scheme is reliant on securing external funding and costs will be managed within the available financial resources.

Legal

- 2.1 None arising from this report.

Personnel

- 3.1 A Project Board and Project Team have been set up to manage delivery of the A52 project.

IT

- 4.1 None arising from this report.

Equalities Impact

- 5.1 The major scheme business case required to bid for Local Growth Fund 1 funding administered by the D2N2 LEP will require a detailed appraisal for social distributional impacts of the scheme.

Health and Safety

- 6.1 The major scheme business case required to bid for Local Growth Fund 1 funding administered by the D2N2 LEP will require a detailed appraisal of environmental and safety impacts.

Environmental Sustainability

- 7.1 An Environmental Statement was submitted and considered during the planning process. A further assessment of environmental impacts will be made in the major scheme business case required to bid for Local Growth Fund 1 funding administered by the D2N2 LEP.

Property and Asset Management

- 8.1 The scheme requires the acquisition of third party land and temporary access arrangements for the construction works to be undertaken.

Risk Management

- 9.1 Included within the project governance is a risk register where risks are recorded to ensure that robust risk management procedures are in place so that risks are managed appropriately. The cost and timescales involved in acquiring land has been identified as a significant risk to the project.

Corporate objectives and priorities for change

- 10.1 Derby City Council 'A Different Council' Our Council Plan 2016-2019. The Scheme supports the vision that Derby is a place where ... jobs and businesses are growing and we have the infrastructure to create a city for the future. It also supports the priority outcome:

- Improving housing, supporting job creation and regeneration.