

Appendix 1 - Assurance Summary

VERSION 1 24.11.2021



1 – SCHEME DETAILS			
Project Name	O0047 Broom Road Cycleways	Type of funding	Grant
Grant Recipient	Rotherham Metropolitan Borough Council	Total Scheme Cost	£3,575,133
MCA Executive Board	TEB	MCA Funding	£3,575,133
Programme name	ATF, Gainshare and CRSTS	% MCA Allocation	100%
Current Gateway Stage	FBC	MCA Development costs	0
		% of total MCA allocation	0%

2 – PROJECT DESCRIPTION

Is it clear what the MCA is being asked to fund?

Yes, MCA support is required to fund 660m of unidirectional cycleways on Wellgate and Broom Road. The OBC requested funding for amendments to Broom Valley Road ('phase 2'), but this has since been removed from the proposed scheme and the FBC requests funding for the cycleways only.

The £3.6m is split between:

- £1.5m ATF & Gainshare
- £2.075m CRSTS

3. STRATEGIC CASE

Options assessment

Is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?

Yes, the rationale for the scheme is to encourage a mode shift away from private car use and to enable cycling in an area identified as a priority in the Rotherham Cycling Strategy. It is noted that c.16,000 people travel in or out of Rotherham Town Centre via Wellgate and that the Broom Road corridor is identified as being the corridor into central Rotherham with greatest potential for cycling uptake.

	<p>5 options have been considered including the 'do minimum' and the 'preferred way forward'. Strategic reasons have been provided as to why the other options have been discounted, with the preferred option selected as it is considered to be the most deliverable and acceptable means of achieving safe conditions for cycling and meeting key strategic policy objectives. Of the 3 alternative viable options, one has been rejected due to worsened road safety risk, one due to adverse impacts on bus services, and the last one rejected due to affordability issues.</p> <p>It has also been highlighted by the applicant how the scheme links into SYMCA's Transport Strategy goals and policies, commitments made by the Mayor and the Renewal Action Plan.</p>
<p><i>Statutory requirements and adverse consequences</i></p>	<p><i>Does the scheme have any Statutory Requirements?</i></p> <p>Yes, TROs only.</p> <p><i>Are there any adverse consequences that are unresolved by the scheme promoter?</i></p> <p>There are adverse impacts, albeit resolved.</p> <p>There are disbenefits to car users specifically at the Clifton Roundabout caused by increased congestion due to reduced carriageway available for general traffic. Modelling has been undertaken to consider the potential impact, which was a requirement of the OBC approval. It has been concluded that additional journey time (a mean delay of 17.3 seconds to a driver's overall journey time) and increased vehicle operating costs (PV of these over 60 years = £0.679m) will be imposed on the road users, as well as environmental costs on adjacent residents. It is noted that the impacts are expected and part of the Strategic approach and policy decision to enhance opportunities for cycling, and that the bus priority improvements on the A.631 corridor proposed under Transforming Cities is expected to bring about a modal shift from car to bus, which may have impact on demand at this point. It is also noted that the forecast uplift in cycling will have a negligible, although positive impact on network performance.</p> <p>It is recommended that monitoring of the Clifton Road junction should be included as a contract condition.</p>
<p><i>FBC stage only – Confirmation of alignment with agreed MCA outcomes (Stronger, Greener, Fairer).</i></p>	<p>Yes:</p> <ul style="list-style-type: none"> • Enabling people to access opportunities through choosing greener and healthier forms of transport by investment in high quality cycling and walking infrastructure both for existing journeys and new journeys stemming from investment in the City Region. • The scheme will invest in an integrated package of infrastructure for active travel, which will serve future sustainable economic growth in the Dearne Valley growth area. • The scheme is designed to ensure people feel safe when they travel in providing an alternative to heavily trafficked roads. • Reducing the reliance on private transport, encouraging people to choose greener and healthier forms of transport both for existing journeys and new journeys stemming from investment in the City Region. • Investing over a sustained period in high quality cycling and walking infrastructure that better connects homes, transport interchanges, education, employment and recreational opportunities using safer, direct and convenient routes.

- Removes barriers to walking and cycling and identifies the infrastructure required to encourage more trips by bike or on foot.
- The scheme will ensure sustainable and inclusive access to employment opportunities within the Manvers area, which is identified as an area of transport poverty.

4. VALUE FOR MONEY

Monetised Benefits:

VFM Indicator	Value	R/A/G
Net Present Social Value (£)	Including highway disbenefits	-£1.039m
	Excluding highway disbenefits	-£0.36m
Benefit Cost Ratio / GVA per £1 of SYMCA Investment	Including highway disbenefits	0.53
	Excluding highway disbenefits	0.84
Cost per Job	N/A	

Non-Monetised Benefits:

Non-Quantified Benefits	Improved sustainable connectivity and access to employment sites likely to increase city centre activity and viability.
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Value for Money Statement

Taking consideration of the monetised and non-monetised benefits and costs, and the uncertainties, does the scheme represent value for money?

Without more analysis of wider impacts, the BCR is poor even if highway disbenefits are ignored (which would be a reasonable decision given the large car volume (~12,000 per day and the very small time disbenefits per vehicle over 60 years). Sensitivity analysis has been undertaken based on an increase / decrease of 25% to cycling and walking uplift. The BCR ranges from 0.71 (25% decrease in walking and cycling uplift from core scenario) to 0.96 (25% increase in walking and cycling uplift from core scenario). Arguably (with evidence), some “sticks” as well as “carrots” are necessary to encourage more active travel.

5. RISK

What are the most significant risks and is there evidence that these risks are being mitigated?

The top 5 risks are listed as:

Risk	Mitigation	Owner
1. Risk that co-ordination between TCF and AT programme does not work. Probability: 50% Estimate:£ 116,666	Continued liaison with SYMCA. Feedback to TCF Programme Board and escalation within SYMCA should a 'logjam' occur.	RMBC

2. Unforeseen utility works <i>Probability: 50%</i> <i>Estimate: £ 87,500</i>	Timely issue of NRSWA notices. Continuous review of utility locations supplemented with trial pits at critical locations and ground penetrating radar surveys during works lead in. Seek to design out need of diversions as far as practicable.	RMBC
3. Works cost not market tested <i>Probability: 30%</i> <i>Estimate: £ 45,000</i>	Development of design with updated cost plan produced at each gateway	RMBC
4. Cost of materials and fuel increases beyond predicted levels <i>Probability: 90%</i> <i>Estimate: £ 37,500</i>	Agree prices in advance where possible but ensure they are realistic and allow for instability in the economy	RMBC/Contractor risk allocation in contract
5. Material supply issues due to current supply instabilities in the industry <i>Probability: 90%</i> <i>Estimate: £ 37,500</i>	Order materials as far in advance as possible	Appointed Contractor

Do the significant risks require any contract conditions? (e.g. clawback on outcomes)

No.

Are there any significant risks associated with securing the full funding for the scheme?

No – 100% funding is from SYMCA, other than ongoing maintenance costs which will be funded by RMBC Highway Maintenance budget.

Are there any key risks that need to be highlighted in relation to the procurement strategy?

Final tenders are yet to be received so there is still an element of cost risk. Cost certainty is listed as being 75%. A preferred contractor will be selected following a competitive tendering exercise managed by RMBC using the YorCivils framework. Tendering is underway and a preferred bidder identified in time for publication of papers for the MCA Board meeting in January 2023. Cost risk is mitigated by the fact that estimates have been based on detailed design drawings and estimated by an RMBC Quantity Surveyor using a bill of quantities format (NEC Option B) and a standardised method of measurement.

6. DELIVERY

Is the timetable for delivery reasonable?

Yes, key dates are: funding secured by Jan 2023, scheme commencement by Feb 2023 and scheme open to public by Mar 2024.

Is the procurement strategy clear with defined milestones?

Yes – the procurement strategy will be via a competitive tendering exercise managed by RMBC using the YorCivils framework. The preferred bidder is expected to be identified over winter22.

What is the level of cost certainty and is this sufficient at this stage of the assurance process? Has the promotor confirmed they will cover any cost overruns?

Cost certainty is 75%, A risk allowance of £498k has been included which is considered appropriate. There is also an allowance for inflation of £75k.

In respect of cost overruns, the applicant states that RMBC may seek to go through the change control process. It is also noted that the Council accepts responsibility for ongoing maintenance and operational costs which will be included in the Council's highway maintenance budget.

It is stated that a refined cost will be prepared based on the completed detailed design and agreed price with the appointed contractor prior to final board approval of the FBC.

A condition of FBC approval is that costs should remain within the total budgeted amount of £3.575m.

Has the promoter demonstrated clear project governance and identified the SRO? Has the SRO or other appropriate Officer signed of this business case?

Yes, the SRO is identified as the Strategic Director Regeneration and Environment. The relevant person has been named in the sign off box although a signature has not been provided. The applicant has set out clear project management and governance arrangements as required.

The FBC will need to be signed prior to contracting.

Has public consultation taken place and if so, is there public support for the scheme?

Yes. Between OBC and FBC stages, a public consultation has been undertaken with 34% of respondents indicating they would utilise cycle modes as a consequence of the proposed scheme. This value rose to 39% when focusing on respondents from the local area. The greatest proportion of people indicating they would cycle more were already cycling (69%), 21% of responding motorists and 38% of local residents (excluding those directly fronting the route) indicated they would cycle more as a consequence of the scheme.

Are monitoring and evaluation procedures in place?

Yes, the applicant has provided a clear monitoring and evaluation plan in appendix 6.

7. LEGAL

Has the scheme considered Subsidy Control compliance or does the promoter still need to seek legal advice?

State Aid is not applicable to the scheme.

8. RECOMMENDATION AND CONDITIONS

Recommendation	Approve and proceed to contract
Payment Basis	Defrayal

Conditions of Award (including clawback clauses)

Approved with the following conditions:

- Tender prices being within budget.
- FBC signed by relevant officer.
- Monitoring of the Clifton Road junction should be included as a contract condition.
- Confirmation of Development Costs already claimed and to be deducted from total request
- Confirmation from DfT allowing ATF2 programme to be extended
- The promotor will supply a revised legal appraisal of Subsidy Control taking in to account the Subsidy Control Act 2022 coming into force.