The Hoobrook Link Road is a key priority for Worcestershire County Council, the Worcestershire LEP, Members of Parliament and Wyre Forest District Council. The link road is situated within the South Kidderminster Enterprise Park which is one of Worcestership Ps Strategic Employment sites. Existing traffic congestion is a barrier to economic growth in the immediate and wider Kidderminster area. The proposed link road will provide improved access, connect two key employment corridors, promote much needtentemic growth and relieve traffic congestion.

2. Geographical Area

The total population of the town of Kidderminster, located in the Wyre Forest District in Worcestershire, is currently 55,000 people, with a working population of 21,000. The town suffers from significant traffic congestion especially on the town centre ring road, a high level of unemployment and the worst areas of deprivation in the county, many adjacent to the proposed scheme. The scheme is located within **Stoc**ath Kidderminster Enterprise Patrk the south of Kidderminster town centrelt will support new development and regeneration, including the former British Sugar Site, by providing a link between the AttA2rcester Road and A451 Stourport Road employment corridors. This link will improve the accessibility of these corridors.

O18 >>BDtT3.76 Tm [(O18 >>BDtT3.76 Tm [w 1 T/c8 TJ 0.188 Tw 0 - 1.146 TD [(P)3.9(ha)-3.9(s)3.6(e the canal corridor which is a designated conservation area.

3.2 Description of Problems to be Addressed

Socio-Economic Issues

Wyre Forest District's labour market suffers from some ongoing supply side deficiencies such as comparatively low working age population and economic activity rates. This is primarily because of the lack of jobs in the local economyhich is confirmed by indicators such as low private sector led growth prior to the economic downturn and poor employment density measured.

per working age population.

Barriers to Growth

The Core Strategy confirms that traffiongestion within the employment corridors and the ring road to the north of the corridor resulting from the lack of capacity on the highways network acts as a key constraint to bringing forward the new development or regeneration on the above mentioned sies. In response, the Strategy seeks to implement the Hoobrook Link Road to unlock development and accelerate the growth prospects of the District. Furthermore, the Hoobrook Link Road is also highlighted as a key strategic project within the Worcestelsstrial Investment Plan and the Worcestershire Local Transport Plan (LTAPA) included within the LTP3 Wyre Forest TransportStrategy as a priority scheme.

Delivery of the Hoobrook Link Road, apublic good" in the form of transportinfrastructure, requires significant capital investment. Considering the prevailing poor land and property market conditions, local private sector land owners of the key related sites (mentioned above) are unable to afford the delivery of apublic good as part of their devenment proposals. This is confirmed in the recently prepared Property and Market Review: South Kidderminster Enterprise Park Area (Worcestershire County Council, 2013).

Furthermore, to date, public sector investment has not been readily available **&o tthe**likink Road proposals in its entirety. In particular, working in partnership with the land owner of a key employment site (Former British Sugar site), the District Council managed to secure investment for only Phase 1 of the Link Road. These proposadestruction of which commender early March 2013, only improve enough local highway infrastructure capacity to unlock development on part of the former British Sugar site (Phase 1 only).

Hence, despite the ongoing delivery of the Hoobrook Link Road Phase 1, development or regeneration of Phase 2 of the Former British Sugar site and most other development sites mentioned above will remain constrained. Lack of development and employment opportunities will continue to act as a key barrier for the District's growth and economic prosperity.

Proposed Solution

Implementation of the proposed Hoobrook Link Road Phase 2, which is the focus of this funding application, will unlock or accelerate development on the following key employment sites within the South Kidderminster Enterprise Park area:

- x Unlocks development by removing a direct development barreritish Sugar Site (Phase 2)
- x Accelerates development, by removing an indirect development bartester Park, Former Ronwire site, Fine Point residual development, Former Kidderminster depot site

Furthermore, the proposed Link Road (Phase 2) will also accelerate residential development on Phase 2 of the British Sugar site as well as on Oasis and Reilloc Chain site, a key housing site in the District.

The employment, housing and GVA outputs of the Link Road (Phase 2) proposal are summarised in response to Question 3.3

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The level of mode shift required to generate significant congestion relief on the ring road not be achieved with sustainable measuives not be pattern of travel demands and the location of the developments sites, and would not provide the level of accessibility to unlock new employment sites and create new jobs in the South Kidderminster Enterprise Park. However, such measures will be appeared in the design of the scheme to maximise the use of walk, cycle and passenger transport and ensure all proposed developments sites have a high level of accessibility by all modes, so are easy to reach by all of the population of the town.

A further advantage of the link road is the potential for reducing traffic flows on the town centre ring road, enabling schemes to downgrade junctions and reduce the severance currently experienced between pac ac acure laey(ac)- Rlaural.c 0. Su-3.2()0.8(I)10.2e b TJ Id [(Ic)-3.cyea

x 70 new housing units on Phase 2 of the British Sugar site and 100 new units Oas Reilloc Chain site.

Detailed assessment of the development and economic impacts of the scheumenaaeised in the Value for Money Report, Chapter 3 in Annex 3

The sociœconomic benefits of the scheme will generate a benefit cost ratio (BCR) of 4.50, show

Worcestershire County Council's Corporate Plan

The Corporate Plan highlights the relatively poor performance of the Worcestershire economy.

The county's Gross Value Added (a measure of economic production per head) is £4,200 per annum below neighbouring Warwickshire's, with this a longer term problem current economic difficulties. The Corporate Plan is aiming to try and close this gap, including through developing the County's assets and skills base. There must also be considerable investments in the County's infrastructure to address barriers to economic growth and to maintain the quality of life for residents. This will include investment in transport infrastructure where this supports Corporate Objectives.

A key element of the Corporate Plan is that the County Council will judge its progress by measuring the:

- x Increase in the overall employment rate of the County
- x Reduction in the number of young people on out of work benefits
- x Increase in Worcestershire's Gross Value Added
- x Amount of new private sector investment levered and attracted into they Coun

As set out in the Strategic Case, the Hoobrook Link Road scheme will support the achievement of all these targets.

The Corporate Plan also highlights that spending on capital projects (such as the Hoobrook Link Road) is likely to continue, partically where this is shown to stimulate growth, for example in the areas of structural and infrastructure major works, enabling the County to be truly open for business. The Hoobrook Link Road scheme will help to reduce some of the transport related barriers to the achievement of growth by reducing the adverse impacts of traffic congestion on business and other network users' transport costs.

Through to 2017 the Corporate Plan highlights that spending on capital programmes will be a priority where this taw7']TJ 094 3.03.36(us)t0.46(3)x43.6(w)x3)93i3tx35777316(w)x3.6(tb)46(x3)x40.46(x3)

5.1 Details of Any Previous Work Undertaken

| Concept Study | |
|------------------------------------|--|
| Feasibility | |
| Preliminary Design | |
| Detailed Design | |
| Risk Register | |
| Detailed Work Programme | |
| Quantified Risk Assessment | |
| Environmental Appraisal | |
| Member Approval | |
| Commitment of Partners | |
| Consultation with Key Stakeholders | |
| Strategic Business Case | |
| Business Case with BCR | |
| Other (Specify) | |

5.2 Dependencies and Risks / Barriers to Delivery

5.21 Land Ownership

Details of the land/properties affected by the proposed scheme are provided in the extract from the District Valuer's Report in Annex 5.

with the new link road due to the increase in trafficviste the development. This increase i traffic is unlikely to be sufficient to be above EU limits. However, a reduction in fuel

7. Delivery Agency

7.1 Proposed Delivery Agency

Worcestershire County Council

7.2 Partnership bodies (if any) you plan to work with during design or delivery

The scheme will be delivered in partnership with Wyre Forest District Council. The Councils are taking a joint approach to concluding land negotiations required to secure the scheme. A joint team of officers from both authorities has been established to take forward the planning approval process. This will ensure the details of the scheme maximise the requirements of both authorities.

Close liaison will also take place with St Francis Group who

8.3 Project Costs

8.31 Table A: Funding profile (Nominal terms)

| Indicated in Table A. |
|-----------------------|
|-----------------------|

9. Economic Assessment

| | Tick | one bo | x for eac | ch row only | |
|------------------------------|-----------------------|--------------------------|-----------|-------------|--|
| Large / High Bonofioio | Moderate Beneficia | Slight Beneficia I | Neutral | | |

| attributed to the link. |
|---|
| x There is potetial to reduce accidents on roads that are provided with some traffic relief by the Hoobrook Link Road (A449 Worcester Rd & A451 Stourport Rd) |

10. Financial Case – Affordability and Risk

a) What risk allowance has been applied to the project cost and what is the basis of this allowance?

The risk allowance is £1.092mThis allowance excludes any risks associated with ongoing operation costs. Refer to the summary of Scheme Costs, RiskgMaeat Plan (including High Level Risk Register) and Quantified Risk Assessment in Annexes 4, 6 & 7 respectively her details.

(b) How will cost overruns be dealt with?

WCC has allocated sufficient budget to deliver this scheme on the basisprofprosed funding contribution and accepts its responsibility to meet any costs over and above theology. The underwriting of any funding contributions expected from third parties.

(c) What are the re ari(s)3.6(c)-3.9a0-n appli2arAnni3.6(of10.4()10.1(roO[0((a)-3.9PO)-3.2(ng)10.463.6(s)3.6i3.6(

WORCESTERSHIRE LOCAL TRANSPORT BODY

| Benefits / Costs Central Case | +10% Capital Costs | - 20% demand growth | Exclude Developer Contributio ns | - 10% VDM Impacts | Combined Downside Impacts | Combined Upside Impacts |
|-------------------------------|--------------------------|------------------------|---|----------------------|---------------------------------|-------------------------------|
|-------------------------------|--------------------------|------------------------|---|----------------------|---------------------------------|-------------------------------|

Impact

compliance with the Public Contract Regulations and EU Divess.

Target Prices are derived using tendered Defined Costs (equivalent to resource rates) and benchmarked against similar projects and activities to ensure best value and consistency. Contract performance is driven by KPIs including Share Savings Action which is a gateway KPI having a target of 5%. This is designed to control cost over-runs whilst not encouraging high target prices. The Contractor's Share is 50% below 110%, which means that the employer's liability is limited to 5% above target prices both the Employer and Contractor equally share gains below 100%. Cost control is therefore incentivised.

The significant risks that are best controlled by the Contractor include:

- x Contaminated ground (with the benefit of information in the Ground ligratist report)
- x Buried underground services
- x Unforeseen ground conditions (with the benefit of information in the GI report)
- x Presence of invasive weeds
- x Reusability of excavated material (with the benefit of information in the GI report)
- x Flood risk (flood zone 3)

Further details on key project risks may be found in the high level risk management plan in Annex 6.

Extract from the Contract:

Early Contractor Involvement (ECI)

Early Contractor Involvement (ECI) involves the creation of a Contractor/Consultant/Client team, led by the Project Manager, which caters for the consideration of buildability and value issues earlier in the design process, leading to shorter construction periods and reduced impacts during construction.

The benefit of ECI is that it utiles contractors' unique understanding of construction processes to optimise the design and delivery process. The difference is, as the name implies, that ECI involves the contractor far earlier. With ECI, the contractor joins the team early and is involved with planning, assessing buildability, cost estimating and value engineering. ECI is the key to ensuring both programme and cost certainty for WCC. The Contractor is expected to be involved in a project as early as possible. A strong team ethos is critical roducing the most cost efficient project.

The goal of ECI is to provide the possibility for forecasting project results with more certainty. It should prepare all parties to jointly solve problems, address unknowns in difficult environments and avoid or resolve conflicts more effectively.

Range of benefits gained by participating in ECI

- x Early creation of delivery team
- x More scope for innovation
- x More flexibility and better value
- x Integrated and incentivised supply chain
- x Improved risk management with faillocation of risks
- x Improved Health and Safety

- x Shorter construction periods and reduced impacts during construction
- x Maintaining a competitive and sustainable supply chain
- x Clear points of responsibility, no unnecessary layers of supervision
- x Good and appropriate quality of design to meet project objectives
- x Partnership approach and team ethos based orteomorelationships
- x Performance measurement with continual improvement targets
- x Improved communications and liaison with the key stakeholders during coince that construction

Requirements

The Contractor provides suitably qualified and experienced individuals who are capable of assisting WCC in the implementation of the benefits as outlined above. The Contractor provides an ECI service to WCC as part of the project team. This reflects a partnering relationship that should increase transparency and therefore reduce risk, increase shared responsibility and limit the extent of change.

The Contractor's representative also assists in the development of the coationsiplan and attends public consultation/ information/ exhibitions should a particular scheme require it. These often occur outside of normal working hours to maximise public representation. Effectiveness and value of ECI is reviewed at quarterly rewieneetings.

(b) What is the preferred procurement route for the scheme and how and why was this identified as the preferred procurement route? For example, if it is proposed to use existing framework agreements or contracts, the contract must be appropriate in terms of scale and scope.

Worcestershire County Council has recently awarded its Term Civil Engineering Contract (TCEC) to enable delivery of highway ansspr anslopUC an.6(ans)a CEy ahineebl Contrrshi 22.8EMC

The contractor participates as a member of the project team for each project and to posi contribute by Early Contractor Involvement in order to produce demonstrable value for Worcestershire County Council.

14. Statutory Powers and Consents

| Statutory Powers and Consents Required | | | | |
|--|---|---|--|--|
| Description | Act or Legislation | Comments | | |
| Full Planning Consent | Planning Act 2008 | To be determined by Worcestershire County Council. | | |
| Compulsory Purchas Order | eHighways Act 1980 | To be determined by Secretary of State. May not be require if third party negotiations are successful. | | |
| Side Roads Order | Highways Act 1980 | To be determined by Secretary of State. Required for the improvement and stopping up of roads within Hoobrook Industrial Estate. | | |
| Bridge Scheme | Highways Act 1980 | Authorisation is required to construct over the navigable waters of the Staffordshire/Worcestershire Canal. | | |
| Rights Agreement | | Rights for access and maintenance of the new bridge via the Staffordshire/Worcestershire Canal towpath will need to be agreed with the Canal & River Trust. | | |
| Road Classification | | The new road classification is to be determined by the local highway authority which is Worcestershire County Council | | |
| Land Drainage Consent | Land Drainage Act 1991 | Following completion of the FRA, consent will be required to discharge surface from the highway to the River Stour. | | |
| European Protected Species Licence | Conservation of Habitats and Species Regulation 2010 | To be determined by Natural England. Low potential for EP: to be required, but would be necessary if bat roost or otter he simpacted. | | |
| Badger Disturbance Licence | Badger Protection Act 1992 | To be deternined by Natural England if a badger sett is impacted/ disturbed. | | |

15. Governance

Provide a summary of the proposed organisation of the project

Project Governance details are provided nnex 9.

16. Risk Management

Provide a brief summary of the proposed Risk Management Strategy outlining how risks will be managed and referencing the Risk Register

A Risk Management Strategy is provided in Annex 6. A summary of the QRA is provided in Annex 7.

17. Stakeholder Management

(a) Please provide a summary of your strategy for managing stakeholders, with details of the key stakeholders together with a brief analysis of their influences and interests.

Please see the Communications Review (including Communications Plan) in Animatrich of presents any engagement undertaken to date and outlines the strategy for managing key stakeholders up to and beyond the funding application.

20. Senior Responsible Owner DECLARATION

As Senior Responsible Owner for [scheme name] I hereby submit this requ**éstndior**g consideration to the Vorcestershire Local Transport Body

| Lead Contact: Position: Tel: E-mail: | Karen Hanchett Development Control Manager 01905 766 817 khanchett@worcestershire.gov.uk |
|---|---|
| Alternative Contact: Position: Tel: E-mail: | Steve Harrison Transport Policy & Strategy Team Leader 01905 766 179 SHarrison@worcestershire.gov.uk |