

Report to the Greater Birmingham & Solihull Supervisory Board

13th April 2017

Hagley Road SPRINT Project Approval

Purpose of the Report

To update the Supervisory Board on the decision made by the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Programme Delivery Board on the 23rd March 2017, in relation to Local Growth Fund (LGF) funding for the Hagley Road SPRINT scheme, to the value of £4.7m.

Recommendations

1. The Supervisory Board members are asked to note the agreement to fund the LGF grant and the manner in which the funding will be defrayed.

Background

1. The Hagley Road SPRINT transport scheme was granted entry into the LGF programme in 2015. It is promoted by Transport for West Midlands (TfWM) (previously Centro) and Birmingham City Council (BCC). TfWM will be the grant recipient of the fund and also the Delivery Agent for the scheme. Birmingham City Council will lead on the design and implementation of the highway infrastructure.
2. Hagley Road Sprint will provide a high quality rapid transit service, linking west Birmingham to the Enterprise Zone sites and wider transport links in the city centre (including potentially to HS2). It will provide a major uplift in public transport provision and launches the first route of an envisaged Bus Rapid Transit network along key corridors across the region.
3. This initial Sprint scheme will operate from Birmingham city centre towards the west of the city, along the Hagley Road to Quinton. The scheme will provide a major upgrade to public transport in this corridor and links to key areas of Birmingham city centre such as Broad Street, Paradise Circus, New Street and Moor Street stations and in the longer term Curzon Street HS2.
4. The scheme will help to support key local and national policies such as reducing congestion, lowering carbon levels and supporting economic growth by provision of high quality public transport linking key sites with residential areas, improving travel opportunities for employees and visitors.
5. The Full Business Case for Hagley Road SPRINT was considered at the November 2016 meeting of the Growth Team (now Programme Delivery Board). Growth Team members were minded to approve the scheme which was seeking a Local Growth Fund grant of £8.1m, subject to the project sponsors confirming its wider strategic benefits. Confirmation of this was delegated to the Interim Head of Delivery.
6. TfWM as the project sponsor is seeking, in parallel, the necessary approvals from the West Midlands Combined Authority (WMCA) for their contribution to the scheme. It

was due to be considered at the Investment Advisory Group on 3rd April. A verbal update of the Groups decision will be provided at the Supervisory Board meeting.

Additional information

7. TfWM, as the project sponsor, has provided a full response to satisfy the questions raised by the Growth Team. However, before approving the scheme, the Interim Head of Delivery requested further information about deliverability and phasing.
8. Following discussions with TfWM and BCC, an addendum to the Full Business Case was provided expand further on the deliverability and propose an alternative means by which to phase the scheme. This has resulted in a change to the funding profile and a review of the phasing of the bus requirement, in light of the uncertainty caused by the delay in receiving approval from Department for Transport for 24m busses. In the short term, these changes will effectively free up £3.4m to spend elsewhere in the programme. A formal change request will be sought by TfWM before proceeding with any bus procurement.
9. Due to the significant changes proposed to the project since November, it was considered appropriate for the Programme Delivery Board members to reaffirm their approval for the Full Business Case at their meeting on the 23rd March 2017. The Board agreed to provide a £4.7m LGF capital grant over 2015/16 - 2019/20 and to review the full £8.1m should the funding be required at a later date. The total project cost is expected to be £14.65m.

Conclusions

10. The Hagley Road SPRINT scheme is a key part of the connectivity strategy for both the Greater Birmingham and Solihull, and the wider West Midlands Combined Authority areas. The additional information provided by TfWM clarified the strategic benefits and removes the uncertainty caused by the delay in receiving approval from the Department for Transport for the 24m buses. Based on the satisfactory Full Business Case, the £4.7m LGF grant has been approved for the project.

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Date: 6th April 2017