



## Assurance Summary

### Scheme Details

|                            |                              |                          |            |
|----------------------------|------------------------------|--------------------------|------------|
| <b>Project Name</b>        | O0050 Sheaf Valley Route OBC | <b>Type of funding</b>   | Grant      |
| <b>Grant Recipient</b>     | SCC                          | <b>Total Scheme Cost</b> | £2,300,000 |
| <b>MCA Executive Board</b> | TEB                          | <b>MCA Funding</b>       | £2,300,000 |
| <b>Programme name</b>      | ATF2/Gainshare               | <b>% MCA Allocation</b>  | 100%       |

### Appraisal Summary

#### Project Description

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

The applicant seeks funding for a 4.2 km Active travel route in the highway between Sheaf Quay and Norton. The following elements are required:

|                                  |       |
|----------------------------------|-------|
| Segregation                      | 400m  |
| New controlled crossing          | 2 No. |
| Improved controlled crossing     | 4 No. |
| Improved uncontrolled crossing   | 1 No. |
| Point closure - new              | 2 No. |
| Point closure - relocated        | 1 No. |
| Point closure - upgraded         | 1 No. |
| Track widening                   | 200m  |
| Parking restriction              | 1780m |
| Bus gate                         | 1 No. |
| Junction improvement/Remodelling | 1 No. |
| 20mph area                       | 1     |

In addition, several minor interventions are also proposed to create Active Neighbourhoods (funded separately through ATF) that seamlessly link into the main arterial cycle route – e.g. point closures.

However, the description in 3.10 is *“... route is a series of scalable interventions that bring the route up to international best practice standard. Approximately 14 interventions along the route will enable safer walking and cycling: ranging from widening a dropped kerb to complete junction remodelling. Interventions are ranked based on impact.”* The use of the word “scalable” indicates a lack of clarity as to the scope and therefore cost and impact of the proposal. More development work is required.

#### Strategic Case

*Scheme Rationale*

*Does the scheme have a clearly stated rationale and provide a strong justification for public funding?*

**Yes.** In 3.1 the applicant provides a clear rationale for the project, relating to the ability of active travel infrastructure to support behaviour change and drive non-transport benefits to society. It references the complementarity of the proposals to other schemes and developments.

|  |   |  |   |
|--|---|--|---|
| Strategic policy fit   | <p><i>How well does the scheme align with the strategic objectives of the SEP and RAP?</i><br/> <i>In 3.2 the applicant describes how the proposed scheme aligns with the SCR SEP, and the SCR Transport Strategy. It links the schemes outcomes to the objectives contained in these.</i></p>  |  |   |
| Contribution to Carbon Net Zero  | <p><i>Does this scheme align with the strategic objective to achieve Carbon Net Zero?</i><br/> <b>Yes.</b> Small reductions are likely to be critical in terms of current levels that over the urban area are at the legal limit for NOx and particulates</p>   |  |   |
| SMART scheme objectives  | <p><i>State the SMART scheme objective as presented in the business case.</i><br/> Short term</p> <ul style="list-style-type: none"> <li>• Increase the use of existing and planned pedestrian and cycling facilities in the city centre</li> <li>• Improve the cycling environment that is safer for both walking and cycling to replace journeys made by car;</li> <li>• Improve access to key city centre destination for all modes including walking and cycling</li> <li>• Improve access to the Lower Don Valley employment zone (when combined with TCF AMID- city centre scheme)</li> </ul> <p>Long term</p> <ul style="list-style-type: none"> <li>• To create a cultural shift towards making cycling and walking the natural choice for shorter journeys</li> <li>• That this route will form part of a local area network linking into the Nether Edge TCF and ATF proposals, and creating a longer much improved active travel route when combined with City Centre, HZN and AMID proposals. Ultimately forming a key piece of the citywide network so that all destinations within the city are accessible and safer by bike or foot.</li> <li>• To improve air quality and environmental impacts within city centre</li> </ul> <p><i>Is there a 'golden thread' between the strategic objectives (see 3.2) and the scheme objectives (see 3.8)?</i><br/> <b>Yes</b> – the number of cycling and car trips along the route will be expected to change in response and this will be measured by means of counts and surveys.</p> |  |   |
| Options assessment   | <p><i>Is there a genuine Options assessment and is there a clear rationale for the selection of short-listed options and the choice of the Preferred Way Forward?</i><br/> <b>No.</b> It is not clear that all options were considered at the time the preferred option was defined and screened against non-engineering criteria adequately before selection of the preferred option; as no public consultation has occurred this is unlikely. However</p>   |  |   |
| Statutory requirements and adverse consequences  | <p><i>Does the scheme have any Statutory Requirements?</i><br/> TROs only<br/> <i>Are there any adverse consequences that are unresolved by the scheme promoter?</i><br/> <b>Yes.</b> In addition to “normal” levels of traffic disruption, severance, noise and emissions during construction (“for a scheme of this type”) route re-assignment and parking displacement are likely to occur with the scheme in place, although this is likely to be short term in duration based on experience elsewhere. The applicant has committed to monitoring these impacts with cycle and traffic counts and surveys of parking and speed.</p>   |  |   |
| <b>Value for Money</b>   |   |  |   |
| Core monetised Benefits  | <p><i>[Core BCR – table 4.22]</i><br/> <b>2.4</b></p>   | Non-monetised and wider economic benefits  | <p><i>[Values/description – supplementary form]</i><br/> <b>Supplementary form states environmental impacts “neutral” No wider impacts.</b></p> |
| <p><i>In your view do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i><br/> This is acknowledged to only relate to £2m-worth of the concept scheme and the uplifts used are based on evidence that is not appropriate. Costs are below the level of certainty expected at OBC and this, together with any reduction in demand uplifts, will potentially impact the BCR detrimentally.</p> |   | <p><i>Do the key assumptions and uncertainties present any significant risks to achieving the value for money?</i><br/> An EIA has not been conducted, but applicant prepared to do so for the FBC. The need for this will depend on the likely impacts of the final scheme.</p> |   |
| <b>Value for Money Statement</b>   |   |  |   |

*Taking into consideration the monetised and non-monetised benefits and costs, does the scheme represent good value for money?*

**Yes**

**Risk**

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

| <b>Risk</b><br><i>[State the risk and identify both its probability and impact on a scale of high-medium-low]</i>  | <b>Mitigation</b><br><i>[State how you will mitigate the risk]</i>   | <b>Owner</b><br><i>[State who is responsible for mitigating this risk]</i> |
|--|--|--|
| 1. Traffic management restrictions result in a delivery programme which cannot be accommodated within the funders timescales.  | Early consultation with Traffic management team. Share draft programme with stakeholders to understand potential impacts and update programme. | Project lead / team  |
| 2. Unusual design features (i.e. segregation etc.) may result in concerns raised in the Road Safety Audit; create design difficulties or result in reluctance in adoption of the works under the PFI. i.e. Dutch style roundabout. May result in protracted negotiations which delay sign off of the designs. May result in design revisions, impacting on budget and programme. | Identify and flag up areas of potential concern with stakeholders at the earliest opportunity.   | Project lead / team  |
| 3. Unexpected Utilities' costs. Risk of delay and cost over run.   | C2, C3 and C4 stats estimates. GPR survey if deemed necessary by appointed contractor. Use of trial holes of appropriate.                      | Project lead / team  |
| 4. Cost estimations exceed budget. Impact on scope and deliverability. Programme delays.   | Ensure cost estimates are robust and reflect latest data re market rates. Review scope of project  | Project lead / team  |
| 5. Insufficient access to materials and resources. Competition from other projects being delivered locally through TCF, HOTC2, etc. Impacts of Brexit, Covid 19 on workforce and availability of materials. Project delays. Social distancing impact on carrying out construction, causes delays.  | Monitor and assess impact on programme. Consider in cost plan. Broaden supply chain  | Project lead / team  |

There is **no QRA** accompanying the bid and a flat 25% has been applied

*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 of the scheme?*

**No.**

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

**No**

**Delivery**

*Is the timetable for delivery reasonable and has the promoter identified opportunities for acceleration?*

**Yes** although are “hopeful” and likely to change at FBC.

*Is the procurement strategy clear with defined milestones?*

**Yes.** The procurement strategy is described at Section 5.1, and is clear. *“In this case the tender will be negotiated with a single developer - Amey LG. The works will be covered through the framework agreement of the Council’s Highway None Core Contract. “*

Dates relating to procurement has been added in 7.1, addressing the assessor’s comments.

*What is the level of cost certainty and is this sufficient at this stage of the assurance process? Has the promoter confirmed they will cover any cost overruns without reducing the benefits of the scheme?*

**60%**. The applicant has not committed to covering cost overruns without reducing the scope of the scheme. To some extent the scheme (and benefits) is scaleable, as stated in Section 6.5 *“.To allow for any changes that may be required as a result of the community consultation costs were broken down into interventions with a 25% risk allowance provided on the overall costs”*

*Has the promoter demonstrated clear project governance and identified the SRO?*

**Yes.** The organogram has been updated to provide more clarity

*Has the SRO or other appropriate Officer signed off this business case?*

**Yes**

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

No

*Are monitoring and evaluation procedures in place?*

**Yes.**

### **Legal**

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

**Yes, No.**

## **Recommendation and Conditions**

|   |          |
|---|----------|
| <b>Recommendation</b>   | Approved |
| <b>Payment Basis</b>  | Defrayal |
| <b>Conditions of Award (including clawback clauses)</b>   |          |
| <ul style="list-style-type: none"><li>• An updated QRA</li><li>• A legible organogram</li></ul> |          |

