

Glasgow and Clyde Valley Cabinet**Report by Head of Programme Management Office****PMO Evaluation –
North Lanarkshire Council Strategic Business Cases****Purpose of Report:**

North Lanarkshire Council, as a Member Authority, has submitted the following Strategic Business Cases for evaluation by the PMO. The Glasgow and Clyde Valley Cabinet is requested to consider the recommendations from the PMO which have been approved by the Chief Executives' Group:-

Strategic Business Case – A8/M8 Corridor Access Improvements;
Strategic Business Case – Gartcosh/Glenboig Community Growth Area; and
Strategic Business Case – Pan Lanarkshire Orbital Transport Corridor.

Recommendations :

It is proposed that the Cabinet:-

- (1) agree that North Lanarkshire Council be invited to proceed to develop the projects to the next stage of development through the preparation of an Outline Business Case for each, subject to them developing aspects of the Business Case to meet in full the business case criteria going forward;
- (2) note that North Lanarkshire Council will continue to take cognisance of the emerging outcomes of the SAF and the detail of the Programme Business Case; and
- (3) approve the funding for each project as follows:-
 - (a) A8/M8 Corridor Access Improvements - £484,000;
 - (b) Gartcosh/Glenboig Community Growth Area - £1,094,000; and
 - (c). Pan Lanarkshire Orbital Transport Corridor - £1,101,000.

1. Purpose :

- 1.1 North Lanarkshire Council, as a Member Authority, has submitted Strategic Business Cases for the following projects for consideration by Glasgow and Clyde Valley Cabinet as follows:-

A8/M8 Corridor Access Improvements;
Gartcosh/Glenboig Community Growth Area; and
Pan Lanarkshire Orbital Transport Corridor.

These Business Cases were considered by the Chief Executives' Group on 5th August 2015 when it was agreed that they should be submitted to Cabinet for approval.

2. Background:

- 2.1 The Executive Summary for each project is attached as Appendices 1 to 3. This describes the strategic need for each project, the options which have been considered to address the area's development constraints and the outline of a proposed solution.

3 PMO Assessment

- 3.1 The projects have been reviewed against the business case criteria outlined within the Assurance Framework which aims to provide a level of technical checking, and to identify areas where further analysis or planning is required to develop the projects to the next level of detail. These technical checks will be discussed with North Lanarkshire Council and will form the basis of development work going forward.
- 3.2 The Strategic Business cases have also been assessed for "strategic fit" against the main objectives of the City Deal overall, namely:
- (i) To increase economic growth while reducing economic inequality and disparities between people and places.
 - (ii) To improve connectivity within the Glasgow City region through infrastructure investment.
 - (iii) To support a growing population.
 - (iv) To provide high quality locations for investment and economic activity.
- 3.3 The projects are aligned with these objectives and the project outputs can be more fully defined at the Outline Business Case stage.
- 3.4 The Programme Business Case is in development in parallel with our appraisal of these projects. The outcomes of the SAF and Programme Business case process will further inform the development of these project business cases as they are developed to an Outline Business Case.
- 3.5 The SAF exercise is complete and the recommendations from this analysis will continue to be developed within the Programme Business Case.

3.6 Finance

These Strategic Business Cases seek approval for monies to allow the projects to progress to the next stage of the business case process. The estimated total cost of each project and the funding sought through each Strategic Business Case is as follows:-

<i>Project</i>	<i>Total estimated cost</i>	<i>Funding sought through SBC</i>
A8/M8 Corridor Access Improvements	£12,587,000	£484,000
Gartcosh/Glenboig Community Growth Area	£66,311,000	£1,094,000
Pan Lanarkshire Orbital Transport Corridor	£119,700,000	£1,101,000

3.7 Legal

The Member Authority should ensure close liaison and co-operation with the Legal and Procurement Support Group, and the Legal Sub Group in particular, to ensure that all outstanding legal issues are recognised and addressed appropriately at a Project and Programme level.

4 Recommendations

4.1 It is proposed that the Cabinet:-

- (1) agree that North Lanarkshire Council be invited to proceed to develop the projects to the next stage of development through the preparation of an Outline Business Case for each, subject to them developing aspects of the Business Case to meet in full the business case criteria going forward;
- (2) note that North Lanarkshire Council will continue to take cognisance of the emerging outcomes of the SAF and the detail of the Programme Business Case; and
- (3) approve the funding for each project as follows:-
 - (a) A8/M8 Corridor Access Improvements - £484,000;
 - (b) Gartcosh/Glenboig Community Growth Area - £1,094,000; and
 - (c) Pan Lanarkshire Orbital Transport Corridor - £1,101,000.

A8/M8 Corridor Access Improvements, Strategic Business Case

Executive Summary

Introduction

1. Project Description

1.1 This £12.6m project will deliver a package of new road infrastructure and park and ride/share measures to enhance connectivity and improve employment, training and business access to key strategic employment sites from Newhouse to Bargeddie. This intervention will further unlock development potential along the A8/M8 Corridor, progress stalled commercial sites and facilitate improved public transport services.

1.2 The proposed City Deal investment will stimulate business investment and help create additional employment opportunities by supporting the growth and development of business locations on the M8/A8 and within Eurocentral, Maxim Park and Newhouse Industrial Estate.

2. Strategic Case and Need for the Project

2.1 Poor connectivity between the southern and northern parts of North Lanarkshire is a current constraint and barrier to growth. Linkages and access to strategic employment sites from nearby communities alongside public transport provision as a means of accessing nearby employment opportunities is also inadequate.

2.2 This project seeks to capitalise on the economic opportunities available at strategic locations along the A8/M8 corridor. Options for the project have evolved from development proposals and associated market appraisals. Factors such as the cumulative impacts of development and the need for capacity enhancements to fully realise the potential economic impacts of key employment sites and business investment along the A8/M8 corridor have informed this infrastructure investment proposal.

2.3 The project is complementary to the investment currently underway by Transport Scotland (M8/M73/M74 Motorway improvements), due for completion late 2017, and recent improvements to a number of walking and cycling routes. It supports the focus on improving connections across North Lanarkshire, with an overall aim of improved connections across the city region. It will support the aims of the Glasgow and Clyde

Valley City Deal in helping to tackle social exclusion and deprivation by enhancing access to strategic employment sites. It will maximise the freight potential in the area, supporting modal shift of freight to rail, connecting distribution sites with excellent access to the wider road networks.

3. Project Objectives

3.1 A8/M8 Corridor Access Improvement project objectives have been developed based on their ability to align with the overall objectives of the Glasgow and Clyde Valley City Deal, a review of previous relevant studies and documents relating to the A8/M8 Corridor and their deliverability:

- i) Develop lasting sustainable transport infrastructure into key employment sites along the A8/M8 corridor from Newhouse to Bargeddie;
- ii) Unlock development potential and increase occupancy rates within stalled commercial sites along the A8/M8 corridor from Newhouse to Bargeddie;
- iii) Improve access to employment, education and training opportunities between North Lanarkshire and key trip destinations across the Glasgow and Clyde Valley conurbation;
- iv) Improve journey time reliability and network resilience on the road network around North Lanarkshire; and
- v) Support the integration of freight movements and mode shift of freight from road to rail.

4. Economic Case

4.1 The economic case for this project is founded upon the benefits that will arise from opening up commercial development alongside the A8/M8 corridor and stimulating business investment and its associated employment opportunities. Further connectivity benefits will be achieved from improving journey time reliability, construction employment, and developing the freight sector, reinforcing and furthering North Lanarkshire's position as a key national logistics hub. The economic benefits of the

scheme will emerge through the creation of greater employment opportunities for the local workforce and reduced journey times.

4.2 The forecast cost of the City Deal interventions on the A8/M8 corridor as proposed is estimated at £12.5m. Based on the standard modelling tools used across all of the City Deal proposals, the project was assessed as generating £123m in additional Gross Value Added (GVA) to the region's economy per annum and was the 2nd highest ranked infrastructure project from the assessment. This represents a significant return on the proposed investment.

5. Proposed team and project management arrangements

5.1 The project will be delivered by a new multi-disciplinary team within North Lanarkshire Council that will take forward all aspects of project development, design and execution alongside new governance arrangements, bringing together the Council's regeneration, planning and transportation capabilities.

Executive Summary

Gartcosh/Glenboig Community Growth Area, Strategic Business Case

1. Project Description

1.1 The focus of this £66.3m project is on providing road and park and ride infrastructure to support the development of the Community Growth Area (CGA) and improve its connections with the strategic road network. The project will further deliver infrastructure to aid the development of strategic employment and freight locations at Gartcosh Business Park, Kilgarth and Gartsherrie. Moreover the road infrastructure proposals will further enhance connectivity in the area for nearby communities from East Dunbartonshire and the East End of Glasgow.

1.2 The project scope includes new strategic road infrastructure and link roads, upgrade of the existing M73 Junction 2a and park and ride investment. This will help to tackle the recent slow pace of housing growth and stimulate housing development. It will unlock development potential and stimulate business investment at Gartcosh-Kilgarth-Gartsherrie, whilst also improving radial routes and Pan-Lanarkshire connections.

2. Strategic Case and Need for the Project

2.1 Poor connectivity between the southern and northern parts of North Lanarkshire is a current constraint and barrier to growth. Linkages and access to strategic employment sites from nearby communities alongside public transport provision as a means of accessing nearby employment opportunities is also inadequate.

2.2 The Gartcosh/Glenboig CGA requires the development of strategic roads infrastructure to facilitate and advance the projected development capacity of 3,000 new houses over the next 15-20 years. Infrastructure improvements and improved access to the strategic road network are also required to facilitate

development and regeneration opportunities for the Gartcosh Business Park and the freight hub at Kilgarth and Gartsherrie.

2.3 Options for the project have evolved from a combination of development-led studies and market appraisals. Further modelling, as required, and refinement of options will be undertaken as part of North Lanarkshire Council's programme of work to develop Outline and Full Business Cases for this project.

3. Project Objectives

3.1 The Gartcosh/Glenboig CGA project objectives have been developed based on their ability to align with the overall objectives of the Glasgow and Clyde Valley City Deal, a review of previous relevant studies and documents relating to the CGA and their deliverability:

- i)* Provide new transport infrastructure to support housing and commercial development for the Gartcosh and Glenboig Community Growth Areas;
- ii)* Provide enhanced access for the Gartcosh/Glenboig/Moodiesburn/Chyrston and Muirhead areas to the strategic transport corridors, particularly M73, M80, A80 and Pan-Lanarkshire routes;
- iii)* Improve access to employment, training and education along public transport corridors, including the Cumbernauld rail line, Gartcosh train station and orbital bus services;
- iv)* Support of business and freight opportunities around Gartcosh, Kilgarth and Gartsherrie;
- v)* Support the integration of freight movements and mode shift of freight from road to rail; and
- vi)* Support the connectivity and regeneration of the Gartcosh, Lochend and Cardowan areas eastwards into Glasgow.

4. Economic Case

- 4.1 The project will unlock development along the Gartcosh/Glenboig corridor, whilst facilitating enhanced accessibility to job opportunities within North Lanarkshire. These improvements are required to unlock further growth potential in North Lanarkshire and strengthen the economic performance of the area.
- 4.2 The project will support the stalled development of Gartcosh Business Park and enhance the marketability of the area as a place to live and work, encouraging housing and other development and increasing the area's attractiveness to employers as a location. The new link roads will realise major development opportunities and connect labour markets. Further benefits are achieved from improving journey time reliability, construction employment, and developing the freight sector, reinforcing and furthering North Lanarkshire's position as a key national logistics hub.
- 4.3 The forecast cost of the City Deal interventions at Gartcosh/Glenboig Community Growth Area as proposed is estimated at £66.3m. Based on the standard modelling tools used across all of the City Deal proposals, the project was assessed as generating £69m in additional Gross Value Added (GVA) to the region's economy per annum. This represents a significant return on the proposed investment.

5. Proposed team and project management arrangements

- 5.1 The project will be delivered by a new multi-disciplinary team within North Lanarkshire Council that will take forward all aspects of project development, design and execution alongside new governance arrangements, bringing together the Council's regeneration, planning and transportation capabilities.

Executive Summary

Pan Lanarkshire Orbital Transport Corridor, Strategic Business Case

1. Project Description

- 1.1 This £93.6m infrastructure project focuses on improving radial and Pan-Lanarkshire connections across the city region, aligning with and complementing other infrastructure investment proposals. It will improve linkages between urban centres and help to unlock commercial and housing development opportunities across North Lanarkshire, South Lanarkshire and East Renfrewshire. The project also supports the redevelopment of Ravenscraig.
- 1.2 The proposed interventions align new road capacity with the potential for bus improvements aimed at improving public transport connectivity around the Glasgow and Clyde Valley area, supporting the longstanding ambition to promote quality bus corridors around North Lanarkshire and beyond. It will also help to support and develop the role of Motherwell Rail Station as a key transport interchange. The project will help to maximise job opportunities and connect communities to key employment locations, supporting existing and attracting new businesses to North Lanarkshire.

2. Strategic Case and Need for the Project

- 2.1 Poor connectivity between the southern and northern parts of North Lanarkshire is a current constraint and barrier to growth. Linkages and access to strategic employment sites from nearby communities alongside public transport provision as a means of accessing nearby employment opportunities is also inadequate
- 2.2 The A73 is one of the few strategic routes linking the north and south of the area and, as a result, experiences significant north-south traffic. The A73 corridor is home to some of North Lanarkshire's largest businesses and a number of industrial estates generating significant freight movements within its vicinity.
- 2.3 The project will improve accessibility and strengthen the position of North Lanarkshire as a successful business location by linking commercial locations and enhancing the permeability of these locations by public transport. The rationale and options for the project have evolved over time and have been informed by a number of studies and transportation appraisals. Further transport modelling and refinement of options will be

undertaken by North Lanarkshire Council as part of the programme of work to develop Outline and Full Business Cases for this project.

3. Project Objectives

3.1 The Pan Lanarkshire Orbital Transport Corridor project objectives have been developed based on their ability to align with relevant policy documents and the overall objectives of the Glasgow and Clyde Valley City Deal, a review of previous relevant studies and documents relating to the study area and their deliverability:

- vi) Improve orbital transport connectivity between urban centres and employment, education and training opportunities across the Glasgow and Clyde Valley City region;
- vii) Improve connectivity and access to unlock development potential for key development and employment sites, including Ravenscraig and east of the A73;
- viii) Improve journey time reliability and network resilience on A73;
- ix) Provide enhanced passenger access to the local and strategic rail network; and
- x) Reduce air pollutant emissions from road transport, particularly those with greater health impacts around Airdrie, Chapelhall and Motherwell.

4. Economic Case

4.1 The project will support improved accessibility along the Pan Lanarkshire Orbital Transport Corridor, removing barriers that will result in new job and training opportunities for residents. The associated roads investment will also unlock wider commercial and housing development across North and South Lanarkshire, strengthening the economic performance of the City Region. It will increase the attractiveness and productivity of the key business locations along the Pan Lanarkshire corridor and therefore stimulate further investment in development sites.

4.2 The economic case is developed around benefits that include opening up development potential and stimulating business investment and its associated employment opportunities. The proposed interventions will realise development opportunities and connect labour markets to help tackle unemployment and promote employability, whilst also helping to develop a more resilient and adaptable economy. Further benefits will be achieved from improving journey time reliability and construction employment.

4.3 The forecast cost of the City Deal interventions on the Pan Lanarkshire Orbital Transport Corridor as proposed is £93.6m. Due to its strategic nature the project forms part of the top twenty “approved in principle” infrastructure proposals for the Glasgow and Clyde Valley City Deal.

4.4 During the initial independent economic modelling exercise of all of the City Deal proposals, no project level economic appraisal outputs were provided by the consultants specifically for this project, however its economic benefit was captured in the overall GCV City Deal programme economic case. Further economic impact appraisal work will be undertaken as part of work to develop Outline and Full Business Cases for the project to realise the specific contribution it makes to the wider City Deal programme.

5. Proposed team and project management arrangements

5.1 The project will be delivered by a new multi-disciplinary team within North Lanarkshire Council that will take forward all aspects of project development, design and execution alongside new governance arrangements, bringing together the Council's regeneration, planning and transportation capabilities.

6. Project Description

6.1 This £12.6m project will deliver a package of new road infrastructure and park and ride/share measures to enhance connectivity and improve employment, training and business access to key strategic employment sites from Newhouse to Bargeddie. This intervention will further unlock development potential along the A8/M8 Corridor, progress stalled commercial sites and facilitate improved public transport services.

6.2 The proposed City Deal investment will stimulate business investment and help create additional employment opportunities by supporting the growth and development of business locations on the M8/A8 and within Eurocentral, Maxim Park and Newhouse Industrial Estate.

7. Strategic Case and Need for the Project

7.1 Poor connectivity between the southern and northern parts of North Lanarkshire is a current constraint and barrier to growth. Linkages and access to strategic employment sites from nearby communities alongside public transport provision as a means of accessing nearby employment opportunities is also inadequate.

7.2 This project seeks to capitalise on the economic opportunities available at strategic locations along the A8/M8 corridor. Options for the project have evolved from development proposals and associated market appraisals. Factors such as the cumulative impacts of development and the need for capacity enhancements to fully realise the potential economic impacts of key employment sites and business investment along the A8/M8 corridor have informed this infrastructure investment proposal.