



This document is the **Birstall Park and Ride Scheme Business Case, November 2008.**

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# Table of Contents

<b>Introduction .....</b>	<b>1</b>
<b>Chapter 1 - Project Overview .....</b>	<b>2</b>
Location Map .....	2
Birstall Park and Ride Scheme .....	3
Scheme Objectives .....	4
CIF2 Bid .....	4
Key Dates .....	4
Annual Expenditure Profile .....	4
Promoter Information .....	4
Risks .....	4
<b>Chapter 2 - Strategic Case.....</b>	<b>6</b>
Strategic Fit.....	6
Housing dependency .....	6
Evidence of Dependency .....	6
Integration Table.....	6
<b>Chapter 3 - Scheme Appraisal .....</b>	<b>7</b>
Scope.....	7
Environment.....	7
Safety.....	10
Economy.....	10
Accessibility .....	11
Integration.....	12
<b>Chapter 4 - Value for Money Case .....</b>	<b>15</b>
Optimism Bias.....	15
Benefit to cost ratio (BCR) .....	15
Value for Money.....	16
<b>Chapter 5 - Delivery Case .....</b>	<b>17</b>
Scheme Development .....	17
Public Acceptability.....	17
Scheme Programme .....	17
Project Management.....	17
<b>Chapter 6 - Commercial Case .....</b>	<b>19</b>
Procurement Strategy.....	19
Operational Business Case .....	20
<b>Chapter 7 - Financial Case .....</b>	<b>21</b>
Capital Cost and Funding Sources .....	21
<b>Chapter 8 - Monitoring and Evaluation.....</b>	<b>22</b>
Monitoring .....	22
Post Scheme Evaluation.....	22
<b>Appendices to Business Case Submission.....</b>	<b>23</b>



# Introduction

The principle aim of Community Infrastructure Funding (CIF) is to support schemes that link the provision of transport infrastructure to the delivery of housing.

The Birstall Park and Ride scheme clearly meets this aim and consequently has been submitted and short listed for the funding award.

The business case explains in detail how the scheme can not only unlock the delivery of significant numbers of new houses but can also support the important Sustainable Urban Extensions (SUE) proposed in the region.

In terms of deliverability, the scheme has a clear path forward in accordance with the planned timetable and its operation will build on the success of a similar site at Meynells Gorse and a proposed site to become operational at Enderby in 2010.

Finally and most importantly the business case demonstrates that the benefits firmly outweigh the costs and impacts and the scheme can provide a sound investment for the CIF.

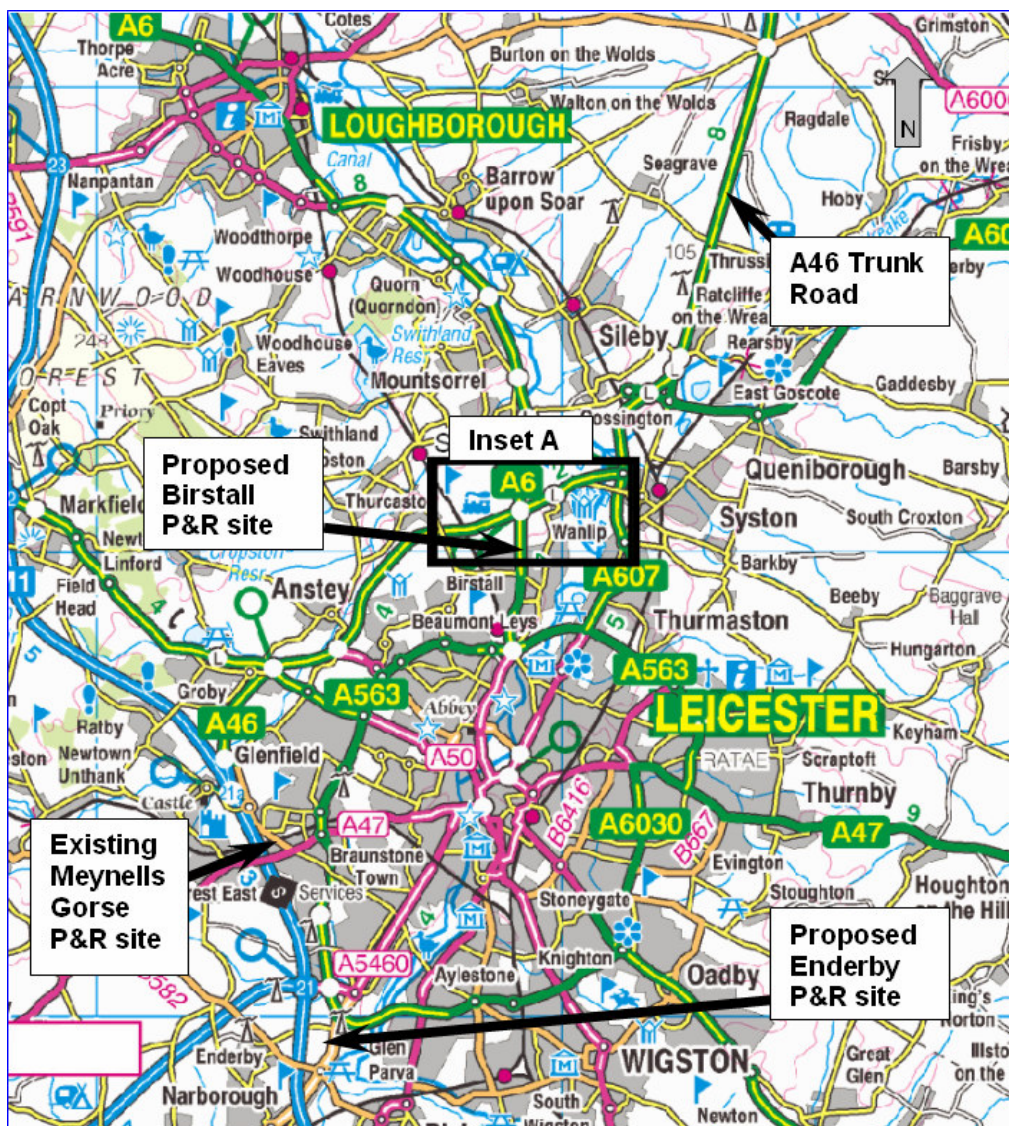
## Chapter 1 - Project Overview

Park and Ride bus services are considered to be an effective way to tackle congestion on the main arterial routes in central Leicestershire, improve access to the city and help promote economic regeneration. Leicester is currently served by a highly successful park and ride site at Meynells Gorse, Leicester Forest East which opened in 1997. The bus service operating this site typically carries 1750 passengers each day into the City Centre, diverting 200 cars each peak hour.

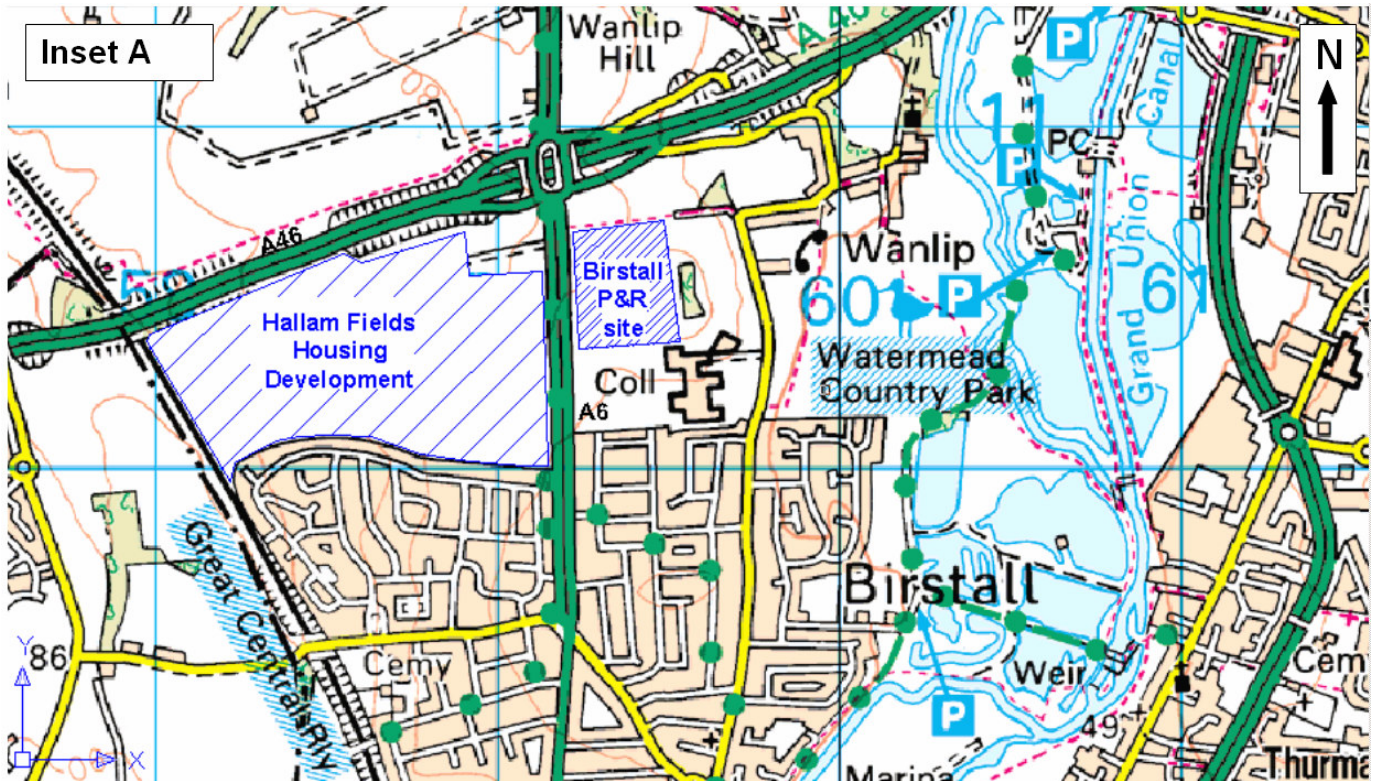
A second site is proposed at Enderby to the south west of the city centre close to M1 Junction 21 and Fosse Park retail centre. This site is planned to be operational in 2010.

A third site is proposed at Birstall to the north of the city adjacent to the A46 Leicester Western Bypass and the Hallam Fields development. This site will compliment the Government's plans for housing growth in the region and major improvements to the A46 Trunk Road.

### Location Map



## Birstall Park and Ride Scheme



The Birstall Park and Ride site will be located adjacent to the A6 and is associated with the Hallam Fields Development. This proposes the occupation of 900 dwellings, a 6 Hectare business park, a local centre and a primary school. Approximately 500 of these dwellings are dependent upon the park and ride facility under the terms of the planning permission for the development.

The park and ride site will be constructed in a natural bowl on the east side of the A6 Loughborough Road, south of its junction with the A46 Leicester Western Bypass. Vehicular access to the site will be directly from the A6 and buses serving the site will exit on to a bus lane running south wards towards Leicester.

The site will allow parking for 1000 cars and space will be provided for cyclists and disabled parking. The bus service will run at ten minute intervals directly to Leicester City Centre. A feature terminus building will be constructed to provide for passengers waiting, toilets and site staff facilities. There will be full CCTV coverage and full time site staff to provide the necessary level of security.

The impact of the site will allow be mitigated by earth mounding and extensive landscape planting around its perimeter. The site will be drained to a balancing pond to provide a sustainable drainage system.

## Scheme Objectives

The objectives of the scheme are to:

- Provide a fast and high quality transport system for County residents to access Leicester for work shopping and business
- contribute to reducing traffic congestion in Leicester
- Contribute to development opportunities in the City centre by improved access associated with a service loop in the city centre.
- Mitigate the effect of traffic generated by the housing development.
- support the delivery of the SUE at Thurmaston and Loughborough growth areas

## CIF2 Bid

A grant award of £4.9M is required to implement the scheme and make the park and ride service operational by 2011. The overall scheme outturn cost is estimated at £5.5M including preparatory costs to be met by the County Council.

## Key Dates

CIF grant award	February 2009
Secure planning permission	Spring 2009
Start of Construction	Spring 2010
Park and ride service operational	2011

The outline scheme programme is shown in Appendix A .

## Annual Expenditure Profile

2008/9	£0.13M
2009/10	£0.45M
2010/11	£4.61M
2011/12	£0.29M

The full expenditure profile is shown in Appendix B.

## Promoter Information

The scheme is jointly promoted and funded by the Leicestershire County and Leicester City Councils. It is intended that the County Council will award the works contract and manage the construction. The contract for the bus service will be awarded and administrated by the County Council. The site will be operated and maintained by the City Council. The full governance structure is shown in Appendix C.

## Risks

The implementation programme identifies this scheme as the second of the three park and ride sites to be constructed. This together with the open rural nature of the site mitigates the design and construction risks. The agreement with the land owner and developer mitigates the risks

associated with land acquisition. The partnership with the City Council will mitigate the risks associated with operation of the service including the site. The full range of risks in delivering the scheme within time and budget have been identified together with the appropriate management actions in the Quantified Risk Assessment contained in Appendix D

## Chapter 2 - Strategic Case

### Strategic Fit

The scheme fits well with National, Regional and Local policies. The details of compliance are explained in Chapter 3 under Land Use Policies.

### Housing dependency

The scheme supports the Leicester and Leicestershire Growth Point areas, in particular the areas around Leicester such as Aston Green (3500 homes) which have been identified as areas for housing growth and Loughborough north on the A6 is a sub regional area identified for housing growth (5000 homes plus employment) and also the local areas at Thurmaston and Syston (4300 homes plus employment).

The scheme supports the dwellings proposed in Hallam Fields development which consists of 900 houses (use class C3) including 40 affordable and 95 restricted floor space houses; approximately 500 of which are dependant upon the park and ride facility being in place.

### Evidence of Dependency

The modelling work undertaken by MVA which is illustrated in the Economic Appraisal Report (Appendix E), illustrates how the delays on the road network vary with an increasing housing provision.

### Integration Table

Additional housing that is fully dependent on transport scheme	500			
Previously Developed Land (PDL)[4]	Total	Derelict	Currently in use	Vacant
Hectares developed	0	0	0	0
Non-PDL1	Total	Urban Extension	Infill	New Settlement
Hectares	71.5	0	0	62.2
Dwelling Size	3+ Bedrooms	2 Bedrooms	1 Bedrooms	
Number of dwellings				
Number of "affordable" dwellings[5]				
	135 dwellings; bedroom information not available			
Value of other subsidies supporting developments[6]	None			

## Chapter 3 - Scheme Appraisal

### Scope

The scheme appraisal has been prepared in accordance with DfT guidance – New Approach to Appraisal (NATA). The five main criteria defined in the 'New Deal for Transport' White Paper 2004 form the basis of the following central government objectives:

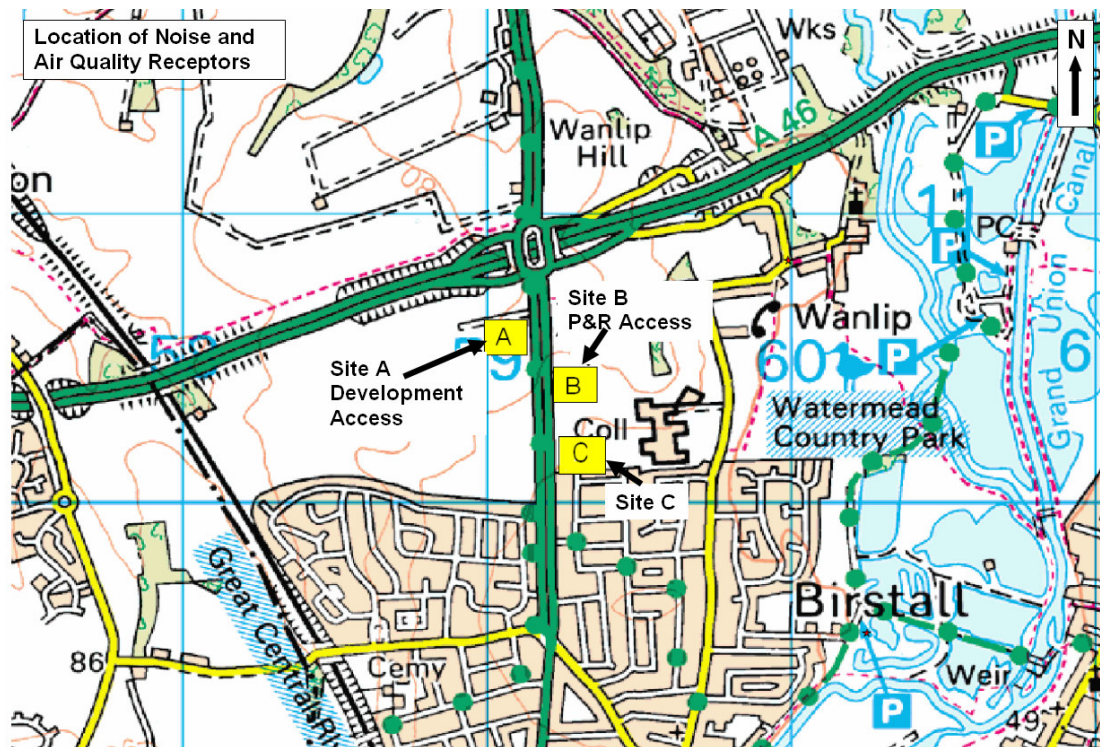
- i. Environment
- ii. Safety and Security
- iii. Economy
- iv. Accessibility
- v. Integration

Against these objectives and associated sub objectives, the scheme appraisal is supported by the worksheets in Appendix F.

The data used in the appraisal has been taken from the Environmental Statement prepared in 2000 for the Hallam Fields Development and submitted to Charnwood Borough Council (CBC) as part of the outline planning application for the development.

Due to short timescale of the CIF2 bidding process it has not been possible to obtain data related to the impact of the park and ride site in isolation. However it is considered that the appraisal illustrates the worst case scenario as it shows the impact of the whole development including the park and ride facility.

### Environment



### Noise

The operational noise from the park and ride site will include cars belonging to users of the site and buses used for the service. On site noise from these vehicles and the effect of the scheme on noise levels on the A6 has been calculated using methodology in *Calculation of Road Traffic Noise* (CRTN).

The baseline ambient environment noise levels were established by survey in October 2000.

The above plan shows the location of the noise monitoring receptor at Site C.

The predicted road traffic noise levels for the do-minimum and proposed scheme scenarios have been calculated for the A6/ P&R junction and are shown in the noise worksheet.

This shows noise level changes of less than 1dB(A) with the development in 2006. This is considered as an imperceptible increase causing a **negligible** impact on noise.

### Local Air Quality

Birstall does not currently contain an Air Quality Management Area (AQMA) but the scheme affects the main arterial A6 corridor. Potential areas of sensitivity include Longslade Upper School and Community College and Stonehill High School, which are situated to the east of the proposed scheme.

Baseline conditions were determined from a programme of ambient monitoring using a mobile laboratory in October 2000. To predict the air quality impacts of the development near to roads, the DfT *Design Manual for Road and Bridge Works (DMRB 2000)* methodology was adopted. The above plan shows the air quality sensitive receptor locations at Sites A and B. Concentrations of pollutants at potentially sensitive receptors along the A6 corridor for the base case were found to remain well within the UKAQ objectives and no exceedences of UK AQ objectives were predicted at 2012. Overall the assessment of the potential air quality impact associated with the operation of the scheme is likely to be **imperceptible**, being less than 10% of the appropriate UKAQ standard for the pollutant examined.

The results of the predictive assessment for sites A and B at 2012 with and without the scheme are shown in the worksheet.

### Landscape

The site is rural and open in character but its landscape quality is reduced by the existing built edge of Birstall, the A6 and A46 with their associated lighting and traffic impacts. The area east of the Park and Ride site focused on a shallow valley and is of a higher quality. The areas of higher landscape quality are to be left undeveloped.

The A6 with its traffic, lighting columns and signage inevitably reduce the sense of open countryside, and reduce the landscape quality accordingly. The A46 Leicester Western Bypass, which runs to the north of the proposed site, is grade separated at its junction with the A6 and is lit to urban standards.

The design and layout of the park and ride site including landscaping proposals will mitigate the visual impact of the scheme. The proposed earth mounding along the southern boundary will screen the site from the residential area to the south and the ridgeline extending from the Icehouse Spinney to the A6 to the north and the dense vegetation to the west will also provide a screen.

On balance therefore, the overall impact of the scheme on the landscape has been assessed as **neutral**.

### Heritage

One listed building has been identified to the east of the proposed site. This is a Grade II listed Icehouse, located in Icehouse Spinney. The setting of this building is not affected by this proposal.

A field walking survey in 1982 to the east of the site found a scatter of early Neolithic flint implements. Evidence of a mid 5<sup>th</sup>-mid 6<sup>th</sup> century inhumation cemetery came during the construction of Longslade School, which is to the east of the site.

The full extent of the site is not known but is likely to form part of a much larger site that may extend into the proposed site.

Although the archaeological assessment did not locate any known archaeological sites within the proposed Park and Ride site, the construction of this with its attendant car parking facilities and access road could have a potential impact.

Overall the scheme has been judged to have a potential **slight adverse** effect with respect to the heritage criteria.

### Biodiversity

The area of the proposed Park and Ride site is dominated by improved grassland. There will be a complete loss of this habitat type in the proposed Park and Ride facility and the existing hedgerow along the A6 would be affected where the site accesses connect to the A6. Although the land is of low value in ecological terms, this area provides suitable habitat for some common species.

The proposed level of planting will compensate for the small number of hedges in the area, although the linking effect would be reduced by fewer continuous strips. Areas of new planting will, wherever possible, include planting of appropriate native species. The design will also ensure that habitat types are represented.

Although there are subsidiary badger setts in the vicinity of the proposed park and ride site, it is proposed to retain the location of these setts. The major change of use of the site will have significant impact on the availability of foraging areas to the badgers. The loss of foraging area is not likely to be sufficient to render the territory untenable, but the proposals will result in considerable changes in foraging patterns.

The loss of arable, improved grassland and hedgerow habitats will have an impact on certain species of common birds, which prefer these areas for nesting and foraging. The loss of hedgerow is likely to be compensated for by increased planting in other areas. This means that some bird species identified on the site would retain some breeding habitat. The proposed landscaping and planting will produce an increase in suitable habitat for these species.

Overall the effect of the scheme is judged to be **slight adverse** on the biodiversity of the area.

### Water Environment

Implementation of the proposed Park and Ride site will introduce impermeable areas. These areas generate more surface water runoff than previously catered for by the existing natural drainage system. Run-off from within the development will be collected in trapped gullies. These gullies will form the first defence for collecting silt and oil products that may be contained within the run-off. Surface water run-off from impermeable areas of the development will be collected by a surface water drainage network completely separate from the foul water system. The run-off will be retained within balancing ponds so as to comply with specific mitigation measures set out by the Environment Agency.

Overall the effect of the scheme is considered to be **neutral** on the water environment.

## Physical Fitness

The scheme will promote a modal shift from car to cycle and bus travel which will bring **slight benefits** to physical fitness

## Journey Ambience

Passengers will experience a reduction in stress and improvements in journey ambience due to the high quality of the service. Furthermore potential to reduce congestion will improve journey ambience for other road users. This is considered to be **moderately beneficial**.

## Safety

### Accidents

The Park and Ride scheme is not intended to improve road safety on the adjoining network however it will indirectly help to reduce accidents by encouraging a modal shift towards the use of public transport.

A COBA analysis has been undertaken to evaluate the impact of the scheme on accident rates in the road network, (see Appendix E Economic Appraisal report) The results indicate a **slight positive impact** on road safety.

### Security & Lighting

The street lighting for the site has been designed to comply fully with British Standard BS5489-1-2003, Requirements for outdoor Car Parks. High performance optics will reflect light downwards onto the car parking areas, which would provide clear visibility and result in a safer environment for park and ride traffic including pedestrians and cyclists. Both actual crime and fear of crime would therefore be reduced and people would be encouraged to use this sustainable transport facility. Increased night time use would result in the site becoming “self policing” further reducing crime and fear of crime.

It is proposed to provide 13 CCTV cameras in the site which will monitor the car parking areas, terminus building and the site entrance and exit. In conjunction with the proposed lighting and safer environment for patrons of the site would be provided this reducing crime and fear crime. The provision of on site liaison officers would further increase safety and encourage use of the site.

The impact on security is therefore assessed as **large positive**.

## Economy

### Economics

Leicester County Council has commissioned consultants MVA to carry out a full economic appraisal in accordance with DFT guidance using the Central Leicestershire Transport Model (CLTM) and Transport User Benefit Analysis (TUBA) to derive the benefit to cost ratio of monetised benefits. Full details are contained in Appendix E- Economic Appraisal Report.

### Reliability

The park and ride scheme will provide a dedicated bus service running at 10 minute intervals between Birstall and the City Centre. Bus stops will be restricted to a City Centre loop helping to limit the interruptions to the journey and increasing reliability. The overall effect of the scheme is considered to be **moderate beneficial**.

### **Wider Economic Impact**

Although the scheme is not linked to a regeneration area, it is expected to provide the following benefits:-

*Improved access to jobs for local workforce* - the scheme will assist those residents in the County to easily access jobs in the City.

*Local employers access to workforce* - employers in the city will be better able to attract employees.

*Housing and inward investment* - the improved transport system will encourage investment in housing in the area. The scheme will fulfil a planning condition of the Hallam Fields development and unlock the construction of 500 houses from the total 900 houses.

*Tourism* - the scheme will encourage tourism by giving access to tourist and retail attractions within the City.

*Characteristics of Visit* - the opportunity to park all day at the site will encourage visitors to extend the duration of visits to the City.

In view of these improvements, it is considered that the scheme will be **moderately beneficial**.

### **Accessibility**

Park and Ride remains the single most effective way to improve access to Leicester for County residents. It will include a city loop serving key destinations improving access to City employment areas, City universities and Leicester Royal Infirmary. Access to the central shopping areas will be improved and also access to leisure facilities such as the Leicester Tigers stadium and the new performing arts centre opening.

### **Option Value**

The park and ride service will be an addition to the transport facilities already available. It will have capacity to accommodate 1000 vehicles serving a community of approximately 1050 houses and over 1000 people. It is assessed as providing a **moderate beneficial impact**

### **Severance**

The A6 Loughborough Road forms a main radial route into the city and carries in the region of 20,000 vpd. Children and parents living in the existing and proposed residential areas to the west of the A6 will experience severance when walking to the schools located immediately east of the A6. The schools currently provide places for approx 700 pupils between 11 and 14 years old and 1100 pupils between 14 and 19 years old.

Although the park and ride facility will not have a direct impact upon severance, the associated works, i.e. the proposed junction improvements and pedestrian footbridges, will greatly reduce the level of severance.

### **Access to the Transport System**

The park and ride service is principally aimed at car owners and is considered to have a **neutral** effect on access to the transport system for those households without a car. Nevertheless, there will be facilities for cyclists to use the service and for these people it will represent an improved access to the transport system

## Integration

### Passenger Interchange

The scheme will provide a high quality facility for approximately 1000 travellers a day interchanging between cycles, cars and buses. Passenger waiting facilities will be incorporated in a purpose built terminus building. This will provide a focal point to disseminate bus service schedules and other local information. The building will also include public toilets and staff offices. Full time CCTV coverage and on-site staff will be provided to ensure a high level of security. It is considered that the scheme will have a **large positive impact**.

### Land Use Policy

The scheme integrates well with the following land use policies:-

#### National Policy

- Planning Policy Statement 1 (PPS1-Delivering Sustainable Development)) Providing access for all to jobs, health, education, shops, leisure and community facilities, open space, sport and recreation by ensuring that new development is located where everyone can access services or facilities on foot, bicycle or public transport rather than having to rely on access by car.
- Planning Policy Guidance (PPG 13 Transport) sets out the Governments intentions to secure an integrated land use- transportation policy, promotes more sustainable transport choices and encourages alternative means of transport (to reduce the need to travel by car).

#### Regional Policy

- Regional Spatial Strategy (RSS8)-Policy 15 of RSS8 states that development in the Three Cities sub area should support the regeneration of Leicester, Derby and Nottingham and that one of the ways of achieving this to ensure that provision is made to enhance the transport links both within and between the cities.
- Regional Transport strategy RTS Policy 43 the regional strategy has been developed in accordance with government policy and seeks to reduce the need to travel, especially by car, promoting a step change in the level of public transport provision.
- Policy 44 encourages joint working across the region to achieve a progressive reduction over time in the rate of traffic growth in the East Midlands. Policy 55 promotes the development of new park and ride facilities in appropriate locations to reduce traffic congestion on routes into the principle urban areas, and the development of these facilities is seen as an investment priority in the plan period up to 2011.
- Leicestershire, Leicester and Rutland Structure Plan Strategic plan strategic Policy 4 set out transport objectives and priorities and states that integrated and sustainable transport provision will be made to improve road safety and the environment, minimise the need to travel, maximise accessibility and support the local economy.
- Accessibility and Transport Policy 9 states that provision will be made and land safeguarded, for bus-based park and ride sites within Leicester and adjoining settlements.

## Local Plan Policies

### Charnwood Borough Council (CBC) Local Action Plan (1991-2006)

- Policy TR/22 Planning permission will be granted for a park and ride site located to the east of the A6, north of Birstall on land adjacent to the A46/A6 junction, Wanlip as shown on the Proposals Map. The facility will be accessed from the A6 and of a scale which is viable and effective to serve Leicester City Centre via the A6 bus corridor. Careful consideration will need to be given to the access arrangements, design and layout, landscaping and screening measures to ensure that the scheme harmonises with the character and appearance of the locality and adjoining land uses.
- Policy TR/23 planning permission will be granted for bus or rail based 'park and ride' provision adjacent to the Loughborough and Leicester urban areas provided that all the following criteria are met:
  - The site is strategically placed on the road network and served, or capable of being served, by frequent and direct public transport links to central area and destinations;
  - Satisfactory access is provided to the main road network.
  - The highest standards of design, layout, landscaping and screening are provided to assimilate the site and access arrangements with its surroundings. Landscaping measures will soften the impact by structural planting around the site and access roads and planting within the parking area.
  - The scheme provides on-site facilities for security, information, shelters and 'cycle and ride'.
- Leicestershire Local Transport Plan (2006- 2011) sets out the County Council's transport proposals for the five years up to 2011, having regard to the government's white paper ' The future of Transport'. A number of specific schemes and measures are proposed, including the development of park and ride facilities to tackle congestion on the main routes in central Leicestershire, to improve access to Leicester City and promote the economic regeneration of the city centre (Chapter4). The park and ride site is proposed in accordance with these commitments.
- Central Leicestershire LTP overlaps with the Leicestershire LTP and was produced jointly by Leicester City Council. It aims to help improve the quality and better road conditions. Improvements to bus services and quality bus corridors into the city are at the heart of the strategy, and the proposed park and ride site is one of the main schemes identified within Chapter 2 of the report.

## Appraisal Summary Table

OPTION	DESCRIPTION	OBJECTIVE	PVC
	The Birstall Park and Ride is a joint County/City scheme and proposes a site to the north of Leicester and will complement the existing site at Meynells Gorse and the proposed site at Enderby. The site will allow parking for 1000 cars and space will be provided for cyclists and disabled parking. There will be full CCTV coverage and full time site staff to provide the necessary level of security.	Provide a fast and high quality transport system for County residents to access Leicester for work shopping and business	£24.52M (23% OB)

OBJECTIVE	SUB-OBJECTIVE	QUALITATIVE IMPACTS	QUANTITATIVE MEASURE	ASSESSMENT
ENVIRONMENT	Noise	There will be changes in noise of less than 1dB(A). The noise impact of this scheme would therefore be negligible.	Noise levels are predicted to fall by 0.3 dB(A) on the A6 south of the park and ride site and rise by 0.5 dB(A) north of the site.	Negligible
	Local Air Quality	Changes are well within UKAQ objectives with no exceedences in UKAQ objectives at 2012	Impact is less than 10% of UKAQ standard for pollutants	Imperceptible
	Greenhouse Gases	The scheme is considered to have a positive impact on greenhouse gases because without the Park & Ride site, opportunities for modal shift will be restricted. TUBA calcs show monetary benefit.	PVB £0.72M	Not Available
	Landscape and Townscape	The design and layout of the proposed development and strategic landscaping proposals means that after development, the site would not be significantly more visible than it is at present. The visual impact of the development will be protected by the ridgeline extending from the Icehouse Spinney to the A6 to the north and the dense vegetation to the west.	Not Applicable	Neutral
	Heritage of Historic Resources	The route has a potential adverse impact on the streetscape and historic character along Baxter Gate, Church Gate and Pinfold Gate; offset by a beneficial effect of removing A6 traffic through the town centre.	Not Applicable	Potential Slight Adverse
	Biodiversity	No record of protected species. Loss of grassland will be compensated as part of landscaping proposals.	Not Applicable	Slight Adverse
	Water Environment	Scheme will lead to minor increase in impervious run off area; additional run off will discharge into existing surface water drainage system via balancing pond.	Not Applicable	Neutral
	Physical Fitness	The scheme will promote a modal shift from car to cycle and bus travel which will bring benefits to physical fitness.	Not Applicable	Slight Beneficial
	Journey Ambience	Passengers will experience a reduction in stress and improvements in journey ambience due to the high quality of the service. Furthermore potential to reduce congestion will improve journey ambience for other road users.	Not Applicable	Moderate Beneficial
	SAFETY	Accidents	See Appendix E – MVA Economic Appraisal Report	PVB £2.91M
	Security	13 CCTV cameras will monitor the car parking areas, terminus building and the site entrance and exit. Site liaison officers would further increase safety and encourage use of the site. High performance optics will reflect light downwards onto the car parking areas, resulting in a safer environment for park and ride traffic including pedestrians and cyclists.	Not Applicable	Large Positive
ECONOMY	Public Accounts	Costs and Benefits are calculated at 2002 prices discounted to the base year of 2002 at a discount rate of 3.5% per annum for the first 30 years, reduced to 3% thereafter. Evaluation includes investment and operating costs with 23% optimism bias applied.	Central Govt PVC £9.11M Local Govt PVC £15.41M	PVC £24.52M (23% OB)
	T E E Business Users & Transport Providers	The Park & Ride service makes an operational profit. This has been discounted in accordance with the TUBA appraisal method to £1.32M.	Business Users PVB £10.71M, Providers PVB £1.32M	PVB £12.03M
	T E E Consumers	The majority of consumer benefits relate to fare and travel time changes.	Users PVB £28.30M	PVB £28.30M
	Reliability	The park and ride scheme will provide a dedicated bus service running at 10 minute intervals between Birstall and the City Centre. Bus stops will be restricted to a City Centre loop helping to limit the interruptions to the journey and increasing reliability.	Not Applicable	Moderate Beneficial
	Wider Economic Impacts	Although the scheme is not linked to a regeneration area, it is expected to provide improved access to jobs for local workforce, local employers' access to workforce, housing and inward investment and tourism.	Not Applicable	Moderate Beneficial
ACCESSIBILITY	Option Values	The park and ride service will be an addition to the transport facilities already available.	Not Applicable	Moderate Beneficial
	Severance	Although the park and ride facility will not have a direct impact upon severance, the associated works, i.e. the proposed junction improvements and pedestrian footbridges, will greatly reduce the level of severance.	Not Applicable	Neutral
	Access to the Transport System	The Park & Ride is principally aimed at car owners and is considered to have a neutral effect on access to households without a car. Nevertheless, there will be facilities for cyclists to use the service and for these people it will represent an improvement in the transport system.	Not Applicable	Neutral
INTEGRATION	Passenger Interchange	New bus infrastructure, a high level of security and high quality interchange between cycles, cars and buses.	Not Applicable	Large Positive
	Land-Use Policy	The scheme complements the Charnwood Borough Council Masterplan and complies with Regional and Local Transport Plans and Policies.	Not Applicable	Beneficial
	Other Government Policies	The scheme contributes to the wider policy objectives.	Not Applicable	Beneficial

## Chapter 4 - Value for Money Case

### Optimism Bias

WebTAG guidance (Unit 3.5.9) advises a four step approach to determining the optimum bias figure for civil engineering projects including park and ride schemes.

1 *The nature of the scheme* - park and ride schemes are categorised under 'roads'; in the case of the Birstall site, the delivery risks associated with land acquisition and construction works are considered to be low when compared to new road schemes.

2 *Scheme development* - outline planning has already been granted and the design of the scheme will be based on a similar site at Enderby which is due to be operational in 2010. The development risks are therefore expected to be in the low range.

3 *Recommended uplift factors* - the guidance advises a 44% uplift up to acceptance of the business case (stage 1) and 15% uplift up to completion of statutory process (stage 2). In the case of the Birstall scheme, the business case is well established and accepted by both the City and County councils. Furthermore an agreement is established with the developer and landowner that the site will be made available to construct the park and ride scheme. An analysis of the Optimism Bias (OB) risks has been undertaken in accordance with government guidance and this indicates that an OB uplift of 23% is more realistic, see Appendix G.

4 *Sensitivity analysis* - to illustrate the impact of a range (44% to 0%) in OB on the BCR of the scheme.

### Benefit to cost ratio (BCR)

In determining the BCR for the scheme it is considered that the scheme will provide a wide range of benefits some of which are outside the scope of the current NATA and TUBA monetisation policy and there is a strong case for including additional monetised benefits to reflect the potential for improved economic and housing development.

However, in the absence of further guidance in these areas, the BCRs contained in the Economic Appraisal Report (Appendix E) have been based only on those benefits currently monetised in NATA.

The report contains the TEE and AMCB tables which identify the BCR at selected OB values of 33%, 23% and 0%. Using these values the BCRs corresponding to DfT major scheme stages 1, 2 and 3 have been deduced below

Optimism Bias %	Scheme Development Stage	Benefit Cost Ratio
0	Completion	1.86
3	Stage 3 funding approval	1.85 deduced
15	Stage 2 conditional approval	1.81 deduced
23	Present	1.79
33		1.77
44	Stage 1 scheme commencement	1.75 deduced

At the chosen OB of 23% the scheme will provide a BCR of 1.79. To achieve a BCR in the high Value for Money (VFM) category (i.e. over 2) an increase of £5.1m must be provided by the non-monetised benefits attributable to the accelerated housing, the wider economy opportunities and improvements in air quality and accessibility.

When this is related to the 1000 houses potentially linked to the scheme, it translates to an increase of approximately £5,000 per house.

## Value for Money

The extent to which a scheme represents value for money is categorised by the DfT in its publication 'Guidance on Value for Money' as set out below .

VFM category	Scheme options with BCR of:
Poor	Less than 1
Low	Between 1 and 1.5
Medium	Between 1.5 and 2
High	Over 2

With a range of OB between 44% and 0%, the Birstall park and ride scheme falls into the medium VFM category.

# Chapter 5 - Delivery Case

## Scheme Development

The scheme is included in the County Council's Local Transport Plan 2006-2011 for construction in 2010 and the land is allocated for a park and ride scheme in the CBC Local Plan 2004. Outline planning permission was granted by CBC in 2001 as part of the Hallam Fields Development. The land required for the scheme has been included in a S106 agreement between the land owner, the developer, the District Council and the County Council. The preliminary design and cost estimate have been completed in readiness for submission of the reserved matters application for this part of the development.

## Public Acceptability

Consultation with the public, statutory consultees and key stakeholders was undertaken as part of the Hallam Fields Development project in 2000 and again for the Leicester West Park and Ride Project in 2002.

Overall, the public response was firmly in favour of the scheme. The Birstall Parish Council however, adopted a neutral position and expressed concerns over the possible erosion of the existing bus service. The CBC supported the scheme subject to environmental safeguards. The statutory consultees responses were neutral subject to environmental safe guards (see details in Appendix H)

## Scheme Programme

The programme to further develop and implement this scheme is shown in Appendix A in the form of a Gantt bar chart. It is broken down to highlight the main work streams. The key elements are as follows:-

Statutory Procedures - With outline planning permission granted in 2003, the next step after successfully securing CIF, will be to submit the application to fulfil the reserved matters to the CBC.

Land - The agreement (under S106 of the Town and Country Planning Act) requires that the owner permit access to the land to construct the park and ride facility and to transfer the land to the County Council by way of a 125 year lease.

Detailed Design - This will be undertaken in Summer 2009 upon securing the approval of reserved matters associated with the outline planning permission.

Works - The contractor will be commissioned under the Midlands Highways Alliance Framework in autumn 2009 and works will commence early 2010.

Park and Ride Service – to be operational in early 2011

## Project Management

Leicestershire County Council has adopted the PRINCE2 methodology to deliver all larger transport improvement schemes including the Birstall park and ride scheme. This ensures a logical and organised approach to the project with clearly defined roles and responsibilities of

the people involved. It also provides a clear set of processes which helps to ensure that the project is delivered to programme, within budget and to the required quality.

As shown in Appendix C the proposed project governance identifies the inter-relationship of personnel involved and who's who from project sponsor down to team managers and project assurance. In addition, the communication plan identifies the many people and organisations that the County Council is liaising with, through the different stages of scheme development to ensure that all communications for the project are properly planned and conducted.

## Chapter 6 - Commercial Case

### Procurement Strategy

Leicestershire County Council has for many years used a mixed regime of internal and external provision for highway professional services and highway works, together with a direct labour organisation which has consistently met its statutory financial targets whilst at the same time providing an effective check against the local contract market.

More recent ideas around Early Contractor Involvement have improved the predictability of project costs by allowing the contractor to input at the design stage in terms of buildability and value engineering. The target costing option under the Engineering Construction Contract with a pain and gain mechanism has also improved predictability of scheme costs by providing all parties with an incentive to lower the actual costs.

However, as part of the ongoing drive towards further efficiency savings, the County Council continues to be involved in other initiatives to assist in the medium term delivery of the second Local Transport Plan.

Following the appointment of external consultants to carry out a major review on the delivery of highway services, the County Council at a meeting in October 2006, approved future arrangements for highway works procurement, to be offered in alliance with other highway authorities and contractors where appropriate, in the following three categories:-

- highway professional services
- highway works under £500,000 in value, and
- highway works exceeding £500,000 in value

This new collaborative approach is strongly promoted and supported by the Department for Communities and Local Government, and the East Midlands Centre of Excellence. Additionally, partnership working is one of the key drivers for savings under the Gershon efficiency programme, particularly under the procurement work stream.

### Three Counties Alliance

In February 2007, the three adjoining East Midland authorities of Leicestershire, Nottinghamshire and Derbyshire signed a Memorandum of Agreement to form the Three Counties Alliance. The aim of this innovative arrangement is to work in collaboration and get some cross-boundary efficiencies established, through economies of scale and by sharing good practice and development costs.

Since then the focus of attention has been on developing a professional services contract that all three counties can use either for specialist services or as an additional resource when the in-house workload is too great. To this end, the three authorities jointly commissioned the Scott Wilson consultancy in July 2007, to provide highway and other professional design services over the next four years.

### Midlands Highway Alliance

In July 2007, the County Council in conjunction with a number of other highway authorities and the Highways Agency reached an agreement to form the Midlands Highway Alliance (MHA). The objective of the MHA is to establish and develop collaborative procurement frameworks for among other things major capital schemes. Significant benefits could be expected from this alliance approach where several local authorities are involved and this should help deliver

savings. An agreement has been reached with the Highways Agency to allow the MHA to use their new Midlands Framework 3 (MF3).

There are four contractors in the framework and work can either be given directly to one of these contractors using a schedule of rates to arrive at a target price or a mini tender process can be carried out between all four contractors. Birstall Park and Ride will become subject to these contractual arrangements.

## **Operational Business Case**

The operational business case for the Birstall park and ride service has been based on the patronage growth levels and operating costs recorded at the currently successfully operating site at Meynells Gorse.

At medium to high growth levels of patronage, the service is expected to operate with a surplus from year 3 onwards.

The details and profile of the future costs and revenue incomes from the operation of the service are set out in Appendix H.

# Chapter 7 - Financial Case

## Capital Cost and Funding Sources

The Preferred Scheme will cost £5.48m at out-turn prices; the full breakdown of the estimate is contained in Appendix B; the County Council will provide £0.6m from New Growth Point Funds and £4.88m funding support is being sought from Community Infrastructure Funds to complete the scheme. The expenditure profile and funding sources are shown below

	<b>Total</b>	07/08	08/09	09/10	10/11	11/12	12/13
Works & land		0	0	0.2	4.39	0.26	0
Design		0	0.13	0.25	0.22	0.03	0
<b>Gross Scheme Total</b>	<b>5.48</b>	0	0.13	0.45	4.61	0.29	0
LCC funds( Growth Point)	<b>0.60</b>	0	0.13	0.09	0.09	0.29	0
CIF 2 Funds	<b>4.88</b>	<b>0</b>	<b>0</b>	<b>0.36</b>	<b>4.52</b>	<b>0</b>	<b>0</b>

## Chapter 8 - Monitoring and Evaluation

It is proposed to follow the methodology set out in the latest DfT guidance “The Evaluation of Major Local Authority Transport Schemes”. The guidance explains the need for an ‘Impact Evaluation’ to measure a range of data and performance indicators related to the scheme objectives. Coupled with before and after scheme data, these indicators will help to measure the extent to which the objectives have been achieved.

### Monitoring

The table below provides indicators that will be appropriate to measure performance in achieving the scheme objectives together with the required before and after data.

**Table 9.1:** Monitoring performance indicators

Scheme Objectives	Indicator	Data required
Fast high quality access to the City	Bus journey times into City	Bus journey times
Reduction in congestion	Car journey times along the corridor	Traffic count data and vehicle journey time data at selected points along the corridor
Improved accessibility in the City centre	Passenger numbers at City centre stops	Passenger numbers using both scheduled and P&R services
Support SUEs	Vehicles using P&R from catchment areas	Traffic data before and after entry point to P&R site

### Post Scheme Evaluation

The evaluation of outcomes will demonstrate the progress towards achieving the scheme objectives. The monitoring data will enable the performance indicators to be measured against chosen targets and trajectories and progress reported annually.

# **Appendices to Business Case Submission**

Community Infrastructure Funding Round 2  
November 2008