

Please ask for: Cllr Adam Clarke
Tel: 0116 454 0034
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Website: www.leicester.gov.uk
Our ref: AC
Your ref:
Date: 30th June 2017



Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

Dear Sir/Madam

**National Productivity Investment Fund for the Local Road Network
Leicester – Urban Congestion Bus Pinch Point Improvement Project**

Further to your call for bids to the 'National Productivity Investment Fund for the Local Road Network', I am very pleased to support both Leicester's bids submitted under separate covers.

As a City we recognise the importance, and have a strong commitment, to tackling the barriers to productivity and growth resulting from congestion on the highway network that restricts the movement of goods and people.

We strongly believe this bid meets the NPIF objectives as it:

- Improved journey times and journey time reliability for all traffic and for bus services in particular.
- Positive impact on economic growth and job creation in the city centre and the Waterside strategic regeneration area
- Facilitating increased GVA in the city centre and the Waterside strategic regeneration area
- Improved air quality and reduction in carbon emissions

The bid is also consistent with and complementary to our:

- Economic Action Plan
- Air Quality Action Plan
- Emerging Local Plan
- Local Transport Plan 2011 – 2026
- Sustainability Action Plan 2016-2019
- Cycle City Action Plan
- Leicester & Leicestershire Access Fund Programme – 'Choose How You Move'

If successful, I am committed to delivering all the elements covered by the bid; in partnership with our stakeholders and delivery partners.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Adam Clarke', written in a cursive style.

Cllr Adam Clarke
Assistant City Mayor – Environment, Cllr for Aylestone

National Productivity Investment Fund for the Local Road Network Application Form



Department
for Transport

The level of information provided should be proportionate to the size and complexity of the project proposed. As a guide, for a small project we would suggest around 10 -15 pages including annexes would be appropriate.

One application form should be completed per project and will constitute a bid.

Applicant Information

Local authority name(s)*: Leicester City Council

**If the bid is for a joint project, please enter the names of all participating local authorities and specify the lead authority.*

Bid Manager Name and position: Stuart Maxwell, City Transport Director

Name and position of officer with day to day responsibility for delivering the proposed project.

Contact telephone number: [REDACTED] **Email address:** [REDACTED]

Postal address: City Hall
115 Charles Street
Leicester
LE1 1FZ

Combined Authorities

If the bid is from an authority within a Combined Authority, please specify the contact, ensure that the Combined Authority has provided a note ranking multiple applications, and append a copy to this bid.

Name and position of Combined Authority Bid Co-ordinator: N/A

Contact telephone number: **Email address:**

Postal address:

When authorities submit a bid for funding to the Department, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within two working days of submitting the final bid to the Department. The Department reserves the right to deem the business case as non-compliant if this is not adhered to.

Please specify the weblink where this bid will be published:

<https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/transport-and-streets/transport-bids/>

SECTION A - Project description and funding profile

A1. Project name: Leicester – Urban Congestion Bus Pinch Point Improvement Project

A2 : Please enter a brief description of the proposed project (no more than 50 words)

The project comprises a direct link road onto Leicester's inner ring road from St Margaret's Bus Station and bus priority and enforcement measures on key bus routes to improve bus journey times and bus journey time reliability. The project is enhanced by behavioural change work funded by the Access Fund.

A3 : Please provide a short description of area covered by the bid (no more than 50 words)

The area includes parts of Leicester city centre strategically important locations on Leicester's highway network. These locations contain trips to and from strategic employment and residential regeneration areas, the city centre and strategic destinations such as retail and commercial centres and hospitals such as the Glenfield General Hospital.

OS Grid Reference: grid references are provided on the appended plan entitled Leicester – Urban Congestion Bus Pinch Point Improvement Project General Plan.

Postcode: LE1, LE3 and LE5

Please append a map showing the location (and route) of the project, existing transport infrastructure and other points of particular relevance to the bid.

The Map (Urban Congestion Bus Pinch Point Improvement Project General Plan) is appended as Annex 1

A4. How much funding are you bidding for? (please tick the relevant box):

Small project bids (requiring DfT funding of between £2m and £5m)

Large project bids (requiring DfT funding of between £5m and £10m)

A5. Has any Equality Analysis been undertaken in line with the Equality Duty?

Yes No

The City Council has conducted an Equality Impact Assessment for this project and concluded that there is an overall positive impact on protected groups as barriers to accessing jobs in particular are reduced through this project and the supporting sustainable transport promotional work. To keep the application document to an appropriate size, as indicated on page 1 of this form, this has not been appended but is available by contacting the bid manager.

A6. If you are planning to work with partnership bodies on this project (such as Development Corporations, National Parks Authorities, private sector bodies and transport operators) please include a short description below of how they will be involved.

Local bus operators, bus users, business representatives and the county council, through Leicester's Bus User Panel, have been involved in identifying locations where buses are delayed and where journey time reliability is poor. The Bus User Panel members, local bus operators and coach operators will be involved in the detailed design of the project. The county council's network management team is involved, through the Bus User Panel reps then directly during design, in the project as the project is adjacent to the county council's highway network. Organisations such as the Chamber of Commerce, Leicestershire Business Voice, Campaign for Clean Air, Living Streets, British Cycling and The Ramblers Association will be consulted on project proposals during the detailed design stage.

A7. Combined Authority (CA) Involvement

Have you appended a letter from the Combined Authority supporting this bid? Yes No

A8. Local Enterprise Partnership (LEP) Involvement and support for housing delivery

Have you appended a letter from the LEP supporting this bid? Yes No

For proposed projects which encourage the delivery of housing, have you appended supporting evidence from the housebuilder/developer? Yes No

Supporting Letters are included in Annex 2. We are awaiting receipt of the letter from housebuilder/developer.

SECTION B – The Business Case

B1: Project Summary

Please select what the project is trying to achieve (select all categories that apply)

Essential

- Ease urban congestion
- Unlock economic growth and job creation opportunities
- Enable the delivery of housing development

Desirable

- Improve Air Quality and /or Reduce CO2 emissions
- Incentivising skills and apprentices
- Other(s), Please specify -

B2 : Please provide evidence on the following questions (max 100 words for each question):

a) What is the problem that is being addressed?

The problem is congestion at key locations on Leicester's network that particularly affects bus services in the peak periods, and throughout the day in city centre locations where a high number of buses are affected. Delays to buses can average two minutes, leaving one of the city's bus stations, and vary in length and time of day at locations on the routes of key services. This congestion has a negative impact on economic growth and job creation, particularly in the strategic regeneration areas and the city centre, on air quality (see f below) and carbon emissions.

b) What options have been considered and why have alternatives been rejected?

Strategic level options considered and discounted include;

- i) Carriageway widening, discounted due to environmental impact, cost, land availability and severance.
- ii) Provision of park and ride, discounted due to cost, likely subsidy required for early operating years and deliverability in the next five years.
- iii) Re-routing traffic, discounted as no suitable alternative routes available.

The preferred option is to construct a new "bus road link", reallocate road space to bus services and enforce bus lanes using static cameras. Project details are provided in Annex 1 (See Urban Congestion Bus Pinch Point Improvement Project General Plan).

c) What are the expected benefits/outcomes? For example, could include easing urban congestion, job creation, enabling a number of new dwellings, facilitating increased GVA.

Expected benefits include;

- i) improved journey times and journey time reliability for all traffic and for bus services in particular.
- ii) positive impact on economic growth and job creation in the city centre and the Waterside strategic regeneration area

- iii) facilitating increased GVA in the city centre and the Waterside strategic regeneration area
- iv) improved air quality and reduction in carbon emissions

d) Are there any related activities that the success of this project relies upon? For example, land acquisition, other transport interventions requiring separate funding or consents?

The project does not rely on land acquisition, any other transport interventions requiring separate funding or any consents required. The benefits of the project will be realised more quickly through the council's programme of travel planning and sustainable travel promotional work funded by the Access Fund than if the project was not supported by such revenue funded activity.

e) What will happen if funding for this project is not secured - would an alternative (lower cost) solution be implemented (if yes, please describe this alternative and how it differs from the proposed project)?

If funding for this project is not secured some elements of the project could be implemented over the next few years. A piecemeal approach over the next few years would not facilitate a step change improvement in key bus services and would have lower value for money due to repetition of design and approval processes, traffic management arrangements and disruption to highway network users.

f) What is the impact of the project – and any associated mitigation works – on any statutory environmental constraints? For example, Local Air Quality Management Zones.

The project will have a positive impact on air quality (Leicester has a declared (in year 2000) Air Quality Management Area based on radial routes to the city centre and the city centre) and carbon emissions. The project helps deliver Actions 8, 9, and 11 of Leicester's Air Quality Action Plan (2015-2026) "Healthier air for Leicester", see <https://www.leicester.gov.uk/media/180653/air-quality-action-plan.pdf>. The impact of this project on air quality and carbon emissions is provided in c) above.

B3 : Please complete the following table. **Figures should be entered in £000s** (i.e. £10,000 = 10).

Table A: Funding profile (Nominal terms)

£000	2018-19	2019-20
DfT Funding sought	800	1200
Local Authority contribution	200	660
Third Party contribution		
TOTAL	1000	1860

Notes:

- 1) Department for Transport funding must not go beyond 2019-20 financial year.
- 2) Bidders are asked to consider making a local contribution to the total cost. It is indicated that this might be around 30%, although this is not mandatory.

B4: Local Contribution & Third Party Funding : Please provide information on the following questions (max 100 words on items a and b):

- a) Provide an outline of all non-DfT funding contributions to the project costs, the level of commitment, and when the contributions will become available.

The city council is contributing £860k capital funding as per the profile indicated in Table A and this funding is confirmed in the Authority's capital programme.

£1.293M funding over three years from the city council's DfT Access Funded "Choose How You Move" sustainable transport programme is committed to encourage behavioural change in areas within which this project is located which will help realise the benefits of the capital investment of the proposed project.

- b) List any other funding applications you have made for this project or variants thereof and the outcome of these applications, including any reasons for rejection.

None

B5: Economic Case

This section should set out the range of impacts – both beneficial and adverse – of the project. The scope of information requested (and in the supporting annexes) will vary, including according to whether the application is for a small or large project.

A) Requirements for small project bids (i.e. DfT contribution of less than £5m)

- a) Please provide a description of your assessment of the impact of the project to include:

Headlines

This project is estimated to provide £5.848M of benefits (PVB) at a cost of £2.86 (PVC), both in 2017 prices) providing a BCR of 2.04 which is classified as a high BCR. This is a conservative estimate as this only considers the *average* Journey Time and Carbon savings. The Department for Transport report 'Value for Money Assessment for Major Bus-related schemes' demonstrates that the BBAF schemes typically had BCR's in excess of 1.8, whilst the LSTF schemes saw benefits in excess of 5.

We have used average journey time savings as a conservative estimate. However, this does not reflect the variability of the actual journey times (and the potential journey time savings), which are likely to be significantly larger.

It has not been possible to provide evidence, in the required timeframe, of the potential benefits from the increase in bus patronage due to the improvements and the resultant reductions in congestion. Due to the project improving access between the City Centre and the major development at Waterside and to areas of growth on the perimeter of the city there are likely to be significant benefits from reductions in the growth of car use. This project is within the area targeted by our Access Fund programme, and we would expect the combination of the two projects to lead to significant transfers between cars and buses and that we would obtain similar levels of benefits as claimed in. Leicester City's successful BBAF bid for the A426 bus improvements demonstrated a BCR of over 7.

Further, the bus companies receive sanctions and financial penalties when punctuality fails to meet the standard. We have not considered the benefits from improved reliability that would

follow from bus companies offering improved timetables with improved journey times, or possibly additional services.

PVC and PVB (60 years in 2017 prices)

			Cost	Benefit	BCR
All Schemes			£2,860,000	£5,848,446	2.04
Journey Time	St Margarets Bus Station	left turn		£4,940,731	
		right turn		£334,674	
	Groby Road			£206,061	
	Uppingham Road			£11,165	
	Narborough road			£68,715	
Carbon	St Margarets Bus Station			£287,100	

The scheme is estimated to reduce carbon emissions (calculated as tail pipe carbon CO₂e) of 159.5 tonnes per year

Overview

Leicester City Council has been actively developing and delivering schemes to support the growth agenda. To the north-west of the City Centre the Leicester North West Major Transport Project has delivered infrastructure improvements that support our major regeneration areas at Waterside and Abbey Meadows. In the city centre, the Connecting Leicester programme is providing major improvements to connectivity and the public realm which have contributed to a thriving and growing city centre.

As part of our strategic planning we continue to identify opportunities and schemes for improving accessibility, reducing congestion and reducing reliance on car use by promoting cycling, walking and the use of public transport. These provide the means to deliver on our objectives to deliver economic and housing growth whilst moving forward on our objective to reduce CO₂, NO_x and other emissions.

Public Transport plays an important role in providing connectivity within the City. To help support the city's public transport ambitions major schemes such as the A426 Quality Bus Corridor Scheme and the Haymarket Bus Station Redevelopment Scheme have been completed in recent years. The latter provided a step change in the quality of a major city centre public transport interchange, including major, high quality public realm improvements in the surrounding area.

In 2015, a Scrutiny Commission study entitled "A Review of Bus Lanes Policy and its Operation in Leicester" included consultation with bus operators to identify network pinch-points that increase bus journey times, undermine service reliability and have a detrimental effect on bus scheduling, timetabling and network operations. This resulted in a list of problem links and "hot-spot" locations throughout the city. These were scored against a number of criteria including frequency, severity and numbers of buses in the peak hour to give an overall impact rating.

This bid includes a number of high priority locations (Annex 3) that were identified through this process. The interventions proposed for these locations will reduce bus journey times and improve bus journey time reliability whilst remaining capacity neutral to other highways users. This is achieved by maintaining and fully utilising the existing capacity of the critical junctions that define the overall performance of the network whilst carefully managing how and where

general traffic queues during peak periods. It will be delivered through a combination of physical measures (new and existing bus lanes) and the intelligent use of our urban traffic management and control (UTMC) systems – an approach that is entirely consistent with the emerging “smart cities” agenda. The proposed schemes are summarised below.

St Margaret’s Bus Station Exit Junction (Annex 3): Buses currently exit the bus station via a 400m loop via New Street- Gravel Street- Abbey Street and Burley Way. This route is congested with buses and taxis throughout the day on Gravel Street and Abbey Street and congested in the peak hours on Burleys Way.

The new bus station exit would save the 400m route, and place the buses at the head of the queue at the Burleys Way A6 junction. The existing stop line on Burleys Way would be relocated approximately 20m back from the existing point. Buses would enter the advanced stop lanes during the periods that traffic is held meaning there would be nil detriment to the existing traffic.

The output of this proposal will be reduced bus journey times and improved bus journey time reliability. This will benefit numerous stakeholders including: improved access to employment and facilitating housing development in the city centre; the Strategic Regeneration Area at Waterside; major employers to the north-west of the city, including Leicestershire County Council (at County Hall), Glenfield Hospital and the extensive employment / retail centres in and around Beaumont Leys; inter-urban public transport links to Loughborough & surrounding villages; the SkyLink service to East Midlands Airport.

Groby Road Bus Priority Improvements (Annex 3): Currently the A50 is a 2 lane dual-carriageway on a 2km section between the junction with New Parks Way and Fosse Road North. In the AM peak, inbound queues at the Fosse Road North junction extend up to 600m from the junction. This proposal will replace the nearside lane with a bus-lane allowing the buses to pass the queue. Cars will queue in the outside lane only. The scheme is capacity neutral for car-journeys. The capacity of critical downstream junctions is maintained and fully utilised by ending the bus lane short of the junction, allowing general traffic to make full use of the existing lanes and traffic signal green time. The output of this proposal, will be reduced inbound bus journey times and improved bus journey time reliability. This proposal complements the St Margaret’s Bus Station scheme described above and supports, in particular, access to employment and facilitating housing development in the city centre, the Strategic Regeneration Area at Waterside and the major employers at County Hall and the Glenfield Hospital.

Narborough Road Bus Priority Improvements (Annex 3): Inbound bus lanes currently terminate at the Fullhurst Avenue junction. This scheme will add 500m of bus lane between Fullhurst Avenue and Imperial Avenue by reducing the carriageway to 1 lane for general traffic. As in the Groby Road Scheme above, the queues are relocated onto the remaining carriageway with no net impact on general traffic. The output of this proposal will be reduced bus journey times and improved bus journey time reliability. It will improve access to employment in the city centre as well as the major employment and redevelopment areas at Fosse Park adjacent to the M1. It will also provide significant benefits during events (football / rugby matches etc) as Narborough Road is the key radial link from M1 Jn 21. The delays and service disruption to the bus network at such times is extreme. The proposal will help mitigate these issues. (NB: these benefits have not been quantified in the enclosed assessment.)

Uppingham Road Bus Priority Improvements: Uppingham Road is the primary radial route into the city from the east. It is therefore an extremely important public transport corridor. Bus lanes already exist on the A47 Uppingham Road. However, there are loading bays between Scraftoft Lane and Coleman Road which are illegally used by shoppers. This means that

delivery lorries block the bus lane when making a delivery. Buses are then required to enter the main carriageway to pass the obstruction – losing the bus lane benefits and adding to general levels of congestion. The improvements planned will amend the layout of the parking/loading bays and provide the capital funded component of camera enforcement. The output of this proposal will be reduced bus journey times and improved bus journey time reliability hence improving access to employment in the city centre and planned developments to the east of Leicester

Assessing the Economic Benefits of the Schemes

The appraisal of the schemes has been limited to assessing the journey time benefits of existing users of the bus services and the Carbon reduction benefits of the reduced journey distances due to the St Margarets Bus station improvements.

We believe that this is an underestimate of the benefits as we recognise that there would be significant additional benefits due to improved journey time reliability which would benefit both the passengers and bus operators.

For bus operators the journey time variability undermines their ability to set an ambitious timetable as they will incur fines and sanctions if they do not meet their performance targets. For instance on Narborough Road the free flow travel time is 35s. The average peak hour travel time is 73 seconds which the maximum journey time is 533 seconds. Bus operators need to take account of this maximum delay, and thus timetable reductions of upto 533 seconds could be possible.

In addition we recognise that when combined with the existing Access Fund programme and the provision of additional Real Time Information screens a bus-stops associated with these project evidence from other studies and bids show that the project has the potential to increase passenger numbers for business, commuting and other purposes. (Reference Value for Money Assessment for Major Bus-related schemes, DfT, Feb 2016) The positive benefits of this relates to the potential reduction in car-traffic due to the transfer of trips from car to bus. This reduction in congestion would support the growth aspirations of the city, with the benefits likely to be significant, especially around major the major regeneration sites such as Waterside (upto 2,800 dwellings, 500,000sqft B1a office space, 20,000sqft Retail space) which is served by buses terminating in the St Margarets bus station. The un-availability of local evidence in the timeframe has precluded us from providing monetised estimates of these benefits.

As well as the benefits accruing to users of the highways network, the scheme will also provide health benefits due to the additional walking to/from the bus stops. Evidence has shown that benefits of increased walking can be significant, however, again local evidence has not been available to allow us to monetise these benefits in the required timeframe.

Journey Time Savings

Each of the schemes has been assessed against the benefits of journey time savings that would accrue to bus passengers.

Bus passenger numbers by hour and journey time savings have been estimated using bus passenger surveys and local journey time surveys.

The Value of Time (2010 prices) for an average passenger in the AM, IP and PM peak was determined from the WebTAG databook: WebTAG A1.3.5 and WebTAG A1.3.1 taking into account the proportions of different trip purposes in each time period.

	Proportions of journeys			Value of Time	
	WebTAG A1.3.4			WebTAG A1.3.1	
	AM	IP	PM	£/hour	p/min
Business	1.40%	1.70%	2.30%	8.42	14.0
Commute	18.40%	6.50%	25.90%	8.36	13.9
Other	80.20%	91.90%	71.80%	3.82	6.4
			VOT AM		7.9
			VOT IP		7.0
			VOT PM		8.5

Benefits are assumed to accrue over a 5 day working week for 48 weeks in a year. In order to estimate the Benefits over 60 years the single year estimate of benefits is multiplied by 30 which provides an approximation for the summation of 60 years of benefits that include discounting and changes to parameters such as Value of Time.

Scheme costs (PVC) are provided in 2017 prices, there is a 10.7% GDP inflator (WebTAG databook) to convert from 2010 to 2017.

The observed passenger data is aggregated into 0700-1000 for the AM 3 hour peak, 1000-1600 for the IP 6 hour period, and 1600-1900 for the PM 3 hour peak. Consequently, the conversion factors are AM =3, PM =3 and IP=6 in the Scheme Impact Proforma table

Note 1: For the St Margaret's Bus station the 7pm till 11pm passengers are included within the Interpeak period because the junction improvement delivers benefits for all buses exiting the bus station, not just at peak times.

Note 2: For the Narborough Road, Uppingham Road and Groby Road schemes the benefits are assumed for a 2 hour peak period (0730 till 0930). This is a conservative view as problems can and do occur throughout the working day and at weekends.

Note 3: For Uppingham Road it has been assumed that the benefits will only accrue for 3 days in a week, a conservative assumption.

Estimates of Journey time savings on Groby Road and Narborough Road have been obtained from Traffic Master estimates of the 'free-flow' journey times obtained in an off-peak period compared to the **average** journey times in the peak hours on these segments. This will lead to a conservative estimate of the benefits. Further discussion of the variability is considered for the Groby Road and Narborough Road schemes.

St Margaret's bus station.

Travel time will be reduced from 4 minutes to 2 minutes for all buses that 'turn-left' onto Burleys Way. This is a conservative estimate of benefits as buses will often take 2 or more cycles of the traffic signals at Gravel Street and also at Abbey Street.

Buses that turn right are estimated to benefit from a 20 second benefit due to the reduction in congestion due to the removal of the left-turn buses from the route.

The benefits accrue throughout the day on the service buses, National Express coaches, and the Skylink services

Between 7am and 11pm the bus station has 571 departures of which 383 turn left and benefit from the 2 minute benefit, whilst 188 turn right and benefit from a 20 second benefit.

The characteristics and benefits for the left turn buses are shown below:

		AM	IP	PM	
3 or 6 hour period	Passengers (Service Bus)	412	2121	1059	
	Passengers (National Express)	12	132	31	
	Passenger (Skylink)	23	264	62	
	Passengers - Total	446.5	2517	1152	4115.5
1 hour period	Total Passengers in 1 hour	148.8	419.5	384.0	
	Total travel time saving (hours) in 1 hour	4.96	13.98	12.80	
	VoT (2010 prices p/min)	7.90	7.00	8.50	
	Conv Factor	3	6	3	
	1 day benefit	£ 71	£ 352	£ 196	£ 619
	1 year benefit	£ 16,931	£ 84,571	£ 47,002	£ 148,504
	60 year benefit 2010 prices	£ 507,938	£ 2,537,136	£ 1,410,048	£ 4,455,122
	60 year benefit 2017 prices	£ 563,304	£ 2,813,684	£ 1,563,743	£ 4,940,731

The characteristics and benefits for the right turn buses are shown below:

		AM	IP	PM	
3 or 6 hour period	Passengers (Service Bus)	198	998	341	
	Passengers (National Express)	0	0	0	
	Passenger (Skylink)	0	188	0	
	Passengers - Total	198	1186	341	1724
1 hour period	Total Passengers in 1 hour	65.8	197.6	113.7	
	Total travel time saving (hours) in 1 hour	0.4	1.1	0.6	
	VoT (2010 prices p/min)	7.90	7.00	8.00	
	Conv Factor	3	6	3	
	1 day benefit	£ 5	£ 28	£ 9	£ 42
	1 year benefit	£ 1,247	£ 6,632	£ 2,180	£ 10,059
	60 year benefit 2010 prices	£ 37,409	£ 198,965	£ 65,407	£ 301,780
	60 year benefit 2017 prices	£ 41,486	£ 220,652	£ 72,536	£ 334,674

This scheme is estimated to provide £5.275M benefits over 60 years in 2017 prices.

Grobby Road Bus Priority Improvements.

It is estimated that the improvements will benefit passenger on weekdays between 0730 and 0930, with the scheme reducing bus journey times by 77 seconds. (Note: Passenger numbers from the nearest hour have been used.)

The traffic Master data shows that the free flow journey time is 107s, average journey time is 184 seconds whilst the maximum journey time is 564 seconds. As the bus company has to provide a timetable that reflects the worst journey times the improvements could lead to reductions in journey times of **upto 564 seconds**, and the benefits could be 300% greater than claimed.

		AM	IP	PM	
3 or 6 hour period	Passengers (0800-0900)	157			
	Passengers (0900-1000)	123			
	Passengers - Total	280	0	0	280
1 hour period	Total Passengers in 1 hour	93.3	0.0	0.0	
	Total travel time saving (hours) in 1 hour	1.81	0.00	0.00	
	VoT (2010 prices p/min)	7.90	7.00	8.50	
	Conv Factor	3	6	3	
	1 day benefit	£ 26	£ -	£ -	£ 26
	1 year benefit	£ 6,194	£ -	£ -	£ 6,194
	60 year benefit 2010 prices	£ 185,808	£ -	£ -	£ 185,808
	60 year benefit 2017 prices	£ 206,061	£ -	£ -	£ 206,061

This scheme is estimated to provide £206K benefits over 60 years in 2017 prices. With revisions to the timetable benefits of upto £618k may be possible.

Narborough Road Bus Priority Improvements.

It is estimated that the improvements will benefit passenger on weekdays between 0730 and 0930, with the scheme reducing bus journey times by 38 seconds. (Note: Passenger numbers from the nearest hour have been used.)

The traffic Master data shows that the free flow journey time is 35s, average journey time is 73 seconds whilst the maximum journey time is 353 seconds. As the bus company has to timetable against the worst journey times the improvements could lead to reductions in journey times of upto 353 seconds, and the benefits would be 480% greater than claimed.

We have also not considered the impact of sporting events (Leicester City, Leicester Tiger, County Cricket) that result in very heavy congestion and delays to the bus services. This scheme would provide significant benefits during these events.

		AM	IP	PM	
3 or 6 hour period	Passengers (0800-0900)	74			
	Passengers (0900-1000)	98			
	Passengers - Total	172	0	0	172
1 hour period	Total Passengers in 1 hour	57.3	0.0	0.0	
	Total travel time saving (hours) in 1 hour	0.61	0.00	0.00	
	VoT (2010 prices p/min)	7.90	7.00	8.50	
	Conv Factor	3	6	3	
	1 day benefit	£ 9	£ -	£ -	£ 9
	1 year benefit	£ 2,065	£ -	£ -	£ 2,065
	60 year benefit 2010 prices	£ 61,961	£ -	£ -	£ 61,961
	60 year benefit 2017 prices	£ 68,715	£ -	£ -	£ 68,715

This scheme is estimated to provide £68.7K benefits over 60 years in 2017 prices. With revisions to the timetable benefits of upto £329k may be possible.

Uppingham Road Bus Priority Improvements.

It is estimated that the improvements will benefit passenger on weekdays between 0730 and 0930 with the scheme reducing bus journey times by 15 seconds. (Note: Passenger numbers from the nearest hour have been used.)

The unpredictable nature of the problem means that not every bus experiences the delay. In this appraisal it has been assumed that the delay will be experienced on 3 out of 5 working days, and that 50% of these buses will be impacted.

		AM	IP	PM	
3 or 6 hour period	Passengers (0800-0900)	42.5			
	Passengers (0900-1000)	75.5			
	Passengers - Total	118	0	0	118
1 hour period	Total Passengers in 1 hour	39.3	0.0	0.0	
	Total travel time saving (hours) in 1 hour	0.16	0.00	0.00	
	VoT (2010 prices p/min)	7.90	7.00	8.50	
	Conv Factor	3	6	3	
	1 day benefit	£ 2	£ -	£ -	£ 2
	1 year benefit	£ 559	£ -	£ -	£ 559
	60 year benefit 2010 prices	£ 16,780	£ -	£ -	£ 16,780
	60 year benefit 2017 prices	£ 18,609	£ -	£ -	£ 18,609
	60 year benefit 2010 prices (3 day week)	£ 10,067.76	£ -	£ -	£ 10,067.76
	60 year benefit 2017 prices (3 day week)	£ 11,165.15	£ -	£ -	£ 11,165.15

This scheme is estimated to provide £11.1K benefits over 60 years in 2017 prices.

CO2 and NOx Benefits

All the schemes will provide a positive benefit to the reduction in CO2 and NOx however the biggest benefit will be derived from the St Margaret's Bus Scheme. This has been appraised using the DEFRA Emissions Factor Toolkit v7.0.

The new access to Burleys Way will reduce the journey length for each left turn bus by 400m. During each day there are 213 vehicles which will benefit, and which are currently observed to take 3 mins 58 seconds to cover the distance. This is an average speed of 6kph

The EFT estimates that the scheme would thus reduce annual emissions by:

- CO2e: 159.5 tonnes per year
- NOx: 460.6 Kg/yr
- PM2.5: 7.58 Kg/yr
- PM10: 10.95 kg/yr

Using the Central 2017 CO2e Non-traded value of £60 per tonne (2010 prices) (WebTAG A3.4) Monetised CO2e benefits of £9,570 per year. Over 60 years this would be approximately £287,100 (including discounting)

Negative Impacts of the Project

The individual elements of the scheme have been designed to be beneficial to bus users but neutral to all other highway users.

In the bus station scheme the traffic will be relocated back by around 20m. There will be no material changes to the signal timings, and the buses will enter the head of the queue during the existing red-phase.

The bus-lane schemes make use of existing 2 lane sections to relocate the queue into the offside lane resulting in no net change in capacity

Risks and Uncertainties

The key risk relating to obtaining the benefits the overall success of the project is that of the predicted bus journey time savings being realised. The project design and delivery process to be followed will be based on the successful delivery and operation of the "Better Bus Area Fund" funded A426 Quality Bus Corridor scheme. The A426 scheme was very similar in nature to this proposed project being a scheme in a densely populated urban area near the city centre and on a key arterial route into Leicester. In addition, we have been cautious and used average journey time savings rather than maximum values.

We have assumed that the schemes within this project are neutral to the existing traffic on the network. The bus station scheme will move the existing stop line back by 20m allowing buses to enter the advanced stop lane directly via the new link during the red phase in which the traffic is stopped. For the schemes that involve the delivery of bus lanes the result will be queue relocation to the offside lane and no additional journey times.

** Small projects bids are not required to produce a Benefit Cost Ratio (BCR) but may want to include this here if available.*

b) Small project bidders should provide the following in annexes as supporting material:

Has a **Project Impacts Pro Forma** been appended? Yes No N/A

Has a description of data sources / forecasts been appended? Yes No N/A
Descriptions of data sources is included in the main section B5

Has an **Appraisal Summary Table** been appended? Yes No N/A

Other material supporting your assessment of the project described in this section should be appended to the bid.

** This list is not necessarily exhaustive and it is the responsibility of bidders to provide sufficient information to demonstrate the analysis supporting the economic case is fit-for-purpose.*

B) Additional requirements for large project bids (i.e. DfT contribution of more than £5m)

c) Please provide a short description (max 500 words) of your assessment of the value for money of the project including your estimate of the Benefit Cost Ratio (BCR) to include:

- Significant monetised and non-monetised costs and benefits
- Description of the key risks and uncertainties and the impact these have on the BCR;
- Key assumptions including: appraisal period, forecast years, optimism bias applied; and
- Description of the modelling approach used to forecast the impact of the project and the checks that have been undertaken to determine that it is fit-for-purpose.

d) Additionally detailed evidence supporting your assessment, including the completed [Appraisal Summary Table](#), should be attached as annexes to this bid. **A checklist of material to be submitted in support of large project bids has been provided.**

Has an Appraisal Summary Table been appended? Yes No N/A

- Please append any additional supporting information (as set out in the Checklist).
**It is the responsibility of bidders to provide sufficient information for DfT to undertake a full review of the analysis.*

B6 Economic Case: For all bids the following questions relating to **desirable criteria** should be answered.

Please describe the air quality situation in the area where the project will be implemented by answering the three questions below.

i) Has Defra's national air quality assessment, as reported to the EU Commission, identified and/or projected an exceedance in the area where the project will be implemented?

Yes No

ii) Is there one or more Air Quality Management Areas (AQMA) in the area where the project will be implemented? AQMA must have been declared on or before the 31 March 2017

Yes No

iii) What is the project's impact on local air quality?

Positive Neutral Negative

- Please supply further details:

Leicester City has a declared (in year 2000) Air Quality Management Area, the pollutant being nitrogen dioxide from vehicle emissions, based on radials routes into the city and the city centre itself. The proposed project will have a positive benefit on air quality as vehicle emissions are predicted to reduce due to easing of urban congestion and improving bus journey times and bus journey time reliability.

The St Margaret's Bus Station element of the project is estimated to reduce emissions by:

- CO₂e: 159.5 tonnes per year
- NO_x: 460.6 Kg/yr
- PM_{2.5}: 7.58 Kg/yr
- PM₁₀: 10.95 kg/yr

iv) Does the project promoter incentivise skills development through its supply chain?

Yes No N/A

- Please supply further details:

Leicester City Council is committed to social value and for all capital projects over a threshold value, an Employment and Skills plan is developed for the project. This is part of the Constructing Leicester scheme (see link: <https://www.leicester.gov.uk/business/start-up-and-growth/constructing-leicester/>). The employment and skills plans identify targets in relation to the main contract and sub-contractor to support local people into employment. This can be via apprenticeships, work experience placements, jobs and also introductory visits with schools or

individuals who are NEET or further from the labour market to get an insight into wider construction trade.

The council's Social Value Charter is currently being implemented and is soon to be formally adopted. The aims of the Charter are:

The Council will:

- seek delivery of economic, environmental and social benefit through decisions taken in respect of its procurement and commissioning activities, as part of its planning process and through grants/loans offered
- continue to work with local people, business and other organisations to identify the best means to deliver social value
- ensure that social value requirements placed on businesses and other organisations are relevant, proportionate and fair
- focus on the most significant relevant procurements, planning applications and grants/loans offered to maximise benefit
- work with internal staff, businesses and other organisations subject to this Charter to improve understanding of social value and provide information, training and support on processes

B7. Management Case - Delivery (Essential)

Deliverability is one of the essential criteria for this Fund and as such any bid should set out, with a limit of 100 words for each of a) to b), any necessary statutory procedures that are needed before it can be constructed.

- a) A project plan (typically summarised in Gantt chart form) with milestones should be included, covering the period from submission of the bid to project completion.

Has a project plan been appended to your bid? Yes No

The project plan is provided in Annex 4.

The only statutory procedures that are needed relate to traffic regulation orders and any public utility diversions.

- b) If delivery of the project is dependent on land acquisition, please include a letter from the respective land owner(s) to demonstrate that arrangements are in place to secure the land to enable the authority to meet its construction milestones.

Has a letter relating to land acquisition been appended? Yes No N/A

The proposed project is within the highway and/or land owned by the city council.

- c) Please provide in Table C summary details of your construction milestones (at least one but no more than 6) between start and completion of works:

Table C: Construction milestones

	Estimated Date
Start of works	
Uppingham Road Bus Priority Improvements	9/07/2018
Opening Date	7/09/2018
Start of works	
Narborough Road Bus Priority Improvements	9/07/2018

Opening Date	7/09/2018
Start of works	
St Margaret's Bus Station Exit Junction -Burleys Way	7/01/2019
Opening Date	28/08/2019
Start of works	
Groby Road Bus Priority Improvements	9/07/2018
Opening Date	7/09/2018

Completion of works if different

- d) Please list any major transport projects costing over £5m in the last 5 years which the authority has delivered, including details of whether these were completed to time and budget (and if not, whether there were any mitigating circumstances)

Leicester City Council delivered the **Haymarket Bus Station Project** which commenced on site in October 2014 and was commissioned May 2016 with an estimate and outturn cost of £13.5m. Commissioning of the new station was two months later than originally planned due to unforeseen ground conditions.

Leicester City Council, jointly with Leicestershire County Council, delivered the **Leicester North West Major Transport Scheme Phase 1**. The target end date for the main construction contract was 15/07/2017, the actual completion date was 28/09/2016. The main reasons for the extension of time was the addition of major highway maintenance works which were added to the scheme to take advantage of planned traffic management arrangements thereby reducing disruption to the travelling public, and accommodating Leicester City's Premier League victory celebrations. The estimated project cost was £9.26m and the outturn cost was £9.53m. The main reasons for the increase in cost was the additional maintenance works, funded by the city council, along the city's outer ring road and at the key junctions within the scheme site, and additional drainage works identified as being required after the target construction cost had been set.

B8. Management Case – Statutory Powers and Consents (Essential)

- a) Please list if applicable, each power / consent etc. already obtained, details of date acquired, challenge period (if applicable), date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.

None

- b) Please list if applicable any outstanding statutory powers / consents etc. including the timetable for obtaining them.

None

B9. Management Case – Governance (Essential)

Please name those who will be responsible for delivering the project, their roles (Project Manager, SRO etc.) and responsibilities, and how key decisions are/will be made. An organogram may be useful here.

The project board, chaired by the Senior Responsible Owner, Andrew Smith, Director of Planning and Transportation will lead the development and implementation of this project. The SRO is the owner of the business case and is responsible for ensuring the project meets its objectives and delivers the predicted benefits. The SRO will report progress, seek direction and

approval to progress through project gateways as required, from Cllr Clarke, the Assistant City Mayor Energy and Sustainability.

The project will be managed by John Dowson, Team Leader Sustainable Transport. The project manager is responsible for the day to day management of the project to deliver the project elements within the time, quality and budget constraints. Work package managers will manage the various packages as shown on the project governance structure chart.

City Transport Director, Stuart Maxwell, provides the senior user and senior supplier role, Finance and Legal officers provide the role of project assurance ensuring that the project is being conducted correctly.

Please see the project governance structure chart in Annex 5.

B10. Management Case - Risk Management (Essential)

All projects will be expected to undertake a Quantified Risk Assessment (QRA) and a risk register should be included. Both should be proportionate to the nature and complexity of the project. A Risk Management Strategy should be developed that outlines how risks will be managed.

Project Risk Management Strategy

Risk is a major factor to be considered during the management of any project. The aim is to manage the exposure to risk by taking actions to keep it to an acceptable level in a cost effective way. PRINCE2 methodology has been and will continue to be adopted for managing risk ensuring that all risks are captured and processed in a consistent manner. A high level risk management assessment has been undertaken at this stage. More detailed assessment will be conducted as the design process progresses.

The project board and project manager are responsible for managing risk. The project risk management strategy and register is included in Annex 6.

Please ensure that in the risk / QRA cost that you have not included any risks associated with ongoing operational costs and have used the P50 value.

Has a QRA been appended to your bid? Yes No

Has a Risk Management Strategy been appended to your bid? Yes No

Please provide evidence on the following points (where applicable) with a limit of 50 words for each:

a) What risk allowance has been applied to the project cost?

A small (£130k) allowance has been made at this early stage of the project. The city council will meet all cost risks and any overspend that is the liability of the promoter.

b) How will cost overruns be dealt with?

Promoter responsibility cost overruns will be funded by the city council. Cost overruns will be dealt with in accordance with the terms of the supply/construction contracts. The NEC form of contract (Target Cost) and Early Contractor Involvement will be employed to incentivise the contractor with regards to cost overruns.

c) What are the main risks to project timescales and what impact this will have on cost?

i) businesses, users, residents object to principle or extent of new bus lanes/enforcement. Impact on cost is minimal as objections will be addressed prior to entering supply contracts.

ii) public utility accommodation works delay the main contract construction works.

Impact

B11. Management Case - Stakeholder Management (Essential)

The bid should demonstrate that the key stakeholders and their interests have been identified and considered as appropriate. These could include other local authorities, the Highways England, statutory consultees, landowners, transport operators, local residents, utilities companies etc. This is particularly important in respect of any bids related to structures that may require support of Network Rail and, possibly, train operating company(ies).

a) Please provide a summary in no more than 100 words of your strategy for managing stakeholders, with details of the key stakeholders together with a brief analysis of their influences and interests.

The strategy is to identify all stakeholders and arrange in categories for future ease of analysis and management. Stakeholders' interest area and degree of influence is determined and then engagement activities and groups of stakeholders to be engaged is developed and prioritised. The output of this exercise is a detailed communications plan. The key stakeholders are;

Stakeholder	Interest	Influence
City Mayor, Assistant City Mayor	Political approvals, Project objectives delivered	High
Department for Transport	Project meets NPIF objectives	High
Bus User Panel, Operators	Bus priority measures are implemented	Medium
Public, local residents, businesses	Impact on journey times	Medium

Letters of support are included in Annex 7.

b) Can the project be considered as controversial in any way? Yes No
If yes, please provide a brief summary in no more than 100 words

The proposed project includes installation of 1.5 km of new bus lanes. Installation of bus lanes on radial routes in Leicester, through residential areas, as part of similar projects has proved controversial in the past. Following feedback during consultation designs have been modified but the bus lanes proposed have been installed broadly as planned.

c) Have there been any external campaigns either supporting or opposing the project?

Yes No

If yes, please provide a brief summary (in no more than 100 words)

d) For large projects only please also provide a Stakeholder Analysis and append this to your application.

Has a Stakeholder Analysis been appended? Yes No N/A

e) For large projects only please provide a Communications Plan with details of the level of engagement required (depending on their interests and influence), and a description of how and by what means they will be engaged with.

Has a Communications Plan been appended? Yes No N/A

B12. Management Case – Local MP support (Desirable)

e) Does this proposal have the support of the local MP(s);

Name of MP(s) and Constituency

1 Jonathon Ashworth, Leicester South Yes No

Letter included in Annex 8.

B13. Management Case - Assurance (Essential)

We will require Section 151 Officer confirmation (Section D) that adequate assurance systems are in place.

Additionally, for large projects please provide evidence of an integrated assurance and approval plan. This should include details of planned health checks or gateway reviews.

SECTION C – Monitoring, Evaluation and Benefits Realisation

C2. Please set out, in no more than 100 words, how you plan to measure and report on the benefits of this project, alongside any other outcomes and impacts of the project.

Monitoring will be in accordance with “Monitoring and Evaluation Framework for Local Authority Major Schemes” September 2012, Section 3 Standard Monitoring tailored to suit this project. Data will be collected through the council’s existing programme of traffic surveys which includes annual strategic cordon sites surveys and bus occupancy surveys.

Air quality benefits will be monitored through the council’s network of monitoring stations at strategic locations on the highway network.

Reporting on the benefits of the project will be to the Assistant City Mayor (Energy and Sustainability) and to the Bus User Panel on a quarterly basis.

A fuller evaluation for large projects may also be required depending on their size and type.

SECTION D: Declarations

D1. Senior Responsible Owner Declaration

As Senior Responsible Owner for 'Leicester – Urban Congestion Bus Pinch Point Improvement Project' I hereby submit this request for approval to DfT on behalf of Leicester City Council and confirm that I have the necessary authority to do so.

I confirm that Leicester City Council will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.

Name:

Andrew L Smith

Signed:

Position:

Director of Planning, Development and Transportation

D2. Section 151 Officer Declaration

As Section 151 Officer for Leicester City Council I declare that the project cost estimates quoted in this bid are accurate to the best of my knowledge and that Leicester City Council

- has allocated sufficient budget to deliver this project on the basis of its proposed funding contribution
- accepts responsibility for meeting any costs over and above the DfT contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties
- accepts responsibility for meeting any ongoing revenue requirements in relation to the project
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested and that no DfT funding will be provided for this bid in 2020/21.
- confirms that the authority has the necessary governance / assurance arrangements in place and, for smaller project bids, the authority can provide, if required, evidence of a stakeholder analysis and communications plan in place
- confirms that if required a procurement strategy for the project is in place, is legally compliant and is likely to achieve the best value for money outcome

Name: Alison Greenhill

Signed:

HAVE YOU INCLUDED THE FOLLOWING WITH YOUR BID?

Combined Authority multiple bid ranking note (if applicable)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
Map showing location of the project and its wider context	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Combined Authority support letter (if applicable)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
LEP support letter (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Housebuilder / developer evidence letter (if applicable)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
Land acquisition letter (if applicable)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
Projects impact pro forma (must be a separate MS Excel)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Appraisal summary table	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Project plan/Gantt chart	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A