

Local Major Scheme Devolution in the South East Midlands LTB area



South East Midlands LTB

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Prioritisation of local transport investment



➤ “This would involve agreeing a programme of schemes within an indicative range of devolved funding by scoping, prioritising and then agreeing this programme.”

Department for Transport (2012) *Consultation Paper: Devolving local major transport schemes*, HMSO, London, p9

Prioritisation of local transport investment



- **The Government is clear that local transport bodies “would prioritise schemes on a clear basis agreed locally, which would need to be well-evidenced, robust and transparent.”**

Department for Transport (2012) *Proposals to devolve local major transport schemes for the next Spending Review, regulatory impact assessment*, HMSO, London, p9

JMP's commission and our role in the prioritisation process



- **Appointed on 24th May 2013**
- **To review and advise on amendment of prioritisation process and framework**
- **To recommend a process to enable the long list of schemes to be prioritised**
- **To undertake a prioritisation process**
- **To report on scheme assessment and prioritisation**

Prioritisation – a DfT view



- “Prioritisation must be evidence based, robust and on clear objectives”
- “The selection criteria must consider value for money, deliverability, environmental and social/distributional impact”

Department for Transport (2012) *Local frameworks for funding major transport schemes: guidance for local transport bodies (draft)*

JMP's recommendations on the prioritisation process



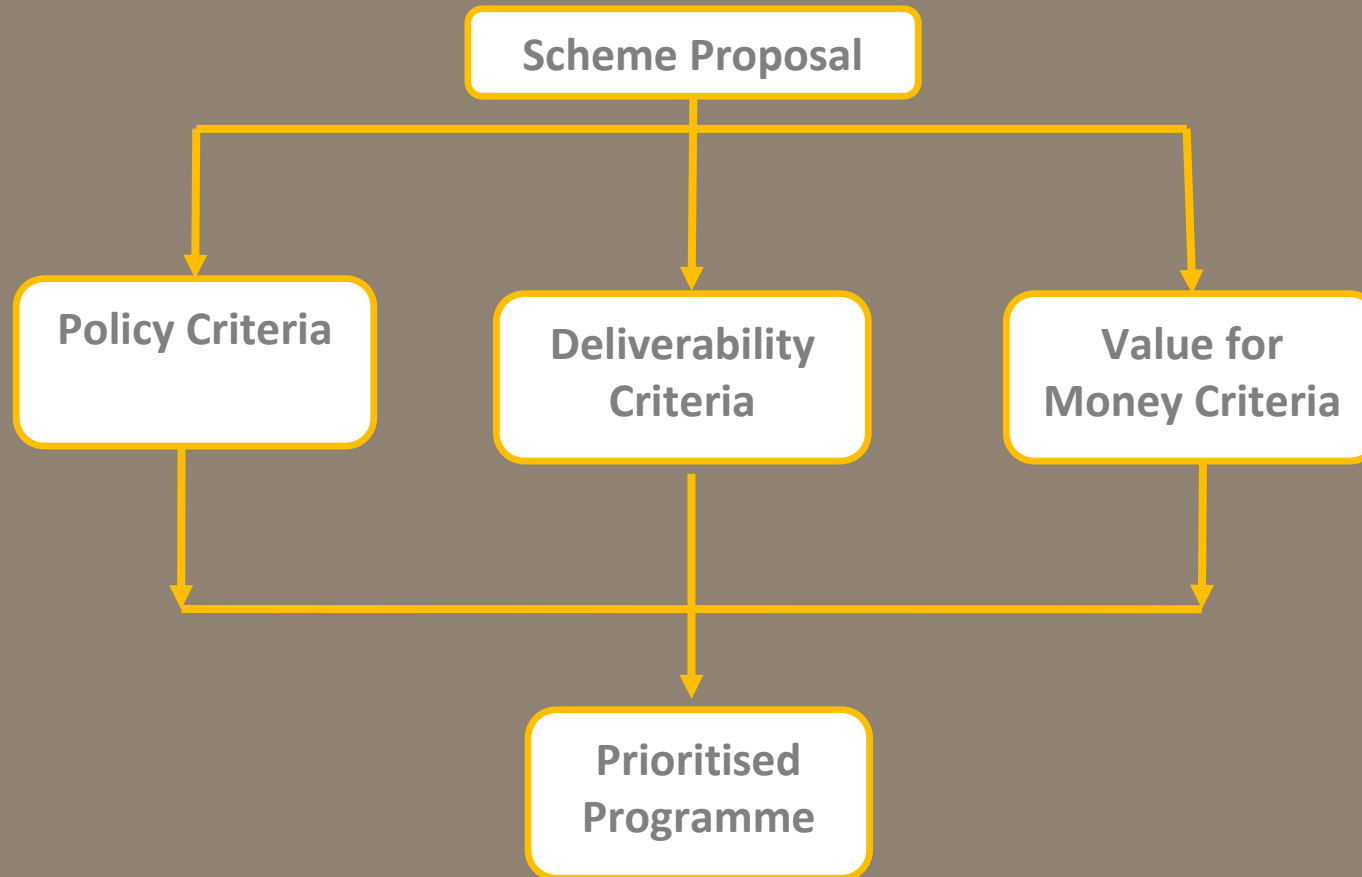
- A review of the appropriateness (for this purpose), quality and consistency of evidence submitted by scheme sponsors into the process
- Meetings with scheme sponsors – the four local authorities – held on 6th, 11th & 12th June

JMP's recommendations on the prioritisation process



- An early sift and reduction of long list of schemes
- This to include an initial “value for money” test
- Deliverability (and understanding risks to delivery) is a fundamental part of the prioritisation process, including this early sift – and should be de-coupled from any policy or strategic fit “score”

Approach to prioritisation



Strategic fit and policy criteria



- **“The programme would clearly demonstrate a fit with strategic growth, promoting sustainable development, reducing carbon emissions, and consistency with relevant Local Transport Plan(s).”**

Department for Transport (2012) *Consultation Paper: Devolving local major transport schemes*, HMSO, London, p9

Outcomes to be presented today



- Report on the early sift of the long list of schemes
- Report on initial assessment and “scoring” of a short list of schemes
- Illustrative development of potential programme options

Long list of schemes
considered

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Area-wide



- East West Rail western section
- Inter-urban bus improvements
- Strategic cycle routes

Bedford Borough



- Bedford Western Bypass
- Batts Ford Bridge
- Wixams railway station and associated car park
- Signalisation of A6/A421 junction
- A428 improvement (A1 to Caxton Gibbet east of St. Neots)
- Bedford Bus Station
- Colworth Science Park
- A421 Bedford Business Park corridor acceleration

Central Bedfordshire



- A5 High Street North Dunstable
- A5 – M1 Link
- A5 - M1 Link – Spur to Thorn Turn
- Woodside Link
- M1 – Sundon Park Road
- Sundon Park Road – A6
- Luton Northern Bypass (A6 – A505)
- East of Leighton Link Road
- Biggleswade South A1 junction improvement
- A421 dualling and associated roundabouts

Luton



- London Luton Airport surface access
- Northern entrance to Luton Airport Parkway
- Extension of East Luton Corridor
- Luton Station improvements
- New station north of Luton
- Windmill Road/Kimpton Road junction
- Dunstable Road/Telford Way to Cardiff Road

Milton Keynes



- Broughton Brook Bridge
- Milton Keynes grid road extensions
- A421 Kingston Junction
- Bletchley Public Transport Interchange
- Central Milton Keynes Public Transport Interchange
- A422 corridor
- Milton Keynes Park and Ride
- Bletchley Southern Bypass
- Dualling H3

Early sift to reduce the long list of schemes for consideration in the 2015-19 priority list

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↗



Some definitions



- Schemes must have a minimum capital cost of £2.5m (from SEMLTB Assurance Framework)
- Deliverability risk has been assessed with respect to delivery in the spending review period 2015-19; high deliverability risk does not mean a scheme cannot be delivered under any circumstances

An early sift – key eligibility questions



- Is the scheme cost greater than £2.5m?
- Is the scheme cost to the LTB less than £22m within the 4 year period of the Spending review (2015 – 2019)?
- Is a 10% local contribution available?
- Is the scheme deliverable or required within the period 2015 – 2019?
- Is the scheme likely to represent high value for money (BCR greater than 2)?

Early sift outcomes



Scheme capital cost less than £2.5m

- **Dunstable Road/Telford Way to Cardiff Road**
- **Signalisation of A6/A421 junction**
- **Inter-urban bus improvements**

Early sift outcomes



Schemes with funding commitment

- Strategic cycle routes
- East West Rail western section
- Wixams railway station and associated car park
- East of Leighton Link Road
- Biggleswade South A1 junction improvement
- A421 Kingston Junction
- A5 – M1 Link
- Broughton Brook Bridge

Early sift outcomes



A number of schemes were considered to have a strong policy fit in strategic terms but due to a variety of issues including key dependencies were more suitable for delivery in the period beyond 2019

Scheme is deliverable beyond 2019

- **Bedford Bus Station**
- **Sundon Park Road – A6**
- **Luton Northern Bypass (A6 – A505)**
- **New station north of Luton**
- **Milton Keynes grid road extensions**
- **Bletchley Southern Bypass**
- **Dualling H3**

Preliminary scheme assessment



Top policy scores (by total weighted policy score) from preliminary assessment

- Milton Keynes Park and Ride*
- Woodside Link*
- Northern entrance to Luton Airport Parkway
- Central Milton Keynes Public Transport Interchange
- Bletchley Public Transport Interchange
- Bedford Western Bypass*
- Luton Station improvements
- A421 dualling and associated roundabouts
- A5 - M1 Link – Spur to Thorn Turn*
- A5 High Street North Dunstable
- London Luton Airport surface access*

Top policy scores (by total weighted policy score) from preliminary assessment

- Milton Keynes Park and Ride*
- Woodside Link*
- Northern entrance to Luton Airport Parkway
- Central Milton Keynes Public Transport Interchange
- Bletchley Public Transport Interchange
- Bedford Western Bypass*
- **Luton Station improvements**
- **A421 dualling and associated roundabouts**
- **A5 - M1 Link – Spur to Thorn Turn***
- **A5 High Street North Dunstable**
- London Luton Airport surface access*



Lower policy scores (by total weighted policy score) from preliminary assessment

- A421 Bedford Business Park corridor acceleration*
- A428 improvement (A1 to Caxton Gibbet east of St. Neots)*
- Colworth Science Park
- A422 corridor
- M1 – Sundon Park Road
- Batts Ford Bridge
- Extension of East Luton Corridor*
- Windmill Road/Kimpton Road junction



Lower policy scores (by total weighted policy score) from preliminary assessment

- **A421 Bedford Business Park corridor acceleration***
- **A428 improvement (A1 to Caxton Gibbet east of St. Neots)***
- **Colworth Science Park**
- **A422 corridor**
- **M1 – Sundon Park Road**
- **Batts Ford Bridge**
- **Extension of East Luton Corridor***
- **Windmill Road/Kimpton Road junction**

Top policy scoring schemes with low risk to delivery within 2015 – 2019, and likely to represent acceptable value for money



- Milton Keynes Park and Ride*
- Woodside Link*
- Northern entrance to Luton Airport Parkway
- Central Milton Keynes Public Transport Interchange
- Bletchley Public Transport Interchange
- Bedford Western Bypass*
- London Luton Airport surface access*

Development of programme options



South East Midlands LTB allocation



- **SEMLTB has an allocation of £22.1m over the period 2015/19**

Options for funding levels $\pm 33\%$



- Options for funding levels $\pm 33\%$ need to be presented in July 2013
- This gives a funding range from around £14.7m to £29.5m
- Assuming 30% over-programming, this gives an envelope from around £20m to £38m

Option A



Description

- To prioritise all seven of the schemes assessed as having the strongest strategic fit, and which have relatively low risks to delivery, combined with relatively high confidence over meeting value for money requirements identified in the Assurance Framework

Option A: accounting for review of strategic fit, value for money and deliverability considerations



- Milton Keynes Park and Ride (£3.6m, 90%)
- Woodside Link (£10.0m, 24%)
- Northern entrance to Luton Airport Parkway (£5.4m, 90%)
- Central Milton Keynes Public Transport Int. (£4.5m, 90%)
- Bletchley Public Transport Interchange (£5.0m, 83%)
- Bedford Western Bypass (£2.5m, 16%)
- London Luton Airport surface access (£1.0m, 20%)

Option A: Programme Cost



The total cost to the SEMLTB of option A is **£32m** over the four year programme

The total cost of schemes in option A is **£84m**

Option A: Affordability



This option is unaffordable in its entirety

It could represent a +33% programme with a degree of over programming

Option B



Description

- From schemes identified in option A, prioritising those scheme seeking less than 25% of total scheme cost from SEMLTB, thereby maximising the total funding envelope for the LTB and extracting the best possible value for money from the LTB's allocation

Option B: accounting for review of policy fit, value for money and deliverability considerations



- Woodside Link (£10.0m, 24%)
- Bedford Western Bypass (£2.5m, 16%)
- London Luton Airport surface access (£1.0m, 20%)

Option B: Programme Cost



The total cost to the SEMLTB of option B is **£13.5m** over the four year programme

The total cost of schemes in option B is **£63m**

Option B: Affordability



This option is affordable

But it does not allocate all of the funds available

There is no over-programming element

This is close in value to a -33% option

Option C



Description

- A middle way, including in the prioritised list some of the schemes listed in option A*
- This could for example, take the option B schemes, and any 2 from the other four schemes with the highest strategic fit listed in option A*

Option C: accounting for review of policy fit, value for money and deliverability considerations



- Woodside Link (£10.0m, 24%)
- Bedford Western Bypass (£2.5m, 16%)
- London Luton Airport surface access (£1.0m, 20%)

Plus 2 from

- Milton Keynes Park and Ride (£3.6m, 90%)
- Northern entrance to Luton Airport Parkway (£5.4m, 90%)
- Central Milton Keynes Public Transport Int. (£4.5m, 90%)
- Bletchley Public Transport Interchange (£5.0m, 83%)

Option C: Programme Cost



The total cost to the SEMLTB of such an option C might range from **£21.6m to £23.9m** over the four year programme, dependent upon schemes prioritised

Prioritising a sixth scheme would provide a programme with cost ranging from **£26.6m to £28.4m** and over-programming of between 20-30%, dependent upon schemes prioritised

Option C: Affordability



This option is affordable

It would allocate around all of the £22.1m

There is little or no over-programming element, though 20-30% over-programming could be prioritised

Other Options



- *These are not the only programme options*
- *They are illustrative of potential programme options*
- *Other combinations of these schemes assessed as having high strategic fit, low risk to delivery, and confidence on value for money can be examined*
- *Schemes with higher risks or lower strategic fit could be introduced, though the rationale may have to be justified*

Next steps



Prioritisation process – next steps



- Finalisation and agreement of scheme assessments
- Consideration of programme options
- Options for funding levels $\pm 33\%$
- Agreement of priorities and a programme at SEMLTB on 25th July 2013

Post prioritisation



- **Business case development**
- **Assurance – to be undertaken locally**
- **Delivery**



Any questions?

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