

Date: 29 March 2019

Subject: GMCA Local Growth Deal (1, 2 and 3) - Six monthly Transport Progress Update

Report of: Andy Burnham, Mayor of Greater Manchester, Portfolio Lead for Transport, Councillor Richard Leese, Deputy Mayor and Portfolio Lead for Business and Economy and Eamonn Boylan, Interim Chief Executive, TfGM

PURPOSE OF REPORT

To provide the Combined Authority with an update on the latest position in relation to the Local Growth Deal Transport Programme (Tranches 1,2 and 3) following on from the last update in September 2018.

RECOMMENDATIONS:

Members are recommended to:

- i. Note the current position in relation to the Growth Deal Major Schemes programme;
- ii. Note the proposed governance approach for SBNI and Oldham Town Centre Regeneration schemes;
- iii. Note the current position in relation to the Growth Deal Minor Works and Additional Priorities programmes; and
- iv. Approve the funding of up to £1 million advance utility works for the Gt Ancoats Street Major Scheme, by way of grant to Manchester City Council, under the arrangements as set out in paragraph 3.9.

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Comments and/or recommendation from the relevant Overview & Scrutiny Committee

Risk Management – see paragraph 4.3

Legal Considerations – see paragraph 4.1

Financial Consequences – Revenue – see paragraphs 4.1, 4.2 and 4.3

Financial Consequences – Capital – see paragraphs 4.1, 4.2 and 4.3

BACKGROUND PAPERS: None

TRACKING/PROCESS		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution		Yes
EXEMPTION FROM CALL IN		
TfGMC	Overview & Scrutiny Committee	
No	No	

1 INTRODUCTION

- 1.1 The Local Growth Deal announcements made by Government in July 2014, January 2015 and November 2016 confirmed capital funding for Greater Manchester in relation to a programme of Major Schemes, Minor Works and Additional Priorities. (Growth Deal 1, 2 and 3).
- 1.2 This report provides an update in respect of the current position on, and recent progress in relation to, the various elements of the Growth Deal transport programme and seeks approval for arrangements to be made to provide funding for advance works on the Manchester City Council Gt Ancoats Street major scheme.

2. MAJOR SCHEMES OVERVIEW

- 2.1 As of February 2019, seven schemes have progressed through Full Approval and are now in delivery (either in their entirety or on a phased Full Approval basis); and a further six schemes have secured Conditional Approval and are now working towards the achievement of Full Approval. Two Growth Deal 3 Major schemes (Carrington Relief Road and Oldham Town Centre Regeneration) are still to progress through Conditional Approval. Since the last update the A5063 Trafford Road scheme has successfully progressed through Conditional Approval.
- 2.2 In addition, and in support of both the economic growth objectives of the wider Local Growth Deal Programme and Greater Manchester's residential development and wider socio-economic agenda, work continues with a number of stakeholders in relation to delivering complementary development in conjunction with the Growth Deal Interchanges schemes. Stockport Interchange is an example of this.
- 2.3 Scheme promoters are engaging with the GM Cycling and Walking Commissioner's team to ensure that schemes deliver the best possible outcomes for walking and cycling, as well as meeting Growth Deal objectives.
- 2.4 Since the last six-monthly update, good progress has been made. The Wigan Bus Station scheme has been completed and was opened to the public on 28 October 2018, two months ahead of schedule. Schemes currently under construction include Ashton Interchange, MSIRR Regent Road/Water Street, Wigan A49 Link Road, Stockport Interchange bridge and associated advance highway works, Stockport Town Centre Access Plan (TCAP) and elements of the Salford Bolton Network Improvements which are being delivered through a phased approach. In addition, procurement has commenced on the MSIRR Gt Ancoats Street and Rochdale M62 J19 South Heywood Area Wide Improvement schemes. Further detail is included in the individual scheme updates.

3. INDIVIDUAL SCHEMES UPDATE

- 3.1 Work to develop all of the Major Schemes within the Growth Deal programme has been continuing in recent months. A brief summary of the current position in relation to each of these schemes is provided below.

South Heywood Area Wide Improvements

- 3.2 The scheme was granted Conditional Approval in 2016 in line with the agreed Growth Deal governance arrangements. Following a public consultation exercise, Rochdale Council Planning Committee confirmed that they were minded to grant planning permission for the scheme in March 2018, and the application was not subsequently 'called in' by the Secretary of State. Section 106 and other planning agreements are currently being finalised between Rochdale Council, the Developer and landowners prior to the issuing of a planning decision notice. Procurement for the scheme commenced in January 2019 and a package of advance utility diversion works, located within the public highway and hence not requiring planning permission, is currently being developed with the intention of carrying out these works later this year, in advance of the main works.

Wigan Gateway A49 Link Road

- 3.3 Full Approval for the scheme was granted by GMCA in February 2018 in line with the agreed Growth Deal governance arrangements. The contract for the works was awarded in June 2018 and construction started on site in September 2018 and is currently progressing well. It is anticipated that the scheme will be completed in spring 2020.

Salford Central Station Additional Platforms

- 3.4 The scheme was granted Conditional Approval in June 2016 in line with the agreed Growth Deal governance arrangements. However, due to operational and timetable challenges, an optimal design solution could not be identified and, as a result, in September 2016 the GMCA approved a phased approach to delivery in order to maximise the benefits of the scheme.
- 3.5 TfGM and Salford City Council continue to work with the rail industry to develop the proposals for platform 3, 4 and 5. TfGM has undertaken a feasibility study to assess the potential to accommodate longer trains and, in conjunction with Salford City Council and Network Rail, has now identified the preferred infrastructure options to take forward to design. These options are now being progressed through the Network Rail Governance for Railway Investment Projects (GRIP) stage 3 (Option Selection).
- 3.6 Network Rail has advised that the design and delivery of the Network Rail renewal scheme on platforms 1 and 2 will be undertaken in the next investment period from 2019 to 2024, starting in spring 2019.

MSIRR Improvements – Regent Road / Water Street

- 3.7 Full Approval for the scheme was granted by GMCA in June 2018, in line with the agreed Growth Deal governance arrangements. The works which involve improvements to six major junctions started on site on 29 August 2018. The scheme was developed jointly by Manchester City Council and Salford City Council, with Manchester City Council being responsible for delivery of the works. The contractor, Dawnus, stopped works on 12 March when the contractor published a notice of intention to appoint administrators and contingency plans are being developed by MCC to restart the works as soon as possible. TfGM/MCC are working closely together on providing travel advice to enable the travelling public to make informed travel choices during the works.

MSIRR Improvements – Great Ancoats Street

- 3.8 The scheme was granted Conditional Approval in April 2018, in line with the agreed Growth Deal governance arrangements. Detailed design work is underway in preparation for Full Approval Business Case submission in summer 2019. Subject to obtaining the necessary approvals, start on site is currently scheduled for early 2020.
- 3.9 MCC is proposing to carry out some advance utility diversion works in summer 2019. This will de-risk the main contract by diverting the majority of services before the main contract commences on site in early 2020, and will help minimise disruption to the travelling public by carrying out the works in the summer period. In order to fund these works MCC has requested that they claim back the estimated £1 million cost of these works in advance of the scheme achieving Full Approval, at MCC's risk, and a recommendation relating to this is set out at the front of this report. This is proposed to be taken forward by means of contractual side letter, in advance of the relevant Delivery Agreement being entered into following the securing of Full Approval. Delivery of the advance utility works in summer 2019 will bring significant benefits in terms of minimising disruption and reducing the length of the main contract and it is recommended that the proposed advance funding arrangements as set out above are approved.

Wigan Gateway M58 Link Road

- 3.10 The scheme was granted Conditional Approval in February 2018, in line with the agreed Growth Deal governance arrangements. Full planning permission was granted in May 2018 and detailed design is currently underway along with associated work related to obtaining the necessary powers and consents for the scheme. A Full Approval Business Case is scheduled to be submitted in late 2019 once the necessary powers and consents have been obtained.

Wigan Bus Station

- 3.11 Following the completion of the necessary advanced works and the securing of Full Approval, a main contractor was appointed and works commenced on site in July 2017. The bus station was brought into full operational use and opened to the public on 28 October 2018, two months ahead of schedule. Initial feedback from passengers has been positive and customer satisfaction surveys will be carried out in spring 2019.
- 3.12 A parallel initiative is also being progressed in conjunction with Wigan Council to explore potential development opportunities which might be appropriate for construction adjacent to the core transport infrastructure, potentially in conjunction with the formation of a new pedestrian access.

Stockport Town Centre Access Plan

- 3.13 The Stockport Town Centre Access Plan (TCAP) is one of a small number of large and / or complex Local Growth Deal schemes nationally for which Ministers decided that DfT should retain approval oversight.
- 3.14 The scheme is being delivered in three phases and Full Approval is now in place for all phases of schemes.
- 3.15 All TCAP projects are being delivered under Stockport Council's STaR (Stockport Trafford and Rochdale) Alliance Framework, with the exception of one scheme at Travis Brow. The value and nature of the Travis Brow scheme required it to be procured through alternative arrangements and this was awarded through the Highways England Collaborative Delivery Framework in autumn 2017.
- 3.16 Works for the TCAP programme as a whole commenced on site in April 2015 and to date, 31 works packages have been completed and construction is progressing well on a further 6 works packages. A final set of 10 works packages are currently in development. All works packages will be completed by the end of March 2021.

Ashton Interchange

- 3.17 Following the undertaking of a comprehensive public consultation exercise in August and September 2015, Planning Consent was granted in February 2016. Full Business Case Approval for the scheme was granted by the GMCA in 2017, in line with the agreed Growth Deal governance arrangements. Works commenced on site in summer 2018, and are progressing well, with the new facility expected to open in spring 2020.

Stockport Interchange

- 3.18 Conditional Approval for the scheme was granted in November 2015, in line with the agreed Growth Deal governance arrangements.
- 3.19 A comprehensive joint Stockport Council/TfGM public engagement exercise on the proposals for both the Interchange and Stockport TCAP Phase Two works was undertaken in November and December 2015.
- 3.20 As previously reported, and endorsed by the GMCA meeting in June 2018, work has progressed to develop the design for the Interchange, together with the inclusion of residential development and public green space above the Interchange. A planning application was submitted in autumn 2018, encompassing the interchange and these complementary initiatives. This application is due to be considered at the meeting of Stockport Council's Planning Committee scheduled for 21 March 2019.
- 3.21 In parallel work is progressing on developing the Full Approval Business Case which is scheduled to be submitted in summer 2020.
- 3.22 In order to mitigate project risk a decision was taken to progress the Stockport Interchange Bridge and associated highway works through Stockport Council, as advanced works packages for the main Interchange scheme. Planning Approval for the bridge was granted in October 2016, Full Approval was subsequently obtained from GMCA in July 2017 and a contract to design and construct the bridge was awarded in October 2017. The new bridge has now been completed, and the associated highway works to tie into the surrounding infrastructure are currently underway with overall completion due in summer 2019.

Salford Bolton Network Improvements

- 3.23 Conditional Approval for the scheme was granted in February 2016, in line with the agreed Growth Deal governance arrangements. Subsequent to Conditional Approval the programme has been split into a number of Delivery Packages which have been/will be subject to separate Full Approval submissions.
- 3.24 Following Conditional Approval, the following interventions in Bolton have been completed: Delivery Package 1: Raikes Lane; Delivery Package 2 Loxham Street/Green Lane/Manchester Road; Delivery Package 3: Higher Market Street / Longcauseway; Delivery Package 4: Farnworth Bus Facility and Town Centre Improvements and Delivery Package 7: Bus Stop upgrades. All of these schemes have improved vehicle capacity and passenger journey times through the junctions and have also enhanced pedestrian and cycling facilities and bus passenger waiting facilities.

- 3.25 TfGM and Bolton Council are now looking to utilise savings achieved through the delivery of the Bolton SBNI schemes to date to bring the Council's priority reserve scheme, Delivery Package 5: Manchester Road Gateway, back into scope. In addition consideration is also being given by the Council as to what other schemes could be delivered, including improvements to Kearsley Roundabout. These schemes would need to be formally accepted into the SBNI Programme through the appropriate governance mechanisms agreed as part of the establishment of the Growth Deal Programme.
- 3.26 Following Conditional Approval, Salford Delivery Package 1: Walkden and Pendleton has been completed. Work continues on Delivery Package 5: Bus Stop upgrades which is expected to be completed in spring 2019. Delivery Package 3: A666 and Delivery Package 4: Pendleton are in the advanced stages of design development and are expected to start on site during winter 2019 following the securing all of necessary powers & consents and Full Approval. These schemes have improved vehicle capacity and passenger journey times through the junctions and have also enhanced pedestrian and cycling facilities and bus passenger waiting facilities.
- 3.27 Schemes at Walkden and Swinton town centres due to be delivered as part of Salford Delivery Package 2: A6 are currently under review. This follows the emergence of the A6 as Salford City Council's key route for cycling as identified as part of the recent GM wide engagement on cycling by TfGM and the Cycling and Walking Commissioner.
- 3.28 With the exception of Salford Delivery Package 5 Bus Stop upgrades, the majority of the Bolton and Salford delivery packages have been submitted to GMCA for Full Approval via Growth Deal Major Scheme Governance arrangements. The Growth Deal Minor Scheme Governance arrangements were however successfully utilised for Salford Delivery Package 5, given the value and low risk nature of the scheme. As each of the future delivery packages is under the £5 million threshold for the Major Scheme approvals route, the Growth Deal Minor Scheme Governance arrangements will be adopted for the remaining schemes within the SBNI programme. As such it is proposed that from now on these approvals are delegated to the GM Transport Strategy Group in line with the agreed Growth Deal Minor Scheme Governance arrangements, with approval for expenditure being brought to the next GMCA meeting for all schemes over £0.5 million.

Metrolink Service Improvement Package

- 3.29 Following the granting of Full Approval for this package of works in summer 2014, all of the trams have now been delivered with the last tram brought into operational use in October 2016. With regards to the supporting infrastructure works associated with this package of improvements, the new wheel lathe has now been installed in the Trafford depot and the new substations are now operational. Work to install a new turnback at Sale is scheduled for autumn 2019.

A5063 Trafford Road Improvements

- 3.30 Conditional Approval for the scheme was granted in December 2018, in line with the agreed Growth Deal governance arrangements. Design work is progressing which will include enhanced cycling and walking provision, the additional cost of which has been the subject of a successful bid to the Mayor's Challenge Fund, achieving programme entry status. Engagement with key stakeholders is also underway.

Carrington Relief Road (Spur Extension)

- 3.31 Trafford Council is developing the programme for this scheme and plan to submit a Conditional Approval Business Case for consideration in spring 2019. Trafford Council is working with a private sector partner to deliver these improvements as part of a wider scheme.

Oldham Town Centre Regeneration and Connectivity

- 3.32 Oldham Council is currently developing the programme for this Growth Deal 3 scheme and plan to submit a Conditional Approval Business Case for consideration in summer 2019. The programme is made up of a series of minor highway and public realm enhancement projects, each with a value of less than £5 million. Therefore, as the intention is to deliver these projects through a phased approval and delivery approach and each of the projects is under the £5 million threshold for the Major Scheme approvals route, it is proposed that the Full Approvals for each project are delegated to the GM Transport Strategy Group in line with the agreed Growth Deal Minor Scheme Governance arrangements, with approval for expenditure being brought to the next GMCA meeting for all schemes over £0.5 million.

4. MAJOR SCHEMES – FINANCIAL UPDATE

- 4.1 Claims for the reimbursement of expended costs from scheme promoters are being processed on an ongoing basis, in line with the agreed Major Schemes Capital Programme Guidance.
- 4.2 The previously approved arrangements for the cash flow of development work by scheme promoters are being kept under regular review and the quarterly Capital Expenditure Updates to the GMCA provide ongoing expenditure information in relation to these costs.
- 4.3 The monitoring of the financial position on the Growth Deal programme which takes places on an ongoing basis has identified a number of schemes with projected potential savings or overruns against the original budget. As the GMCA's Local Growth Deal budget is fixed, the ultimate cost risk is borne by the relevant scheme promoter, which is either GMCA, for TfGM promoted schemes, or the relevant Local Authority. The agreed arrangements for dealing with these savings and cost overruns are being progressed, as set out in previous reports.

4.4 Work has continued with scheme promoters to ensure schedules and financial forecasts are regularly reviewed, and that challenges are identified and mitigated to ensure that spend forecasts remain within the Growth Deal funding period.

5. ADDITIONAL PRIORITIES AND MINOR WORKS

5.1 In general terms, the Minor Works initiatives are being delivered by the 10 GM Local Authorities and the Growth Deal “Additional Priority” initiatives are being delivered by TfGM.

5.2 The Minor Works programme represents a package of highways, public realm, cycling, walking and associated measures; with the identified interventions being very much focused on supporting economic growth.

5.3 As previously agreed, the governance arrangements for the Minor Works initiatives provide for the submission of Mini-Business Cases; with approval oversight of these Mini-Business Cases resting with the GM Transport Strategy Group (TSG) of senior transport officers, with approval for expenditure being brought to the next GMCA meeting for all schemes over £0.5 million.

5.4 Progress has been made in taking forward the GD1, GD2 and GD3 Minor Works programme. In relation to GD1, GD2 and GD3 Local Authority Minor Works, since the last update a further 4 mini-business cases have been submitted for review. TfGM continue to work with scheme promoters with a view to securing TSG approval of the remaining mini-business cases at the earliest opportunity.

5.5 As previously reported, the focus of the “Additional Priority” initiatives is centred around Rail / Metrolink passenger improvements, multi-modal ticketing, bus passenger facilities and highways key route network resilience.

5.6 A number of “Additional Priority” initiatives, in particular those related to Metrolink and Rail, have progressed to delivery stage. Full Funding Approval for 11 out of 16 GD2 and GD3 TfGM “Additional Priorities” schemes has been achieved. The remaining schemes are currently in development and progressing well.

5.7 Work has also continued to progress the TfGM Growth Deal 3 transport schemes which are subject to Growth Deal minor scheme governance arrangements, as set out below.

5.8 The KRN Traffic Control (SCOOT) and the KRN Traffic Control (MOVA) schemes are currently on site and forecast to be completed by March 2020.

5.9 The Bus Passenger Enhancements scheme to deliver a programme of bus stop accessibility upgrades in all ten Local Authority areas across Greater Manchester is in the final stages of development.

5.10 Design work is progressing on the Rail Station Enhancement schemes to enhance the existing Park & Ride facility and improve pedestrian access at Mills Hill Station; and to

deliver improved accessibility at Swinton Station, potentially in conjunction with Access for All funding. A decision on the Access for All funding bid is expected in April 2019.

6. RECOMMENDATIONS

6.1 Recommendations are set out at the front of this report.

Eamonn Boylan

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