

Connected Leicester Hub and Spoke Plan

**Transforming Cities Fund
Full Business Case**

**Saffron Lane and Aylestone Road
Green Growth Corridor**

November 2021

Background

During the period 2018 to 2019 Leicester City Council, supported by Leicestershire County Council, took part in a competitive process to bid for Transforming Cities Funds to improve transport in Central Leicestershire.

In 2019 DfT awarded £7.8M of Tranche 1 funding to deliver three walking and cycling schemes and a scheme to deliver electric buses on the Birstall Park and Ride service. Oversight and assurance of these schemes was undertaken by the DfT, and delivery began in 2020/21.

In 2020 an award of Tranche 2 funding of £32.5M was made to our local TCF board who are responsible for Governance including providing the oversight and assessing the final scheme packages through a Local Assurance Framework.

This award was made based on a programme Strategic Outline Business Case (SOBC)¹ which was submitted to Department for Transport (DfT) in November 2019. This set-out how the delivery of our proposed schemes across four cross-cutting themes would improve sustainable transport in Central Leicestershire and meet both the TCF and Local objectives of strengthening the economy, supporting growth, reducing harmful emissions and carbon.

Since being awarded the funds the City Council has been developing and delivering a design and delivery programme that will meet the ambitious TCF delivery targets as well as ensuring that traffic is effectively managed during the construction phases with diversionary and alternative arrangements in place. Due to the COVID pandemic, this programme has had to include the additional pressures of delivering Emergency Active Travel schemes that support social distancing as well as accelerating some elements on the TCF schemes to provide improved infrastructure for walkers and cyclists.

Given the importance placed by Government in delivering infrastructure within the originally agreed funding window, it has been necessary to adjust the phasing of scheme delivery in order to minimise traffic management issues and bring forward schemes that were originally scheduled for later in the programme. This has resulted in certain elements being moved between schemes to make delivery more efficient. In addition, it has been necessary to split a number of the schemes into smaller work packages which are to be designed and delivered in phases. This allows us to complete the detailed final design and undertake the necessary consultations whilst following appropriate procurement processes. The programme is being effectively managed and tracked by the programme manager to ensure the programme is delivered to time and budget.

This Business Case presents the case for delivering the Cor17 Saffron Lane and Cor18 Aylestone Road Green Growth Corridor Scheme.

¹ *Connected Leicester – Hub and Spoke Plan, Submitted to DfT November 2019*

Declarations

Senior Responsible Owner Declaration

As Senior Responsible Owner for this scheme I hereby submit this request for approval to TCF Board on behalf of Leicester City Council and confirm that I have the necessary authority to do so.

The scheme has been developed in accordance with the TCF Local Assurance Framework.

I confirm that Leicester City Council will have all the necessary resources in place to manage the delivery of the programme and that statutory powers in place to ensure the planned timescales in the scheme can be realised.

That a Monitoring and Evaluation Programme has been approved in line with the requirements of the Local Assurance Framework and the TCF National Evaluation Programme.

Name: Andrew L Smith

Signature & Date:

Position:

Director of Planning, Development and Transport



13/12/21

D2. Declaration of a Senior Finance Officer

I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Leicester City Council

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution;
- accepts responsibility for meeting any costs over and above the DfT contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties;
- accepts responsibility for meeting any ongoing revenue and capital requirements in relation to the scheme;
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested and that no DfT funding will be provided after 2022/23;

Name: Amy Oliver

Signature and Date:



9/12/21

Executive Summary

Cor17 Saffron Lane and Cor18 Aylestone Road Green Growth Corridor Schemes.

Costs and Funding:

£	2020/21	2021/22	2022/23	TOTAL
Total Scheme Cost Saffron Lane Phase 1:	20	770	180	970
DfT (TCF) funding contribution:	20	711		731
Local public sector contribution:		59	180	239
private contribution:				
Total Scheme Funding Saffron Lane Phase 1:	20	770	180	970
Total Scheme Cost Aylestone Road:	39	250	2262	2551
DfT (TCF) funding contribution:	39	250	689	978
Local public sector contribution:			1,077	1,077
Local public sector contribution (Business Rates):			146	146
Private Contribution (S106)			160	160
Private Contribution (S278)			190	190
Total Scheme Funding Aylestone Road:	39	250	2262	2551

Project Description

The ambition of the TCF programme is to double the number of cyclists in the City and to increase bus use by between 5% City wide and 10% on demonstration bus (Green Growth) corridors.

To support this goal, this scheme will deliver walking and cycling infrastructure improvements along Saffron Lane and Aylestone Road, one of the major arterial corridors into Leicester.

The Saffron Lane part of the scheme will deliver:

- links into the Putney Road Scheme (the Putney Road Scheme provides new vehicular access from Putney Road to Aylestone Road)
- resurfacing 400m of footways on both sides of Saffron Lane between Aylestone Road and Hawkins Road
- 400m of segregated uni-directional cycling facilities in each direction between Aylestone Road and Hawkins Road
- installation of a new 3m cycle path, 270m in length, through the Aylestone Recreational Ground
- widening of entrances and installation of bollards at Aylestone Recreational Ground

The Aylestone Road part of the scheme will deliver:

- links into the Putney Road Scheme (scheme provides new vehicular access from Putney Road to Aylestone Road)
- 830m of segregated cycleway on Aylestone Road between Putney Road and Welford Road
- improvements to the crossing at Welford Road/Aylestone Road junction
- short length of segregated cycleway on Welford Road to tie-in with the TCF1 Lancaster Road scheme

- carriageway on Aylestone Road narrowed in places and reduced from three lanes to two lanes, between Almond Road and Walnut Street, to accommodate the new cycleway, widening of the traffic island at Almond Road
- speed hump at the entrance road to Freemans Common retail park to facilitate a level crossing for cyclists and pedestrians. The adjacent service exit road to be closed to accommodate the cycleway and footway along Aylestone Road
- crossings upgraded to Toucan crossings
- cycleway realigned to facilitate better cycling experience

The outputs are primarily targeted at cyclists who will be provided with LTN1/20 compliant segregated cycleways between the City Centre and the approaches to Aylestone Village. Pedestrians will also benefit from the higher quality infrastructure and the segregation from cyclists. The scheme will lead to an increased number of active trips being taken, especially during commuting hours

The Benefit Cost Ratio is estimated at 3.49. This is classified as High Value for Money and is expected to produce a benefit of £3.49 for every £1 invested.

The impact of this scheme is expected to include:

- Daily increase of 631 cycle trips
- Daily increase of 70 walk trips
- Health benefits from increased levels of exercise leading to increased health and reduced mortality rate.
- Annual reduction in absenteeism due to poor health 295 days
- Annual reduction in car traffic of 91,263 veh-km

Value for Money Statement

this scheme will provide infrastructure improvements for cyclists and pedestrians along Saffron Lane and Aylestone Road, one of the major arterial corridors into Leicester.

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The Central Benefit Cost Ratio (BCR) is estimated at 3.49 with PVB at £9.3M, PVC at £2.7M and NPV at £6.6M in 2010 prices. This is classified as High Value for Money.

The BCR is determined from monetised benefits only and has not been adjusted to account for non-monetised benefits. These monetised benefits primarily relate to:

- Health benefits from increased levels of exercise leading to increased health and reduced mortality rate,
- Reduced levels of absenteeism due to increase health of the workforce,
- Reduced levels of delay and congestion due to mode shift from car to sustainable modes,

A series of sensitivity tests have been undertaken to determine the benefits of the scheme, including the scenario in which phase2 of the Saffron Lane scheme is also delivered.

The analysis shows that in all cases the BCR remains at or above 2 and provides a high BCR.

- **Core Scenario:** Aylestone Road & Saffron Lane Phase 1
- **Sensitivity test 1:** As Core + Saffron Lane Phase 2
- **Sensitivity test 2:** As core with lifetime of the infrastructure assumed to be 20 years rather than 30 years.
- **Sensitivity test 3:** As Core but assumes the optimism bias increases from 20% to 44%. This reflects a situation where there is a greater uncertainty in the benefits that might be derived from this scheme
- **Sensitivity test 4:** As core but assumes that the benchmarking determined from the CWIS study resulted in half the benefits being realised. This would correspond to a benefit of £40 per new active trip compares to the £20 used in the core scenario