

LEP - Transport for Lancashire Committee

Minutes of the Meeting held on Wednesday, 10th January, 2018 at 2.00 pm at the Committee Room 'D' (The Henry Bolingbroke Room) - County Hall, Preston

Present

County Councillor Michael Green (Chair)

Graham Cowley

Councillor Fred Jackson
Councillor Phil Riley

Also In Attendance

Joanne Ainsworth, Finance Manager, LEP & Special Projects, LCC
Mike Cliffe, Strategic Transport Manager, Blackburn with Darwen Borough Council
Dave Colbert, Specialist Advisor - Transportation, Lancashire County Council
Kathryn Molloy, Head of Service LEP Coordination, Lancashire County Council
Bruce Parker, Highways England
Richard Perry, Department for Transport
Jeremy Walker, Transport Policy Manager, Blackpool Council
Cath Rawcliffe, Democratic Services, Lancashire County Council

1. Welcome and Apologies for Absence

County Councillor Michael Green welcomed everyone to the meeting and noted that apologies had been received from Sam Whelan, Network Rail, Alan Cavill, Blackpool Council and Brian Bailey, Blackburn with Darwen Borough Council.

2. Declarations of Interest

None declared.

3. Minutes of the meeting held on 20th November 2017

That the Minutes of the last meeting held on the 20 November 2017 be confirmed and signed by the Chair.

4. Matters Arising

There were no matters arising from the Minutes.

5. Transport for Lancashire - Proposed Amendments to the LEP Assurance Framework

Kathryn Molloy, Head of Service LEP Coordination, presented a report on proposed amendments to the LEP Transport for Lancashire Committee's Terms of Reference and in particular the Accountability Framework for Transport schemes set out at Appendix A to the report.

The Committee was advised that the current Terms of Reference, part of the LEP's Assurance Framework, do not allow the LEP to fund scheme development and preparation costs nor any post scheme monitoring and evaluation. It was felt that this was inconsistent with the other two themes of the Growth Deal programme covering skills and economic projects, where scheme preparation costs are permissible as part of the local contribution.

It was therefore proposed to amend the Terms of Reference to allow scheme sponsors to use a proportion of Growth Deal funding to support scheme preparation and development. It was further proposed that the minimum 10% local contribution that scheme sponsors are required to provide would also include scheme preparation and development costs in addition to capital costs as currently approved.

It was noted that the proposed changes in respect of transport schemes would bring the management and delivery of the Growth Deal programme and scheme delivery into alignment. Local contributions would continue to be considered on a scheme by scheme basis to ensure that value for money is achieved.

The Committee was advised that if they were minded to approve the proposed changes, these would be reflected in the LEP's Assurance Framework which is currently being reviewed and updated by officers. It was noted that named officers would be removed from the document as part of the review. It was proposed to present the revised Assurance Framework to the LEP Board on 30 January for consideration and approval.

Resolved: That:

- (i) The proposed changes to the Committee's Terms of Reference in respect of the Accountability Framework for Transport schemes as set out at Appendix A be approved; and
- (ii) The proposed changes be included with the LEP's Assurance Framework to be presented to the Lancashire Enterprise Partnership Board on 30 January 2018 for consideration and approval.

6. Preston Western Distributor Conditional Approval Application

Dave Colbert, LCC Specialist Advisor Transportation and Hossein Fars from the consultants Atkins presented a report on the Outline Business Case submission

by Lancashire County Council for the Preston Western Distributor scheme, which is seeking Conditional Approval.

The Committee was informed that the Scheme comprises a new 4.3km dual carriageway road connecting the A583 Preston to Blackpool road at Lea with the M55 at a new Junction 2 near Bartle. This is the largest transport project in the Lancashire Growth Deal programme and key to unlocking the North West Preston strategic housing location (circa 5,000 new homes).

The scheme is predicted to deliver high value for money with a benefit to cost ratio of 2.29 and has the potential to generate an additional £144m of GVA for the local economy over the 60 year evaluation period, principally through unlocked development. Over 5,000 new homes are dependent on or unlocked by the Preston Western Distributor.

Having undertaken an independent assessment of the Outline Business Case on behalf of the LEP, the consultants, Atkins, advised that they were satisfied that the project has been developed to the expected standard in most areas and recommended that Conditional Approval be granted to enable the scheme to progress to a Full Business Case submission. It was reported orally that DfT guidance has changed since Atkins completed their report and that the impact of the new guidance on the BCR will need to be established.

It was reported that the current projected outturn capital cost of the Preston Western Distributor as set out in the Outline Business Case is expected to be £161.6m; this is somewhat higher than the £104.5m reported at Programme Entry. It was explained that the Programme Entry estimate was based on the best information available at the time and in advance of any site investigation or design work. It was also at 2013 Quarter 2 prices and excluded any adjustment for inflation. The scheme includes the construction of two major viaducts and additional costs for the diversion of the Hodder Aqueduct (crossed twice).

It was noted that regardless of the increased cost, the scheme has a BCR of over 2 and there are significant wider economic benefits to be taken into account. Providing the scheme is approved, there are 2 years to the end of the Growth Deal programme remaining and it was felt that any issues along the way could be comfortably addressed within this timescale. That said, it was noted that the timing of the Compulsory Purchase Order process is determined by the Secretary of State and therefore not within the County Council's control

Following debate on the cost of the project and the importance of the scheme to the economic growth of the region and dependent housing delivery it was:

Resolved: That:

- i) The Outline Business Case report as set out at Appendix A to the report be noted.
- ii) The Lancashire Enterprise Partnership Board be recommended to grant the scheme Conditional Approval at

their meeting on 30 January 2018.

7. Preston Railway Station

A report was presented on proposals to transform Preston Railway Station in order to create a high quality, contemporary transport hub.

It was reported that the station's development was of fundamental importance as a driver of economic growth aspirations across Lancashire serving as a gateway for an extensive catchment of communities further afield, particularly for connectivity with the West Coast Main Line and, in the future, to HS2.

The Committee noted that various improvements would be required to the fabric of the station to ensure Preston Railway station could be considered as a HS2 hub. These improvements would include an increase in the height and length of platforms to accommodate high speed trains and structural changes to ensure the Station was able to accommodate a significant increase in the number of people using its services, including improvements to DDA facilities.

The Committee was informed that the LEP and its partners would need to develop and maintain close working relationships with a range of organisations to ensure that transformation of Preston Station progresses. Positioning station transformation at the core of Lancashire's local response to the Government's recently published Industrial Strategy would be essential in influencing future national rail investment priorities. Further work was therefore necessary to fully understand and quantify the wider economic growth and productivity benefits that the station's transformation could deliver. Specialist consultants would need to be engaged to undertake this work, which would include forecasts of future passenger demand. It was hoped that this work would also help inform the Preston City Transport Plan.

Officers responded to questions raised with regard to the wider economic benefits of the scheme in terms of potential development for Preston and the wider region. It was felt that a strong evidence based case could be made for Preston Station to become a HS2 hub. This would be taken forward with the help of Network Rail.

Richard Perry, Department of Transport (DfT), addressed the Committee and advised that the government would have to consider several issues/ elements when determining the evidence based case including:

- The redesign of the station;
- The burgeoning growth in rail;
- The focus on growth and wider connectivity;
- The accessibility of the station;
- The wider benefits not only to Preston but to the wider region; and most importantly how this would be paid for.

He also felt that the LEP Board should look at a comprehensive package and

undertake a wider Lancashire based review to include Blackpool and Blackburn with Darwen and the east-west corridor. It was felt that this would fit in well with the work Transport for the North was undertaking.

Following further discussion, it was felt that the LEP Board should be recommended to accept the DfT advice detailed above.

Resolved: That the Lancashire Enterprise Partnership Board be recommended to:

- (i) Accept the DfT advice as detailed above;
- (ii) Support the commissioning of a study to examine and quantify the wider economic growth and productivity benefits that the transformation of Preston Station could deliver;
- (iii) Fund the study from its strategic case-making budget.

8. Department for Transport Consultation: Shaping the Future of England's Strategic Roads

Dave Colbert accompanied by Kathryn Molloy, presented a report on Highways England's Strategic Road Network Initial Report entitled 'Shaping the Future of England's Strategic Roads'.

The Committee was informed that the Department for Transport is consulting stakeholders on the report and the process through which it would determine whether the Initial Report was sufficiently robust.

Highways England's Initial SRN Report comprises an informative statement of its priorities (safety, customer service and delivery) and the progress made to date. It is proposed that investment in the SRN over the next 20 years should focus on achieving consistency around four categories of road:

- Smart motorways (routes with the highest demand, evolving with technology);
- Conventional motorways (in their current form);
- Expressways (a new concept for the busiest 'A' class roads in the SRN, with better design, technology and on-road response and alternative roads for non-motorised users and slow vehicles);
- All-purpose trunk roads (the remaining 'A' class roads in the SRN).

The Committee was advised that as part of the consultation, the DfT is seeking views on the proposed four categories and the development of Expressways. There are ten consultation questions in all. It was felt that the questions that would be of particular interest to the Lancashire Enterprise Board (LEP) relate to

the current size of the SRN, specifically whether there are local roads that the DfT should consider including in the SRN and conversely, whether there are roads in the SRN that should be removed. It was felt that responses to these particular questions would be best prepared alongside any response to a complementary consultation on proposals to establish a Major Road Network.

It was therefore suggested that the LEP Board may wish to submit its own response to the SRN and MRN consultations. It was agreed that the County Council's response to the SRN consultation, which is to be considered at the Council's Cabinet meeting on 1 February 2018, should form the basis of such a response.

Resolved: That the report be noted

9. Reporting to Lancashire Enterprise Partnership Board

Resolved: That the recommendations to the Lancashire Enterprise Partnership Board as set out in the resolutions to Items 5, 6 & 7 be noted.

10. Any Other Business

None.

11. Date of Next Meeting

It was noted that the next meeting would be held on Wednesday 4 April 2018. However, the meeting has since been brought forward to Wednesday 28 March at 2pm in Committee Room 'D', County Hall, Preston.