

# Cheshire East Council

## Cabinet

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<b>Date of Meeting:</b>	11 <sup>th</sup> April 2017
<b>Report of:</b>	Executive Director of Economic Growth and Prosperity
<b>Subject/Title:</b>	Sydney Road Replacement Bridge
<b>Portfolio Holder:</b>	Councillor David Brown, Highways and Infrastructure

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### 1. Report Summary

- 1.1. The Council has set out a clear vision and strategy for employment led economic growth. An important element of this strategy is to improve the Borough's infrastructure to improve connectivity
- 1.2. As the largest town in the Borough, the role of Crewe in the economy of Cheshire East and the wider Cheshire and Warrington sub-region is crucial. Development is taking place in the north of Crewe and providing capacity improvements at Sydney Road Bridge will support this growth and enhance access to the key destinations; Bentley and Leighton Hospital.
- 1.3. Sydney Road Bridge is a classified B Road which acts as a main distributor route and crosses the West Coast Crewe to Manchester Mainline. The existing bridge is a narrow traffic signal controlled single carriageway only structure. The scheme seeks to increase capacity at this pinch point by replacing the existing bridge with a new wider structure capable of taking two way traffic without traffic signal restriction.
- 1.4. This report recommends the Cabinet approve expenditure to enable early delivery of accommodation works required to enable the delivery of Sydney Road Replacement Bridge.
- 1.5. Recommendations requested within this paper would not directly impact on the adjacent Crewe Green roundabout project. However, Sydney Road Bridge replacement is linked to the improvements planned for Crewe Green roundabout and both projects will work together to minimise disruption to the public and maximise any associated opportunities.

## **2. Recommendation**

Cabinet is recommended to:

Authorise the Executive Director of Place, in consultation with the Director of Legal Services, in advance of the determination of the planning application to:

- 2.1 Negotiate and approve the terms of an agreement with Scottish Power to undertake the design and delivery for the diversion of the 132KV power cable.
- 2.2 Negotiate and approve the terms of an agreement with Statutory Undertakers to divert their services to enable the construction of the replacement bridge.
- 2.3 Negotiate and approve the terms of an agreement with Network Rail Infrastructure Projects (NR IP) to undertake accommodation works. Advance works to include the cable diversion route and Overhead Line Equipment (OLE) modifications to enable the replacement of the bridge structure.
- 2.4 Authorise the Director of Legal Services to execute all necessary legal documents to give effect to the above agreements

## **3. Other Options Considered**

- 3.1. An option to delay the enabling works until planning permission has been secured has been considered. However, recent discussions with Network Rail (NR) and Train Operating Companies (TOCs) suggest that railway possessions for bridge demolition and replacement could commence in Nov 2018, so in order to meet Network Rail deadlines and Scottish Power's programme for delivery of the cable diversion, enabling works would have to commence before conclusion of the planning process.
- 3.2. The option of Statutory Undertakers contracting directly with Network Rail was considered. However, the Council receives significantly greater discount than NR on fees levied by Statutory Undertakers. Additionally any monies paid through NR would be subject to 7.5% uplift for Risk and Fee Funds.

## **4. Reasons for Recommendation**

- 4.1. There is a need to drive forward the development of this £10.5m scheme as the DfT / Local Growth Funding grants of £5.85m are dependent on delivery during the 2015 – 2021 period. The design work completed to

date has identified a significant opportunity to commission some advanced enabling works that can be done without a full closure of the rail line. This will reduce the works necessary during the main bridge replacement works, thus reducing the duration of the main works and any resultant disruption.

- 4.2. Cheshire East Council and Network Rail (NR) discussions with the Train Operating Companies (TOC's) has identified that, in principle, an acceptable time for possession (blocking) of the railway to allow construction of the replacement bridge could be November 2018.
- 4.3. Actual possession dates may be driven by Scottish Power planned power outages which may dictate that the works be delayed until early 2019.
- 4.4. Reaching agreement with the TOC's on railway possessions has had to be approached carefully as in 2015 there was also a 9 day blockade (closure) of the line to accommodate Network Rail repairs to a viaduct. However, the TOC's have now in principle accepted the need for works to Sydney Rd Bridge and are anticipated to accept possessions which will also allow other essential Network Rail works to take place on the same section of track at the same time.
- 4.5. Network Rail (NR) will confirm possession booking in advance of the enabling works. NR plan to publish the necessary notices to fix the possession dates required for the construction of the new bridge.
- 4.6. The Scottish Power estimate and programme for the cable diversion indicates that they require 12 month programme of works to complete the necessary works for the 132 kV cable. This cable diversion is required in advance of the main construction works for Sydney Rd Bridge which may commence in November 2018.
- 4.7. The planning application for the bridge replacement scheme will be submitted shortly, leading to an 8 week determination period.
- 4.8. Enabling works will be limited in scope to that which is absolutely necessary to be done in advance of the main scheme so as mitigate the risk of expending finance before confirmation of planning approval.

## **5. Background/Chronology**

- 5.1. Sydney Road is located on the north east side of Crewe. It is a Classified 'B' Road which acts as a distributor route serving the north side of Crewe and connecting it to key destinations such as the Bentley Motor Factory and Leighton Hospital.
- 5.2. Traffic flows on Sydney Road are restricted by the narrow, Network Rail owned Sydney Road Bridge, which currently operates a single-way traffic

system controlled by traffic lights at either end of the bridge. The bridge crosses the West Coast Main Line (Crewe – Manchester). There are planning consents for new developments along the Sydney Road corridor. The developments will increase road traffic and the Council wishes to undertake work to mitigate the pinch point at this bridge location.

- 5.3. To demonstrate the economic benefits of the scheme the value for money category is defined by the Benefit Cost Ratio (BCR) of the scheme using monetised impacts in line with Department for Transport guidance notes. The replacement Sydney Road Bridge scheme currently returns a BCR of greater than 3 which demonstrates the scheme offers High Value for Money.
- 5.4. In 2012 the Council commissioned Jacobs, the Council's term consultant to undertake a feasibility options study to create 2-way traffic working over Sydney Road Bridge and recommend a preferred option. Five options were considered in the June 2012 report: bridge widening; bridge replacement; a separate pedestrian footbridge to the north or south (in conjunction with two-way vehicular traffic on the existing bridge deck); and, a new bridge to carry westbound traffic, constructed immediately to the south of the existing bridge which would be retained to carry eastbound traffic and services. Bridge replacement was the preferred option of both the Council and Network Rail Infrastructure Projects (NRIP).
- 5.5. NRIP were commissioned to identify and assess options for replacement of the bridge structure and reinstatement of widened highway. A single option has been selected and design progressed to Network Rail's Approval in Principle (AiP) stage.
- 5.6. The preferred solution endorsed by Cabinet in November 2014 was to demolish the existing bridge and build a new bridge structure within the enlarged footprint of the old bridge. This solution has the main advantage of being constructed independently from the existing bridge without necessitating structural dependencies upon it. This will result in very low long term maintenance risk, less impact to the traffic flow and rail service providers during construction and a shortened programme.
- 5.7. A NR Basic Asset Protection Agreement (BAPA) was agreed and signed between the Council and NR. The agreement allowed for a small amount of scheme development together with live track access. The Council's consultants Jacobs have undertaken seasonal visual ecology surveys on the live railway to inform the proposed planning application.
- 5.8. The bridge is currently owned and maintained by NR. It is expected that NR will request that the ownership and associated liability for maintenance of the replacement structure is passed to the Council. It is expected that in return the Council could expect a contribution toward the scheme cost from NR.

- 5.9. The Cabinet has agreed that the delivery strategy for a new structure will be to contract with Network Rail (NR IP) to design and construct the scheme using a Contractor from their tendered OJEU compliant Construction Framework.
- 5.10. Council have also entered into a Development Services Agreement (DSA) with NR IP to deliver the scheme design to AiP. A further DSA will be required to take the scheme to detailed design and we have agreement from Cabinet to enter into an Implementation Agreement (IA) with NR IP to construct the scheme. A 2 month 'break clause' will be incorporated to permit the Council the opportunity to halt the scheme if the Scheme estimate is too costly, or for any other reason the Council no longer wishes to proceed.
- 5.11. Planning permission is required for a replacement structure at this location. At present it is considered that that an Environmental Impact Assessment (EIA) will not be required. The planning application will involve pre-application discussions with affected parties.
- 5.12. Land acquisition or licences for temporary use of land are required for the construction of the bridge and these negotiations are underway. If negotiations prove not to be positive, it may be necessary for the Council to implement use of its Compulsory Purchase Powers to undertake the acquisition of land required to deliver this scheme.
- 5.13. A high level programme for the delivery of the project is attached as Appendix 1.
- 5.14. Through papers previously submitted to Cabinet in Nov 2014 and October 2015, the Cabinet has to date authorised the following activities:-
- Entering into a Development Services Agreement ("DSA") with NR IP to enable the design and delivery plan of the scheme.
  - Planning application to Cheshire East Council as planning authority to enable lawful construction of the new bridge structure.
  - Officers to enter into discussions with land owners about acquiring the necessary land and rights to deliver the scheme and to delegate the entering into any necessary supporting legal agreements to the Head of Legal Services in consultation with the Portfolio Holder.
  - The use of the Council's Compulsory Purchase Powers ("CPO") to acquire land in order to construct the scheme. Note: CPO powers will only be used if land is unable to be acquired by negotiation.
  - The appointment of external legal to implement the CPO's if required.

- Council to adopt, if constructed the newly constructed bridge as a Cheshire East Council highway asset.
- Forward funding of up to £382,050 from the associated S106 agreements to fund the DSA.
- Enter into an Implementation Agreement with Network Rail Infrastructure Projects
- If required, authorise the publication of a Voluntary Ex-ante Transparency (VEAT) Notice in respect of the Implementation Agreement.
- Enter into negotiation with NR over funding contributions.
- Entering into a Basic Asset Protection Agreement (BAPA) with NR and any subsequent amendments to the BAPA as may be required as the scheme progresses

## **6. Wards Affected and Local Ward Members**

### 6.1. Crewe East

Councillors Suzanne Brookfield, Clair Chapman, David Newton (Crewe East)

## **7. Implications of Recommendation**

### 7.1. Policy Implications

- 7.1.1. The Scheme supports the Council's policy for sustainable development and jobs growth as set out in the emerging Local Plan. The scheme also allows for the implementation of Broadband if required at that severance point.
- 7.1.2. The scheme would reduce the relative attractiveness of vehicles using alternative rural lanes that avoid the capacity constraints at the existing bridge.
- 7.1.3. Promoting greater connectivity along the corridor supports the housing allocation in the Local Plan and access to key locations such as the Bentley Motor Works and Leighton Hospital.

### **7.2. Legal Implications**

- 7.2.1. The Councils legal section are content with the approach proposed in this report but note that this project will in the near future require

the execution of various documents and legal instruments which will require input from lawyers with expertise in planning, contract and property law.

### **7.3. Financial Implications**

7.3.1. The estimated cost of the scheme is £10.5m although this cost may lessen with value engineering and with NR IP partnering. In order to secure the requisite NR IP technical specialist input into the development of the scheme the Council has entered into a DSA with NR IP. This agreement provides commitment for the Council to cover NR IP's professional fees and an estimated budget of £382,050 has been included within the proposed agreement.

7.3.2. Currently 4 signed developer S.106 agreements committing contributions totalling £4.522m have been agreed in respect of the following housing developments:-

- Maw Green
- Coppenhall East
- 138 Sydney Road
- 152 Broughton Road

These developments along the Sydney Road corridor have secured planning permission.

7.3.3. Funding from these Section 106 agreements will be available once the linked development has commenced and any triggers in the agreement have been met.

7.3.4. A further £2.35M of funding has been contributed to the Scheme from Department for Transport (DfT) devolved major scheme pot via the Cheshire and Warrington Local Enterprise Partnership (LEP). This funding is to be used for the (construction) of the scheme. This funding is dependent on the approval of the Business Case currently being developed. The Business Case is due to be submitted in March 2017. This funding will also dependent on delivery of the replacement bridge during the 2015 – 2021 period.

7.3.5. A further £3.5m of contribution has been committed directly from the Local Growth Fund.

7.3.6. A further contribution of £0.5m has been committed by the Council from the Local Transport Plan (LTP) grant allocation toward the development of the scheme.

7.3.7. It is expected that additional Developer S106 contributions toward the scheme may be secured from other proposed housing developments along this corridor.

- 7.3.8. A contribution toward the scheme cost would be expected from Network Rail although this may take the form of a commuted lump sum for future maintenance. Negotiations on NR contribution are ongoing.
- 7.3.9. The estimated total scheme cost in January 2017 is £10.50m. If, for any reason the scheme is delivered for less than the budget, the Section 106 funding is flexible and will be redirected towards the improvements proposed at Crewe Green Roundabout.
- 7.3.10. The scheme is included in the Council's Capital Programme approved by Full Council on 23<sup>rd</sup> February 2017.

	£M	
Estimated Total Scheme Cost	10.500	Jan 2017 Estimate
<b>Funding Sources</b>		
DfT Devolved Major Scheme Pot	2.350	Confirmed
Local Growth Fund Contribution	3.500	Confirmed
Local Transport Plan Grant	0.500	Confirmed
Section 106 funding	4.522	Unconfirmed *
Total Funding available	10.872	
Surplus	0.372	

\*Requires forward funding from the Council until Section 106 funding is received (see paragraph 8.2 – 8.3 and 8.6)

#### 7.4. Equality Implications

- 7.4.1. This scheme will support equality initiatives providing enhanced pedestrian and cycling access whilst improving the capacity of the highway.
- 7.4.2. The scheme includes a new pedestrian crossing that will improve access for pedestrians.

#### 7.5. Rural Community Implications

- 7.5.1. The scheme would reduce the relative attractiveness of vehicles using alternative rural lanes that avoid the capacity constraints at the existing bridge.



## **7.6. Human Resources Implications**

- 7.6.1. This scheme has no impact on human resources. The decision to employ NR IP removes any requirement to provide extra personnel or training.

## **7.7. Public Health Implications**

- 7.7.1. This scheme may impact on air quality, noise and vibration during construction. Network Rail and their contractors will mitigate any impacts by adopting construction techniques and practices that will minimise impact on the public.
- 7.7.2. Following construction it is anticipated that the new bridge and two way traffic, without signalling, will improve air quality local to the structure. Increased volumes of traffic may have an impact on noise and vibration.

## **7.8. Implications for Children and Young People**

- 7.8.1. The scheme provides improved safety for pedestrians including children and young people.

## **8. Risk Management**

- 8.1. Key risk in delivery is securing the necessary possessions to enable the bridge to be constructed before the 2021 deadline for the £2.35M LEP funding. The Council have been supporting Network Rail in discussions with TOCs which should lead to agreed possession dates being confirmed by the end of Feb 2017. It is anticipated that the possessions may run from Nov 2018, with completion of the project by Summer 2019.
- 8.2. The Sydney Road bridge scheme is directly linked to Crewe Green roundabout improvement scheme. Benefits associated with the delivery of Crewe Green Roundabout, in advance of Sydney Road Bridge replacement, will be taken into consideration when the design of Sydney Road bridge and associated traffic diversions are finalised.
- 8.3. A series of joint public information and engagement events for the related Sydney Road Bridge and Crewe Green Roundabout will be held in March/April 2017.
- 8.4. There is reputational risk with the Cheshire and Warrington Local Enterprise Partnership (LEP) and DfT around the late or non-delivery of the scheme. The Council is developing a strong reputation on delivery with Crewe Rail Exchange already completed and 3 other schemes on-site. It would be in the best interests of the Council to continue this trend.

- 8.5. Temporary and permanent land requirements have been established. Negotiations and agreement with home owners and businesses have ongoing. If agreements cannot be readily made we have Cabinet approval to proceed with CPO.
- 8.6. Scheme costs are based on Network Rail estimate of the AiP design. Detailed design will provide further detail and clarification of requirements. A QCRA has been held to review project risk and establish the contingency required for the project. Cost are as robust as we can achieve with the level of detail available.
- 8.7. Further Local Growth Fund (LGF) bids and development S106 negotiation will also be used to minimise the council's exposure to any additional costs.
- 8.8. The funding from Section 106 agreements to the scheme is dependent on the associated development being delivered. There is a risk that the forward funding arrangement may put the Council's capital resources in jeopardy, in the event of these contributions being delayed or not materialising.
- 8.9. Significant risk exists with constructing a complex scheme such as this in a constrained site and over the live West Coast Mainline. It is considered the most effective way of managing that risk will be by partnering with NR IP to develop and deliver the scheme. In this way NR can bring their vast experience and expertise in similar schemes to bear and thereby reduce the risk to the Council.
- 8.10. Although this project is a highways scheme the design and construction will be delivered by Network Rail. We have replaced the Council's project lead on the scheme to a Project Manager with significant rail experience. Our new PM will manage the risks associated with rail interface.
- 8.11. There is a risk that Sydney Road Bridge and Crewe Green Roundabout will be implemented within the same timeframe. The impact on the local community and businesses will be assessed to reduce the impact of the two major highway schemes.

## **9. Access to Information/Bibliography**

- 9.1. The background papers relating to this report can be inspected by contacting the report writer as detailed in section 10.

## **10. Contact Information**

Contact details for this report are as follows:

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