

Cabinet (Resources) Panel

18 October 2023

Report title	Well Connected Communities - A454 City East Gateway Phases 1 & 2 Progress Report	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Craig Collingswood Environment and Climate Change	
Key decision	Yes	
In forward plan	Yes	
Wards affected	East Park	
Accountable Director	John Roseblade, Director of Resident Services	
Originating service	Transportation Strategy	
Accountable employee	Orla Duffey	Black Country Transport Project Manager
	Tel	07717732870
	Email	Orla.Duffey@wolverhampton.gov.uk
Report to be/has been considered by	Directorate Leadership Team	22 August 2023
	Strategic Executive Board	29 August 2023

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Delegate authority to the Cabinet Member for Environment and Climate Change in consultation with the Director of Resident Services to approve the advertisement and pursuit of Traffic Regulation Orders for the A454 City East Gateway Phases 1 & 2 – Willenhall Road project in line with the approvals granted in the Investing In Our Well-Connected Communities Transport Capital Programme 2023-2024 report.
2. Approve engagement in Early Contractor Involvement for development of the work programme under the Midlands Highway Alliance Medium Scheme Framework or other alternative appropriate framework up to a value of £100,000 subject to a signed grant agreement.
3. Authorise the removal of vegetation and trees, subject to grant funding being secured.

4. Approve a supplementary capital budget of £400,000 for the development of the A454 City East Gateway – Willenhall Road project fully funded by City Region Sustainable Transport Settlement (CRSTS) grant and to approve the utilisation, subject to a signed grant agreement.
5. Authorise the Chief Operating Officer to enter into or execute or seal the Grant Agreement, an agreement pursuant to Section 8 of the Highway Act 1980 together with any other legal agreement in relation to the scheme as deemed necessary in respect of the above-mentioned paragraphs.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. The submission of the draft Outline Business Case to the Department for Transport and expected decision in early 2024.
2. The ongoing development work on the A454 City East Gateway Phases 1 & 2 - Willenhall Road Outline Business Case and towards the Full Business Case submission to the Department for Transport (DfT) and West Midlands Combined Authority (WMCA), in line with the approvals granted by the Investing In Our Well-Connected Communities Transport Capital Programme 2023-2024 report.
3. Further approvals will be sought for additional externally provided development funding.
4. The submission of the Strategic Outline Business Case to the Single Assurance Framework at West Midlands Combined Authority in December 2022 and approved £400,000 of the project's CRSTS allocation.
5. The engagement in ongoing consultation with impacted parties.
6. Future property acquisitions will be considered in a separate report, A454 City East Gateway Phases 1 and 2 (Willenhall Road) Property Acquisitions Report, which details the property acquisitions required to deliver the project and the approvals needed for the acquisitions.

1.0 Purpose

- 1.1 The purpose of this report is to seek the authorisation of powers and delegation of final approvals to progress the next stages of the A454 City East Gateway Phases 1 & 2 – Willenhall Road project, including to approve the Council to enter into a Grant Agreement with WMCA and such other ancillary agreements.

2.0 Background

- 2.1 The A454 Willenhall Road Corridor is a key route providing essential connectivity and accessibility to and between the city centre and priority housing and employment sites, including Canalside, East Park and the Neachells industrial area. It also represents core access to the motorway network and surrounding region for freight, business and visitor trips.
- 2.2 As part of the Council's commitment to improve transportation in the region and to support the development aspirations of the city, the City East Gateway corridor comprises of seven projects which have been developed and business cases taken forward to seek funding for their implementation.
- 2.3 The A454 City East Gateway Phases 1 & 2 – Willenhall Road project extends from Bilston Street Island through Middle Cross and Lower Horseley Fields, up to the Chillington Fields junction. The scheme also incorporates Walsall Street and Lower Walsall Street.
- 2.4 The scheme looks to deliver enhancements to access for all road users, with active travel infrastructure and consistent journey times for public transport and other vehicles. Supporting opportunities for residents and visitors to make their first choice for journeys a healthy and green one, but ensuring essential access for drivers is also supported.
- 2.5 The Outline Business Case has been developed to release £36 million of direct investment for this priority corridor, and to further enable additional investment through priority site development. Upon approval of the project's refreshed Outline Business Case, this will provide the equivalent of 'programme entry'. This formalises the commitment to the project by the Department for Transport and will provide confidence in the availability of £37.5 million of Major Road Network and CRSTS funding.
- 2.6 In addition to the Major Route Network funding, Black Country Transport have been successful in receiving an allocation of the City Region Sustainable Transport Settlement (£1.05 billion). A proportion of the £1.05 billion has been allocated to the A454 corridor (£18.2 million) to support all transport projects including the A454 City East Gateway Phases 1 & 2 – Willenhall Road project.

3.0 Progress

- 3.1 In the last 12 months, the Outline Business Case for the project has been undergoing a refresh in response to feedback from the Department for Transport.

- 3.2 The refreshed business case will be submitted to the Department for Transport in late 2023 and a decision is expected later in the year or early 2024.
- 3.3 The A454 City East Gateway Phases 1 & 2 – Willenhall Road project has been approved by the West Midlands Combined Authority Single Assurance Framework at the Strategic Outline Business Case Stage. This was confirmed on 15th December 2022.
- 3.4 This approval will allow the A454 City East Gateway Phases 1 & 2 – Willenhall Road project to draw down £400,000 from the A454 allocation of the City Region Sustainable Transport Settlement for scheme development for the year 2023-2024, subject to a signed grant agreement.
- 3.5 In January 2023, the project team met with the Cycling and Walking Team at Transport for West Midlands to discuss the project's compliance with the latest guidance on design for active travel. Since this meeting, the project team have been working with the design team to refresh the designs based on the feedback given.
- 3.6 Accurate detailed cost estimates will be required to inform the Full Business Case submission to DfT, along with a finalised programme for delivery. In order to best inform these commitments within the FBC and reduce the risk of increased cost to the Council, Early Contractor Involvement (ECI) is considered best practice. As a member of the Midlands Highway Alliance (MHA) we have access to their Major Schemes Framework (MSF4) for delivery, from which it is proposed we engage a suitable contractor in ECI for the scheme. The MHA route has proven benefits for cost management, local investment, collaboration and added social value. In the event that MSF4 were not available for any reason, an alternative equivalent framework would be sourced for appointment.
- 3.7 The detailed design identifies a number of considerable changes to traffic movements which will need to be delivered with a corresponding Traffic Regulation Order, some of which will take time to consult on and advertise, therefore delegation is sought for their approval.

The Traffic Regulation Orders required for this project include, but are not limited to:

- Walsall Street and Lower Walsall Street becoming one-way westbound
- Minerva Lane becoming a one-way street

- 3.8 The scheme will include alterations to statutory undertakers' equipment and the removal of vegetation and trees during both preparation and construction stages, in order to establish the most efficient programme, secure statutory undertakers for works, and fulfil any requirements for potentially time sensitive works around vegetation, early approval is sought on this item.

4.0 Evaluation of alternative options

- 4.1 The preferred option for this project was presented and endorsed by the Council on 2 April 2019. This is Option D: Multi-Modal Corridor Enhancements.

4.2 Options A (Minor Interventions), B (A Focus on Sustainable Modes) and C (Bus Priority Route) were not pursued because:

- Option A offered limited improvement for sustainable transport, did not change access options for future development sites or meet any of the corridor aspirations in regard to improved air quality and working environment.
- Option B offered no change in access options for future development sites and the level of anticipated mode shift was not sufficient to address the issues of air quality and noise along the corridor.
- Option C offered no improvement to access development sites, and the width of bus lanes required to make this option viable would significantly impact other modes.

5.0 Reasons for decision(s)

5.1 With the project already approved for development, the primary reason for the decisions in this report is to ascertain the approvals needed to progress the scheme towards implementation.

The current scheme programme has the following timescales:

Milestone	Forecast Date (end)
OBC Submission	November 2023
FBC Production	January - August 2024
FBC Submission	August 2024
FBC Approval	End 2024
Project Construction	2025 - 2027

- 5.2 The project requires land acquisition, albeit some land is within the highway boundary, but some land sits within private ownership. A report seeking a decision to approve the use of Compulsory Purchase Order powers to acquire the land in the event that negotiations with landowners do not succeed will be bought separately for consideration.
- 5.3 The early approvals and delegations sought all contribute to helping ensure the Council secures sufficient funding to deliver the desired outcomes of the scheme, both on time and within the identified budget.
- 5.4 If the approvals to proceed with the development work outlined are not granted, there is a risk that the Council is not able to utilise the provisional Department for Transport funding to deliver capital assets that contribute to the Council's objectives. There is also a risk that spend to date on development of the scheme proposals will be subject to clawback arrangements if no capital improvement is delivered.
- 5.5 Approving the Council to enter into the grant agreement and utilisation of the £400,000 will benefit the progression of the development work of the A454 City East Gateway –

Willenhall Road project. This will ensure the project team can meet the milestones within the programme.

6.0 Financial implications

- 6.1 The A454 City East Gateway corridor was identified as in CRSTS programme and received an allocation of £18.2 million. The spend deadline of this funding source is March 2027.
- 6.2 The Phases 1 and 2 project has been provisionally allocated £6.0 million of this total allocation for the A454 City East Gateway corridor.
- 6.3 The project has worked through the WMCA approvals process for the CRSTS to begin drawing down on this funding. To date, the project has received WMCA approval to draw down £400,000 of this £6.0 million allocation for scheme development in the financial year 2023/2024. A grant agreement for the £400,000 is being finalised between the Council and West Midlands Combined Authority.
- 6.4 This report seeks approval for a supplementary capital budget of £400,000 for scheme development fully funded through this first tranche of CRSTS grant. This budget approval will be subject to the signing of the grant agreement with WMCA for this funding.
- 6.5 Engagement in Early Contractor Involvement for development of the work programme is anticipated to have financial implications up to a value of £100,000. This will be financed by the £400,000 capital budget subject to the signed grant agreement.
- 6.6 The development phase of this project is fully funded through the grant and future phases will be subject to business case and will be considered in future reports. WMCA guidance sets out where a scheme does not proceed due to a business case being rejected, the Department would not look to recover development costs incurred.
- 6.7 Further to the above it should be noted that current market conditions, particularly inflationary pressure is very challenging for the delivery of capital projects at this time. The Council are continuing to monitor and mitigate this risk where possible.
[ES/09102023/Q]

7.0 Legal implications

- 7.1 Pursuant to Section 1 of the Localism Act 2011 the Council has a general power to anything that an individual may generally do provided that it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in that Act.
- 7.2 This will require the Council entering into a grant agreement, as detailed in the body of the report the Council is proposing to receive grant funding for the purpose of A454 City East Gateway project. The Council as the recipient of the grant funding will need to ensure that it adheres to all the obligations set out in the Grant Agreement, which will

include milestones that must be achieved. The Council will be subject to clawback should it fail to meet the terms of the Grant Agreement and therefore should ensure that it is able to satisfy these and where possible procure compliance through its contractor and any other third party. In order to achieve this a contractor and any other third party will need to be made aware of any obligations imposed on it.

- 7.3 As detailed within the body of the report, the ongoing development of the scheme towards construction will require authorisation for Traffic Regulation Order's and Early Contractor Involvement. In relation to the procurement of a Contractor, the Council must comply with its Constitution and all applicable legislation and regulations including GDPR and Subsidy Control.
- 7.4 As Traffic Regulation Orders are a statutory instrument, the Council will engage in consultation with statutory consultees and impacted communities to ensure a fair process has been undertaken in line with its obligations.
[JA/06102023/E]

8.0 Equalities implications

- 8.1 The scheme will be designed in accordance with all Department of Transport guidance to ensure it is accessible to all members of the community.
- 8.2 The scheme has also been subject to a Road Safety Audit and LTN1/20 review to ensure that the scheme will operate safely for all users.
- 8.3 The need for land acquisition to deliver the project recognises the impact this could have on personal or commercial interests relating to the plots of land that need to be acquired.
- 8.4 The need for land acquisition also recognises that steps will be taken to ensure any parties affected parties are consulted upon and that appropriate provision is put in place to do this, for example making consultation materials available in other languages.

9.0 All other implications

- 9.1 Climate change and environmental impacts have been considered for the A454 Willenhall Road full scheme.
- 9.2 The health and wellbeing objectives of the scheme are to increase modal shift to active travel and public transport and to improve air quality along the A454.
- 9.3 Approving the recommendations of this report will allow the construction of infrastructure to allow residents to make more journeys by sustainable modes, in the long term, reducing harmful emissions and addressing Wolverhampton as an air quality management area.

10.0 Schedule of background papers

- 10.1 Cabinet (Resources) Panel - 2 April 2019 - [City East Gateway A454 Phase 1 and 2 Consultation Feedback and Preferred Option](#)