

WORCESTERSHIRE LOCAL TRANSPORT BODY MAJOR SCHEME OUTLINE BUSINESS CASE PRO FORMA

Scheme Name	A4440 Southern Link Road Dualling Scheme
Promoter	Worcestershire County Council (WCC)

1. Headline Description

The A4440 Southern Link Road (SLR) forms a key part of Worcestershire's Primary Road Network (PRN) and links the Strategic Road Network (M5, J7) and the eastern side of Worcester City with the A38, A449, A4103 and A44 as well as existing and planned residential and commercial developments on the southern and weern side of during the peak periods. The

te further in future years in the absence of

rovement scheme has been developed to be

ed 2012

ed by April 2015 (DfT funding secured)

plemented by 2020 (end of first phase of the

k Junction and the M5

vements to the A4440 SLR and includes:

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traffic to route via the constrained Worcester City Centre rather than use the A4440 SLR as a bypass

3.2 Description of Problems to be Addressed

Objectives and Priorities

The objectives and priorities of Worcestershire County Council and its partners, including the Worcestershire LEP, are set out in the authority's Corporate Plan and the Worcestershire LEP's Business Plan, with economic growth a key aim. The priorities are set out in a range of documents, including:

Worcestershire County Council's Corporate Plan

www.worcestershire.gov.uk/cms/general-council-information/corporate-plan-2011-2017.aspx

Economic Strategy

www.worcestershire.gov.uk/cms/research-and-intelligence/economy/local-economic-assessment/purpose-and-scope.aspx

Infrastructure Strategy

www.worcestershire.gov.uk/cms/strategic-planning/infrastructure-planning.aspx

Local Transport Plan (LTP3)

www.worcestershire.gov.uk/LTP3

The associated transport strategy for Worcester, the Worcester Transport Strategy:

www.worcestershire.gov.uk/cms/transport-and-highways/transport-schemes/worcester-transport-strategy.aspx

The priorities are also consistent with the transport elements of the South Worcestershire Development Plan (SWDP) policies and associated infrastructure Delivery Plan (SWIDP). The need to dual the A4440 SLR is a specific transport infrastructure improvement referenced within the SWDP and SWIDP.

www.swdevelopmentplan.org/

www.swdevelopmentplan.org/?s=IDP

These priorities are closely aligned with those of the Worcestershire LEP as set out in its 2012 Business Plan.

www.wlep.co.uk/read-all-about-it/

Economic Context and Problems

South Worcestershire covers the largely rural districts of Malvern Hills and Wychavon, and the predominantly urban area of Worcester City. Although South Worcestershire has relatively high levels of economic participation and low levels of unemployment, economic trends in the sub-region over the past decade have been mixed. The area's employment grew sluggishly between 2003 and 2008, prior to the global economic downturn. In addition, employment levels in the urban areas of South Worcestershire were already declining prior to the recession.

The Worcestershire economy is still regarded as weak, with a significant proportion of employment within the public sector, which is and will be subject to contraction. There is a clear need to stimulate economic growth and activity through improving conditions to support new and expanded businesses. In the City of Worcester, the unemployment rate currently stands at 4.2%.

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Since the recession, the South Worcestershire economy has shrunk considerably in terms of employment opportunities. In particular, the number of jobs reduced by 4.4% between 2008 and 2011. In comparison, the number of jobs nationally declined by 2.7% over the same period. Furthermore, the employment data sourced from the Office of National Statistics suggests that the number of jobs in South Worcestershire in 2011 were marginally less than the 2003 estimates for the sub-region. In comparison, the number of jobs across the West Midlands and England is nearly 5% and 10% higher than 2003 levels respectively.

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right place to locate. A decline in the area's economic output would affect the local consumer spending, subsequently impacting on the vitality of the area's city, town and neighbourhood centres.

Policy Drivers

Recognising such real threats, the South Worceste

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congestion and very unstable operating conditions. These conditions will deteriorate as the development envisaged in the SWDP comes to fruition.

Within this context, the SWDP states that the delivery of the wider housing and employment requirements for South Worcestershire (as outlined in Policy SWDP3) will require implementation of the transport infrastructure promoted in LTP3, including partial dualling of the A4440 SLR during the first period of the plan (to 2020), with further capacity enhancements to this road during the subsequent plan period to 2030. Furthermore, Policy SWDP45 specifically states that deliverability of Broomhall Community and Norton Barracks site (also known as the South Worcester Urban Extension), which seeks to deliver 2,450 new homes and bring forward 20

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criteria.

WTS Phase 2: The case for the subsequent phase of the WTS (including the dualling of the A4440

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Online Dual Carriageway

The online option provides a conventional dual carriageway cross section between Whittington and Norton Roundabout. The new larger span rail bridge will be constructed on the same site as the existing one, with the demolition of the old br

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14% of the above mentioned outputs of the SWDP's transport schemes, in particular the housing and employment impacts, will be attributable to the first phase of the A4440 SLR dualling proposals. The A4440 SLR dualling proposal contained within this bid is estimated to:

- Facilitate delivery of 2,695 homes across South Worcestershire by 2030,
- Create conditions to bring forward 3,554 new jobs across South Worcestershire by 2030.

Using the sectoral breakdown for the employment impacts identified in the South Worcestershire Development Plan: Economic Prosperity Background Paper and the per capita per annum Gross Value Added (GVA) benchmarks sourced from Annual Business Survey data, the GVA impact of the proposed scheme is estimated at:

- £1.24 billion, undiscounted, over the appraisal period
- £811 million, discounted, over the appraisal period.

(Note: the estimation of GVA impacts assumes that the persistence of each job created is 10 years.)

Furthermore, during the construction phase, the £29 million capital expenditure (including design development but excluding land costs) will also result in GVA and employment impacts. These impacts, which will materialise by 2018/19, are estimated at:

- 196 construction based gross new full-time equivalent jobs
- £11.01 million of GVA (undiscounted).

The results of the economic appraisal are provided in Annex 3, but in summary, the scheme is forecast to generate (excluding GVA benefits):

- A Present Value of Benefits of £75m
- A Net Present Value of £38.6m
- A benefit cost ratio of 2.1 (excluding air quality, noise, accidents and journey quality and no benefits claimed for bus passengers and active modes which would be expected to accrue)

3.5 Project Scope

The scope of the project is to upgrade the existing Southern Link Road between the Whittington junction and the dual carriageway that will be constructed to the East of the Ketch Roundabout. It includes upgrading the existing Junction at Norton and an enlarged bridge beneath the Worcester – Norton Junction Railway line. The scheme will also include a new footbridge for non-motorised users and replacement of an existing T-junction farm access accommodation bridge.

Value Engineering has not yet been carried out, as the scheme is in the early stages of development. It is anticipated that the deck for the accommodation bridge can be reused by lifting it off and placing it on new abutments.

3.6 Related Activities

The scheme assumes that the Ketch Roundabout improvement will be constructed before this scheme, so that the dual carriageway can be continued between the Whittington and Ketch Roundabouts.

Land will have to be acquired to construct the scheme. Whilst negotiations with land owners are in progress to obtain land by agreement, the programme has allowed for the Compulsory Purchase of the land.

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The scheme is also dependant on the successful construction of a larger railway bridge beneath the Oxford Worcester Wolverhampton Rail line to accommodate the widened carriageway. This involves reaching agreement with Network Rail on the form, construction methods and construction programme for the bridge. Discussions with Network Rail are underway to agree these and related issues.

3.7 Consequences of Funding Not Being Secured

South Worcestershire has significant employment and housing targets, namely to deliver 25,000 new jobs and 23,200 new homes by 2030. The delivery of these targets is contingent to the successful and timely implementation of the first phase of the A4440 SLR improvements dualling improvements (i.e. between Ketch and Whittington Junctions), the focus of this funding bid.

As demonstrated in response to Question 3.2, highways infrastructure requirements such as A4440 SLR improvements are already impacting negatively on South Worcestershire's performance against its growth targets. If the bid is unable to secure the requested funding, Worcestershire County Council and its partners will not be able to deliver the identified and much needed improvements to this road.

Hence, failure to secure funding would also result in continuation of A4440 SLR position as a major growth constraint for South Worcestershire. This would significantly impact upon South Worcestershire's ability to achieve its employment and housing targets, which are critical to revive the area's struggling economy.

Failure to renew South Worcestershire's economic prospects and housing market poses significant threats to the area, not least in terms of continued decline in employment levels, business investment and economic output. This will have a significant detrimental impact on South Worcestershire's attractiveness as a business location or place to live leading to a downward spiral for the area's economy.

4. Fit with Strategic Policy & Objectives

4.1 Fit with Over-Arching Economic Objectives

Economic Context

Economic trends in South Worcestershire over the past decade have been mixed. The area's employment grew sluggishly between 2003 and 2008, prior to the global economic downturn. The number of jobs per working age population in South Worcestershire reduced by 6% between 2003 and 2011 (compared with 3% across England). The general decline in job numbers in South Worcestershire is compounded in some areas by a reliance on public sector employment and a slow-growing private sector, particularly in Worcester.

The recently prepared South Worcestershire Development Plan: Economic Prosperity Background Paper (2012) suggests that a continuation of such trends of sluggish or no growth poses significant threats to the area.

Objectives and Priorities

The objectives and priorities of Worcestershire County Council and its partners, including the Worcestershire LEP, are set out in the authority's Corporate Plan and the Worcestershire LEP's Business Plan, with economic growth a key aim.

Worcestershire County Council's Corporate Plan

The Corporate Plan highlights the relatively poor performance of the Worcestershire economy. The county's Gross Value Added is £4,200 per annum below neighbouring Warwickshire's, with this

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South Worcestershire Development Plan

The need to dual the A4440 SLR is a specific transport infrastructure improvement referenced within the SWDP and associated SWIDP. The need to improve the capacity of the A4440 SLR is also referenced by the Highways Agency in their comments on the SWDP and their inputs to the SWIDP

The SWDP aspires to improve, protect and manage

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5. Deliverability

5.1 Details of Any Previous Work Undertaken

Concept Study	✓
Feasibility	✓
Preliminary Design	✓
Detailed Design	
Risk Register	✓
Detailed Work Programme	✓
Quantified Risk Assessment	✓
Environmental Appraisal	✓
Member Approval	✓
Commitment of Partners	✓
Consultation with Key Stakeholders	✓
Strategic Business Case	✓
Business Case with BCR	✓
Other (Specify)	

5.2 Dependencies and Risks / Barriers to Delivery

5.2.1 Land Ownership

Link Road

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vs



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8.3 Project Costs

8.3.1 Table A: Funding Profile (Nominal Terms)

£000s	Earlier years	2015/16	
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9. Economic Assessment

	<i>Tick <u>one</u> box for each row only</i>					
	<i>Large / High Beneficial</i>	<i>Moderate Beneficial</i>	<i>Slight Beneficial</i>	<i>Neutral</i>	<i>Slight Adverse</i>	<i>Moderate Adverse</i>

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Provide a brief bullet point summary of justification for the above WebTAG appraisal based on each of the three main headings only:

Economy	<ul style="list-style-type: none"> • The package delivers time saving benefits to business trips. Over 60% of trips will have a time saving, and 7% will be over 2 minutes of travel time, and 3% over 5 minutes. A proportion of traffic will also divert from Worcester City Centre to use the improved A4440 SLR, with consequent benefits to the city centre network. • The A4440 SLR dualling scheme will provide opportunities to unlock the SWDP sites, in particular those located in and around Worcester and its planned large urban extensions, including that adjacent to the scheme. The scheme will also provide new housing, employment and economy benefits to the City and County.
Environment	<ul style="list-style-type: none"> • There may be an increase in noise levels associated with increases in traffic flows and if traffic speed increases. There is also the potential for changes in noise level at properties adjacent to the wider road network resulting from changes in traffic

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Benefits / Costs	Central Case	+10% Capital Costs	Halved Maintenance Cost	Low Demand Growth	High Demand Growth	Exclude Developer Contribution
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13. The Management Case - Delivery

13.1 Development and Construction Milestones

Description	Estimated Date
Surveys	January 2014
Outline design	May 2014
Planning Approval	May 2014

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14. Statutory Powers and Consents

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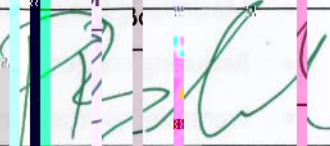
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20. Senior Responsible Owner DECLARATION

I, Senior Responsible Owner for A4441 Southern Link Road Dualling Scheme hereby submit this request for funding consideration to the Worcestershire Local Transport Body.

Name: DEE BLAKE

Signed:



Position: HEAD OF INTEGRATED TRANSPORT

21. Section 51 Officer DECLARATION

I, Section 51 Officer for Worcestershire County Council declare that the scheme cost estimates submitted in this bid are accurate to the best of my knowledge and that Worcestershire County Council has allocated sufficient budget to develop and deliver this scheme on the basis of its proposed funding contribution.

Name: MARCO PIZZALE

Signed:



Position: HEAD OF INTEGRATED TRANSPORT

22. Contact Detail for Further Enquiries

Lead Contact:

Position:

Name:

Andy Maginnis
Programme and Commissioning Manager
0771114231
Andy.maginnis@worcestershire.gov.uk

Alternative Contact:

Position:

Name:

Steele Harrison
Transport Policy & Strategy Team Leader
01905 661367
Steele.harrison@worcestershire.gov.uk