

Sandwell Towns Fund Superboard Smethwick Walking and Cycling Infrastructure Full Business Case

20 January 2022

Subject:	Smethwick Walking and Cycling Infrastructure Full Business Case
Presenter:	Alan Taylor – Chair for Smethwick Local Board Andy Miller – Sandwell Council
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1. Recommendations

- 1.1. To receive and agree the final Full Business Case for Smethwick Walking and Cycling Infrastructure, including the project equality impact assessment, environmental impact assessment and monitoring and evaluation plan.
- 1.2. To recommend the submission of the Full Business Case to the Assurance Panel and subject to successful appraisal, submission of the Project Summary Document to DLUHC.
- 1.3. To note that in the event that the Full Business Case appraisal leads to minor amends/ points of clarity being required, these will be addressed by the Project Lead in conjunction with the Chair of the Local Board, the Chair of the Superboard and the Assurance Panel.
- 1.4. To note that in the event that the appraisal leads to a recommendation of substantial changes to the Full Business Case, these will be addressed by the Project Lead in conjunction with the Chair of the Local Board, the Chair of the Superboard and the Assurance Panel.

2. Purpose of the Report

- 2.1. To present the Full Business Case for the Smethwick Walking and Cycling Infrastructure project for agreement including an equality impact assessment, environmental impact assessment and monitoring and evaluation plan.



3. Background and Main Considerations

- 3.1. On 3 March 2021, Heads of Terms for a Town Deal for Smethwick were offered by Government. This included an offer of an overall funding package of £23.5m. The Heads of Terms offer is subject to the appraisal and approval of a Full Business Case for each project and the submission of a Summary Document (one per project) by 24 March 2022.
- 3.2. The Town Deal for Smethwick was signed on 24 March 2021.
- 3.3. Details of the projects put forward for Smethwick Town Deal were re-confirmed with Government in the form of a Project Confirmation Table. These were considered by Superboard on 17 May and submitted following approval from the Council's S151 Officer.

4. Full Business Case Contents

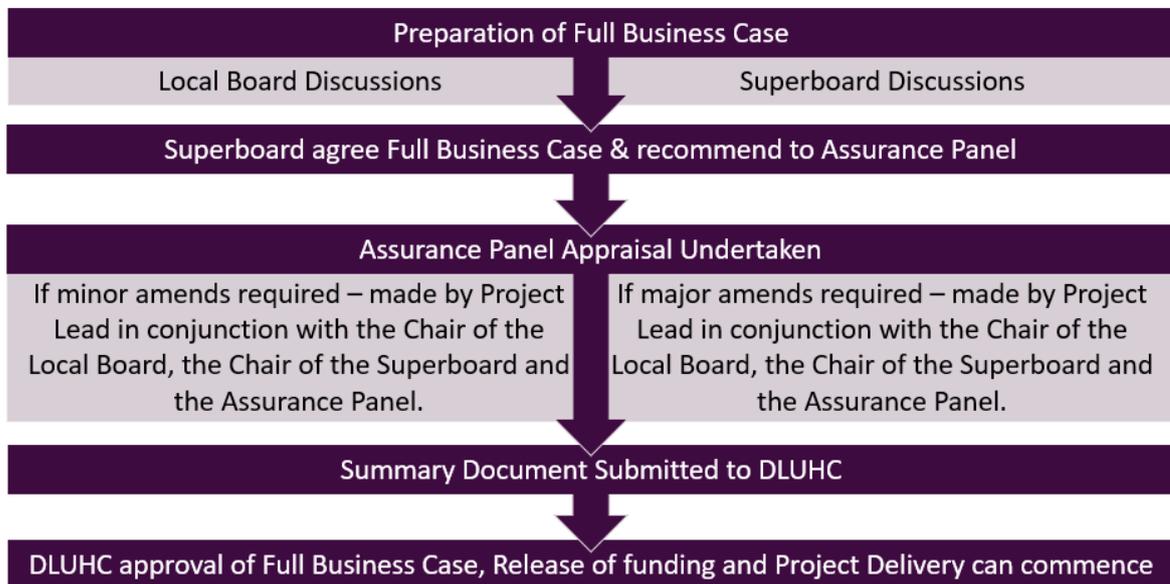
- 4.1. The Towns Fund Business Case Guidance, December 2021, outlined that Towns Fund Full Business Cases should be compliant with the HMT Treasury Green Book (2020). This sets out that Full Business Cases should address five cases; Strategic Case, Economic Case, Commercial Case, Financial Case and Management Case.
- 4.2. Preparing a project business case using the five-case model provides decision makers and stakeholders with a proven framework for structured thinking and assurance that the project: Provides strategic fit and is supported by a compelling case for change, will maximise public value, is commercially viable, is affordable and is funded and can be delivered successfully by the organisation and its partners
- 4.3. Sandwell's Towns Fund Full Business Cases have been prepared according to this model.
- 4.4. Following Cabinet approval on 24 November 2021, an Assurance Panel has been established comprising the Town Deal Board Chair, Director of Regeneration and Growth, Director of Finance (Section 151 Officer) and Cabinet Member for Regeneration and Growth, to appraise Full Business Cases.

5. Submission of Project Summary Documents to DLUHC

- 5.1. Once a Full Business Case has been approved by the Assurance Panel, a Summary Document will be prepared and submitted to DLUHC for review before funding is released. At which point Terms and Conditions of the grant will be provided.



- 5.2. The Summary Document contains an overview of each Business Case, how it has been appraised, and confirmation that key conditions from the Heads of Terms have been addressed (where applicable).
- 5.3. The Chair of the Superboard will be a signatory on the Summary Document.
- 5.4. An outline of the process for approval of a project Full Business Case is as follows:



6. Smethwick Walking and Cycling Infrastructure Full Business Case Summary

Project Description

- 6.1. The Smethwick Walking and Cycling Infrastructure project will create cycle and pedestrian links from two railway stations to the town centre and local hospital and aims to achieve uplift in the number of people using active travel modes within Smethwick, the wider borough and region to assist in reducing congestion, poor air quality and other health inequalities.
- 6.2. The routes identified for this project are identified from Sandwell’s Cycling and Walking Infrastructure Plan (SCWIP). This plan was adopted by Sandwell’s Cabinet in January 2020 following its approval at the Economy, Skills, Transport and Environment Scrutiny Board in October 2019. The location of interventions include Smethwick High Street, A457 Transport Corridor including Oldbury Road, Tollhouse Way, Soho Way, Grove Lane and B41236 Cranford Street situated within the St Pauls, Smethwick and Soho and Victoria Wards.
- 6.3. The project is organised into 5 phases and delivery will take place between April 2021 and March 2025 and coincide with the opening of the Aquatics Centre for the 2022 Commonwealth Games and the opening of Midland Met University Hospital.



The first Phase of this project was delivered as part of the 'Accelerated Funding Programme' in 2020/2021.

Summary of Strategic Case

- 6.4. Smethwick is an area which comprises mixed land uses with a predominance of industrial uses, interspersed with residential and open space. It requires and is undergoing major regeneration with developments such as the Midland Metropolitan University Hospital and the planned construction of circa 800 residential dwellings with some commercial uses as well.
- 6.5. A majority of sites within Smethwick are linked by the local highway network. Development in the area tends to create more car trips on the network such as on the A457 Tollhouse Way, Soho Way, and Grove Lane and the B4135 Cranford Street. This tends to create barriers towards severance and physical activity; reduces access to sustainable transport; and decreases access to local services by sustainable modes of travel, with an over-dependence on motorised modes of transport which in turn causes increased congestion, contributing to poor air quality and an increase in CO2 emissions.
- 6.6. Life expectancies are low within the Smethwick area and many residents suffer from poor health. Measured air pollution levels in Sandwell are amongst the highest in the West Midlands, with concentrations exceeding the annual Air Quality Objective for nitrogen dioxide (NO2) at roadside monitoring sites.
- 6.7. Data collated during the COVID-19 pandemic has demonstrated an increase in the numbers of people cycling and walking in Sandwell and across the wider West Midlands Region. There has also been an increase in the number of people using the canals for walking and cycling. With Smethwick having a high percentage of residents without access to a car, ensuring alternative cleaner, safe and cost-efficient options are provided for residents to move to and through the area will be beneficial in the longer term. This will reduce carbon emissions in Smethwick but also provide health benefits for residents through an increase in active travel.
- 6.8. Engagement with stakeholders through the Town Investment Plan development stage has demonstrated a clear demand for improved and new active travel routes in Smethwick. Further consultation will take place prior to delivery of each scheme.
- 6.9. The project has been bought forward as part of the Smethwick Town Deal through its contribution to the town priority of Regenerate and upgrade local assets and Maximise local impact of major investments in hospital and Aquatics Centre.



- 6.10. The project links to the wider strategic objectives of from Sandwell's Cycling and Walking Infrastructure Plan (SCWIP) and Sandwell Vision 2030; Healthier for longer and safer; Lowering crime and ASB; Excellent public transport to the region and beyond; Major new housing along major transport routes and employment sites and create environments in the 6 towns where people chose to live.
- 6.11. The project also links to the Inclusive Economy Deal, Local Transport Plans, Transforming Cities Fund Projects, Policies on low carbon and air quality, Local Growth Fund and Emergency Active Travel Fund.

Summary of Economic Case

- 6.12. The Smethwick Walking and Cycling project will provide local people with safer walking and cycling routes and encourage greater proportion of trips to be taken by non-car modes. The project aims to address long standing issues and provide longer-term benefits including reduced congestion, improved air quality, improved community cohesion, better public health and help to contribute to Sandwell's policy in combating climate change and are part of wider government plans to boost active travel.
- 6.13. Several key qualitative benefits have been identified including benefits to Economy; business users and transport providers, regeneration, tourism, Environment; landscape and townscape, historic environment, biodiversity, water environment and Social Benefits; community and other users, physical activity, journey quality, security, access to services.
- 6.14. The Benefit Cost Ratio (BCR) calculation for this project is 2.92. The Green Book advises that a BCR of above 2.0 is high Value for Money (VfM), meaning this scheme offers very high VfM.
- 6.15. The main risks have been identified for the project and are being proactively managed through regular risk review and escalation, as required. The main risks are as follows: -
- *Delays due to Covid-19*
 - *Objections to detailed designs*
 - *Delays due to unforeseen ground conditions*
 - *Delays/ slippages as a result of approvals and DLUHC approvals*



Summary of Management Case

- 6.16. The project management is resourced through Sandwell Council and will be overseen by the Project Manager who will report frequently to the Programme Management Office, Smethwick Local Board and Sandwell Superboard.
- 6.17. The delivery of this project is not dependent upon the delivery of any other TIP projects.

Summary of Financial Case

- 6.18. The project value is £3.872m funded by Towns Fund.
- 6.19. Long term running costs will be met by Sandwell Council. The project will be maintained using existing highway maintenance revenue budgets. For the first 5 years after scheme implementation there will be zero maintenance costs due to it being new infrastructure. The project involves carriageway and grass verges being converted into a footway/cycleway and therefore there will be a carriageway maintenance saving that will outweigh the footway/cycleway maintenance cost.

Summary of Commercial Case

- 6.20. Procurement for this project will take place via the Midlands Highways Alliance (MHA) Professional Services Framework and the MHA PSP3 Professional Services Short Contract and Civils Minor Works Construction Framework Agreement.

Equality Impact Assessment

- 6.21. An equality impact assessment has been conducted and is appended. The equality impact assessment has identified specific positive impacts for the following groups with protected characteristics:
- 6.22. **Age:** improving accessibility, safety and health benefits for children, young people, adults and older people.
- 6.23. **Disability:** through improving mobility and accessibility through public realm and active travel infrastructure



- 6.24. **Race, Sex, Gender Reassignment and Sexual Orientation:** through creating a welcoming and easily accessible environment for all residents, creating a better-connected town centre.
- 6.25. However, some groups may experience negative impacts from the development of this project during the construction period. A review of the Equality Impact Assessment will take place following detailed design of each phase. Actions to mitigate impacts will then be recorded within the updated Equality Impact Assessment.

Environmental Impact Assessment

- 6.26. An Environmental Impact Screening has been undertaken and is appended. The screening has identified that Schedule 1 and 2 of the EIA regulations do not apply to this project and therefore a full assessment is not required.

Appendices

Smethwick Walking and Cycling Infrastructure Full Business Case document including:

- Consultation and Engagement Plan
- Equality Impact Assessment
- Environmental Impact Assessment
- Risk Register
- Monitoring and Evaluation Plan

Source Documents

- Smethwick Walking and Cycling Infrastructure Project Confirmation Table
- Smethwick Town Deal Heads of Terms
- MHCLG Business Case Guidance, December 2020
- MHCLG Monitoring and Evaluation Guidance, April 2021

