

**A6 TO M60 RELIEF ROAD****Report of the Corporate Director for Place Management & Regeneration****1. PURPOSE OF REPORT**

- 1.1 Following a commitment by Cabinet to release the strategic outline business case for the A6 to M60 Relief Road once it was complete, this report provides an update on the status of the Strategic Outline Business Case for the A6 to M60 Relief Road and the required next steps to progress the scheme, including the financial implications and timescales of these steps.
- 1.2 A review of the Strategic Outline Business Case and the potential next steps was undertaken by Full Council on the 30<sup>th</sup> November, and Full Council resolved to recommend to Cabinet that a formal funding request be submitted to government to fund the next stage of business case development.

**2. INTRODUCTION**

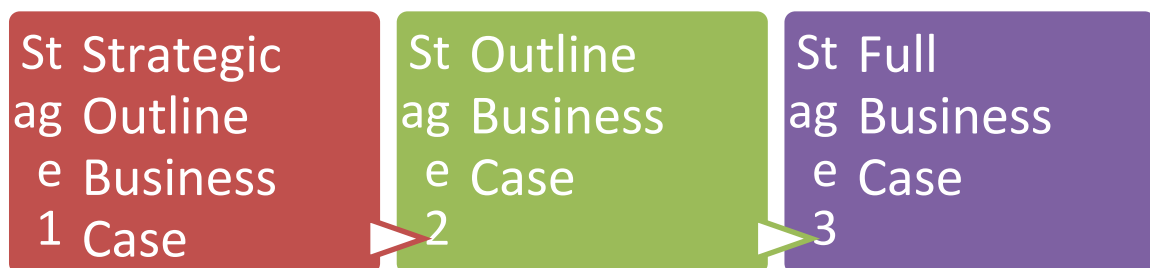
- 2.1 Following award of feasibility funding by the Department for Transport (DfT) in 2015, the Strategic Outline Business Case for the A6 to M60 Relief Road has been prepared on behalf of the Council, and initial feedback on the draft document has been received via Economy and Regeneration Scrutiny Committee and Cabinet meetings in November 2017.
- 2.2 The Council should now submit the completed Strategic Outline Business case to the DfT as original funders of the work. In addition, the DfT has recently confirmed there is currently an opportunity in June 2018 to submit for funding for large major schemes. Whilst the Council has completed the first phase (Strategic Outline Business Case), further work is needed to progress to the next stage of business case (Outline Business Case) in order for that submission for funding to be made. It is anticipated that £500k is required to undertake this next stage to progress to Outline Business Case stage. This would include a major public consultation exercise on the principles of the scheme alongside consultation on the draft SEMMM Strategy, further technical appraisals, and the production of an environmental scoping report. This further work would seek to address many of the concerns raised to date, including further analysis of the traffic modelling.
- 2.3 Confirmation of the potential opportunity to submit for large majors scheme funding in June 2018 means the Council needs to consider whether it wishes to progress to the next stage of business case development in preparation for June 2018. It is unclear when the next opportunity for funding would arise. At the Cabinet meeting in November, it was resolved that the decision on how to progress the scheme be referred to Full Council for consideration.
- 2.4 At the meeting of Full Council on the 30<sup>th</sup> November it was resolved that Cabinet be recommended to progress the next steps identified in Section 6 of the report,

including the submission of a formal funding request to government to fund the next stage of business case development.

- 2.5 On completion of the Outline Business Case, and prior to submitting to government for approval in June 2018, the Council will be required to confirm its commitment to the scheme, and identify resources to progress the scheme through to the final stage should Government funding for scheme construction be granted.
- 2.6 This paper sets out the potential next steps, the financial implications and timescales of these steps, and how these timescales align with the concurrent SEMMM Strategy Refresh process. At this stage, following the resolution at Full Council, this paper is not seeking approval for the scheme in totality but instead is recommending that funding be sought to progress the next stage of business case development.

### 3. CONTEXT AND BACKGROUND

- 3.1 Under the existing 2001 South East Manchester Multi-Modal Strategy and the emerging SEMMMS Refresh, the Council is pursuing a multi-modal transport strategy which includes a package of public transport, active travel and highway measures. When progressing this package of schemes, the nature of national transport funding means the Council has to be agile to be able to respond to opportunities for funding for different projects as and when they arise.
- 3.2 The original South East Manchester Multi-Modal (SEMMM) Strategy was adopted in 2001 and, as part of multi-modal transport programme of delivery, identified a series of highways schemes, including the A6 Manchester Airport Relief Road (A6MARR), Poynton Relief Road, and A6 to M60 Relief Road. In March 2015, the Government granted funding to the GMCA (on behalf of Stockport Council) to undertake a contemporary review of the case for the A6 to M60 Relief Road and produce a strategic outline business case for the scheme. Production of the strategic outline business case is the first stage in developing a major scheme of this kind.
- 3.3 The national transport funding landscape is fluid, with opportunities to bid for funding for different projects arising at different times. The DfT's Large Majors funding stream supports exceptionally large, potentially transformative local schemes that are too big to be otherwise taken forward within regular local growth scheme allocations. In order to progress a scheme for this funding, there are broadly three stages of progression as illustrated in Appendix 1, and in figure 1 below.



*Figure 1 – Three stages of business case development.*

- 3.4 In line with DfT guidance, completion of the strategic outline business case is the first phase of the decision making process for any major transport scheme, and further work is required to develop firstly the outline business case and then the full business case for the project. Each business case builds upon the last, and evidence is reviewed throughout the process to make sure it remains up to date, accurate and relevant.
- 3.5 Business cases for major transport schemes are built up over time and contain all the relevant information regarding a proposed scheme. Business cases are consistent with the 'Treasury Green Book' and set out whether a proposal:
- Fits with wider public policy objectives (the "strategic case")
  - Demonstrates value for money (the "economic case")
  - Is commercially viable (the "commercial case")
  - Is financially affordable (the "financial case")
  - Is achievable (the "management case")
- 3.6 It should be noted that completion of the business case stages and confirmation of DfT funding does not guarantee a scheme's delivery as all schemes will be required to secure planning approval, enact any required CPO powers, and confirm necessary Side Road Orders. The timescales for progressing from outline business case to construction is approximately 5 years.
- 3.7 The DfT has confirmed a potential opportunity in June 2018 to submit outline business cases for consideration as part of future major scheme funding programme. Schemes submitted for this round of development funding would likely be allocated central government funding for scheme delivery in the early to mid-2020s. The nature of national funding for major schemes means that it is not clear when a future opportunity after June 2018 would be.
- 3.8 Given these timescales, the Council needs to consider whether it wishes to progress to the next stage of business case development for the scheme in order to be able to retain the option of submitting a formal bid for large majors scheme funding in this funding cycle.

#### **4. CURRENT STATUS - STRATEGIC OUTLINE BUSINESS CASE**

- 4.1 Following award of funding from the Government, the Council has been reviewing the case for the scheme and developing a strategic outline business case in line with Department for Transport (DfT) guidance.
- 4.2 The strategic outline business case undertakes a comprehensive review of the strategic case for the scheme, including analysis of:
- Existing journey and congestion patterns in the area and how these patterns have changed since 2001
  - Future traffic trends, including forecasting of the impact of the opening of the A6MARR and known developments in the borough

- Modelling to explore the potential impact of the proposed scheme on future traffic in terms of journey times and congestion, including distributional impacts on the wider highway network
- Current road safety data and how the scheme could impact on road safety
- The potential impacts of the scheme on local ecology, landscape, townscape and water courses.
- The potential impact of the scheme on local air quality, greenhouse gas emissions, and noise
- The number of new jobs and changes in Gross Value Added (GVA) that may be expected to accrue as a result of the scheme

4.3 The strategic outline business case also examines the extent to which the specific problems identified in the original SEMMM Strategy could be addressed by the scheme, namely:

- Congestion problems along the A6 and in the district and local centres in Bredbury, Hazel Grove and Offerton, leading to delays to public transport and affecting accessibility
- Unsafe conditions for pedestrians and cyclists through busy urban areas along the extent of the south Manchester corridor, with all non-motorised transport users facing severance and problems of safely accessing education, employment and leisure facilities
- Poor connectivity along the south Manchester corridor, with a fragmented east-west highway network and lack of surface access to Manchester Airport, that acts as a barrier to accessing employment opportunities
- Congestion on the local and strategic network, with average peak hour vehicle speeds of less than 10mph on most of the highway network, and journey times that are longer than all other 'large' urban areas across the UK
- Poor environmental conditions in the district and local centres along the south Manchester corridor, with a number of locations designated as Air Quality Management Areas.

4.4 Based on the evidence, the strategic outline business case identifies that many of the problems identified in the original SEMMM Strategy still remain, and in many cases have worsened since 2001. The strategic outline business case suggests that, in summary, the A6 to M60 relief road scheme would:

- Allow road traffic to bypass the heavily congested routes to the M60 that presently pass through Hazel Grove, Stockport town centre, Offerton and Bredbury in both directions also bypassing local districts and centres.
- Improve access to M60 and strategic road network from south east Manchester, including improved route options for road freight traffic.
- Improve access to health care services at Stepping Hill Hospital
- Improve surface access to Manchester Airport and Airport City, including the opportunity for high standard orbital public transport connections from some of Stockport's more deprived communities
- Improve access to Stockport Town Centre via the A6 for both buses and car through reduced travel times
- Improve highway network resilience across south east Manchester and improved ability to respond and manage accidents and incidents

- Reduce traffic volumes and associated delays through Stockport Town Centre and local centres, particularly along the A6 corridor, with subsequent benefits to local environmental quality and road safety.
- Improve safety and wellbeing by encouraging more people to utilise active travel modes using the new dedicated cycling and pedestrian infrastructure which would be delivered as part of the scheme.
- Provide a benefit-cost ratio (BCR) of 4.07, which can be categorised as representing very high value for money (VfM).

#### 4.5 However, the strategic outline business case also identifies that:

- The majority of ecological receptors within 2km of the scheme are likely to be subject to adverse impacts, and this would include impact on protected species. The strategic outline business case also notes that the detail and extent of the scheme's impacts cannot be fully assessed until further ecological assessments, including site surveys, have been conducted.
- The scheme would introduce a major new road and traffic into areas of relatively tranquil countryside in the river valleys landscape character areas, which are of recognised quality and value. The scheme would have a negative effect on landscape character areas, both in terms of character and visual amenity, and mitigation of the environmental impacts of the scheme would be necessary to protect and enhance the distinctive attributes of the rural landscape adjoining the scheme.
- The scheme would have an adverse impact on views and visual amenity for properties adjacent to the scheme and new planting along the highway boundary would be necessary to mitigate this.
- The proposed scheme has the potential to impact 3 Grade II listed buildings, one Grade II Registered Park and other non-designated assets.
- For NO<sub>2</sub>, c.28,000 properties would experience an improvement in air quality, although c.7,000 properties would experience deterioration in air quality
- There would be an increase in noise along those roads anticipated to have an increase in traffic, although noise would reduce along those roads benefitting from a reduction in traffic flows.

#### 4.6 In developing the strategic outline business case, feedback and debate has been received through a number of routes, including the SEMMMS Refresh Stockport Transport Issues and Options consultation, and both the Economy and Regeneration Scrutiny and Cabinet during November.

#### 4.7 A summary of the feedback from the SEMMMS consultation is provided below:

SEMMMS Refresh Stockport Transport Issues and Options Consultation, September to October 2017	The A6 to M60 was identified in the Issues and Options consultation document as a potential option as part of a wider multi-modal package of interventions which could be delivered in Stockport as part of the refreshed SEMMM Strategy. There was significant activity during the consultation process by the Goyt Valley SOS group, who attended the majority of events and were vocal in their opposition to the scheme due to the local environmental impacts.
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	As set out in the paper to Cabinet in November, there were also 76 formal responses to the consultation although there was no clear consensus as to whether the A6 to M60 was an appropriate option or not, with a mix of views presented in favour or against the scheme.
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- 4.8 It is clear from the consultation that there remain serious concerns from sections of the community regarding whether the road will achieve the stated aims and from others regarding whether the negative impact upon the environment can be reasonably managed.

## **5. ALIGNMENT WITH THE SEMMM STRATEGY**

- 5.1 As set out in the paper to Cabinet in November, the Council and its partners are currently in the process of refreshing the SEMMM Strategy up to 2040. Following a public consultation on the potential transport options for Stockport in the Autumn, the Council and its partners are now progressing with the refresh process in preparation for consulting on a draft strategy in the new year.
- 5.2 The SEMMM Strategy presents the overarching framework for transport in Stockport and will guide priorities up to 2040. As set out in the Stockport Transport Issues and Options Consultation, the A6 to M60 Relief Road is part of a wider multi-modal package of potential interventions which could be delivered in Stockport. Following the consultation, work is now ongoing to shortlist potential options across the whole SEMMMS area, and undertake modelling to identify a preferred package of interventions.
- 5.3 Whilst the SEMMM Strategy Refresh is progressing, there is still a need for the Council to continue with individual schemes to ensure that it is agile enough to be able to respond to funding opportunities as and when they arise. In the case of the A6 to M60, the opportunity afforded by the large majors funding scheme in June 2018 is significant. With this in mind, and following the original award of funding from the DfT, the Council has continued to progress with the developing the Strategic Outline Business Case concurrently with undertaking the SEMMM Strategy Refresh.
- 5.4 The SEMMM Strategy refresh process will further analyse the fit of the A6 to M60 scheme as part of a wider overall multi-modal transport package. Given the final SEMMM Strategy is likely to be completed and ready for adoption in June 2018 (following public consultation on the draft in early 2018), there is an opportunity to review the strategic alignment of the A6 to M60 scheme once the final refreshed SEMMM strategy is completed.

## **6. NEXT STEPS**

- 6.1 Undertaking further work will enable the Council to investigate further the feasibility of the scheme, particularly the environmental impact. The next stage is also an opportunity to undertake a major public consultation, providing all residents with an opportunity to engage in the debate.

6.2 In order to capitalise on the national funding opportunity and move from the Strategic Outline Business Case to Outline Business Case stage, so as to be able to bid for Large Majors funding in June 2018, further work is required to:

- Undertake further technical appraisals
- Produce an environmental scoping report
- Undertake further work to refine the costs of the scheme
- Consult with the public over the principles of the scheme
- Review the strategic context in light of the production of the draft SEMMM Strategy Refresh.
- Update the findings of the Strategic Outline Business Case and supporting documents to ensure they are up to date

6.3 It is anticipated that £500k is required to undertake these activities in order to progress to Outline Business Case stage and be able to submit for Large Majors funding. In addition to submitting the completed Strategic Outline Business Case to the DfT as original funders of the work, the Council can also now make a formal request for further funding to under the next stage of work needed to progress the scheme to the Outline Business Case stage.

6.4 Figure 2 sets out the timetable of activity required to be able to submit the Outline Business Case in June 2018.

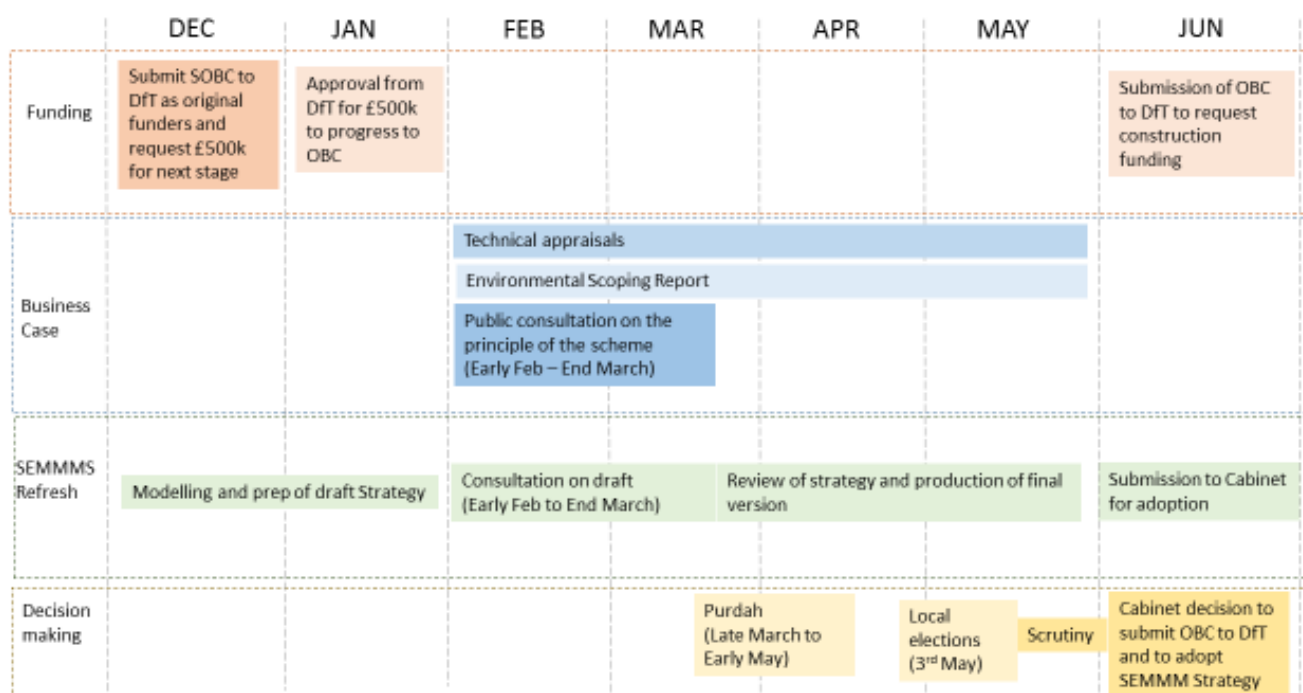


Figure 2 – Timetable to June 2018

6.5 On completion of the Outline Business Case, and prior to submitting to government for approval in June 2018, the Council will be required to confirm its commitment to the scheme, and identify resources to progress the scheme through to the final stage should Government funding for scheme construction be granted. As illustrated in Appendix 1, the final stage includes finalisation of the business case, submission

for planning approval (including required public consultation), procurement of a contractor, CPO, and completion of side road orders. It is anticipated that the total cost of this stage of work is likely to be in the region of £4m, subject to the identification of any major issues.

## 7. FINANCIAL IMPLICATIONS

7.1 The financial implications of each stage of progressing the scheme are:

Stage	Anticipated Cost	Potential Source
Stage Two - Progression from Strategic Outline Business Case to Outline Business Case	£500k	It was resolved by Full Council on the 30 <sup>th</sup> November that funding is sought from the DfT. There is a possibility that DfT may choose to devolve funding via the GMCA. Any funding devolved via the GMCA would be in addition to further scheme development funding the Council would be seeking from the GMCA for other transport schemes identified in SEMMM Strategy refresh.
Stage Three – Progression from Outline Business Case to Final Business Case (including completion of the business case, planning permission, CPO, procurement of contractor, side road orders)	£4m	Funding would be sought from DfT and the GMCA.
Construction	c.£470m (including 40% optimum bias)	Subject to a successful bid for Large Majors funding, the overall costs of the scheme will be covered by the DfT. However, on completion of the Outline Business Case, the Council and the GMCA will need to confirm their commitment to the scheme in June 2018, including the identification of circa 10% (of total scheme costs) in match funding expected to be required. There is the potential that this match funding could come from the Greater Manchester Transport Fund 2.

## 8. SUMMARY OF POSITION

8.1 Confirmation of the opportunity to submit for large majors scheme funding in June 2018 means the Council needs to consider whether it wishes to progress to the next stage of business case development for the scheme in order to be able to retain the option of submitting a formal bid for large majors scheme funding in this funding cycle.



- 8.2 The Strategic Outline Business Case presents a clear strategic case for the scheme, but debate to date has identified serious public and political reservations on a number of issues. As set out in Figure 2, should the decision be made to progress to the next stage, further work would be undertaken to review the issues and concerns raised, and to undertake a formal consultation to seek the views of residents and stakeholders on the principles of the scheme. It is anticipated that £500k is required to undertake this next stage to progress to Outline Business Case stage. This would include a public consultation exercise on the principles of the scheme, further technical appraisals, and the production of an environmental scoping report.
- 8.3 In terms of next steps, in addition to submitting the completed Strategic Outline Business Case to the DfT (as original funders of the work), the Council can also request funding to progress to the outline business case stage in preparation to submit for Large Majors Funding in June 2018. Subject to approval of that funding request by Government, work would be undertaken by the Council over the next 6 months to progress from Strategic Outline Business Case to Outline Business Case. Should the Council choose to proceed, the Outline Business Case will be submitted to Government in June 2018.

## **9.0 RECOMMENDATIONS**

- 9.1 At the meeting of Full Council on the 30<sup>th</sup> November it was resolved that a recommendation be made to Cabinet to progress the next steps identified in Section 6 of the report, including the submission of a formal funding request to government to fund the next stage of business case development. Cabinet is recommended to adopt and action this recommendation.

## **BACKGROUND PAPERS**

There are none

Anyone wishing to inspect the above background papers or requiring further information should contact Sue Stevenson on Tel: 0161-474-4351 or by email on [sue.stevenson@stockport.gov.uk](mailto:sue.stevenson@stockport.gov.uk)

Appendix 1 -

