



9 SEPTEMBER 2021

METRO PLUS UPDATE

REPORT OF CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM 4

Reason for Report

1. To provide members with an update on the strategic programme of the 'Future Mobility' Metro Plus Phase 1 projects, the Metro Plus Phase 2 Programme and the Metro Enhancement Framework (MEF) Programme.

Background

2. Members agreed to a revision of the Metro Plus Phase 1 Programme on 18th February 2021. The revisions included:-
 - i) modifying the Metro Plus programme in order to ensure it is fit for future purpose and capable of delivering for the whole of the region.
 - ii) that Members note the wider issues and challenges set in the report, which includes implementing a new schedule to each approved scheme, to drive the performance culture and the appointment of independent experts, Local Partnerships which will help bring independent rigour to the process and ensure all ten schemes are held to proper account;
 - iii) Members approve an extension of one year for the programme;
 - iv) approve a request to CCR that it grants further delegations including amendments to the delegations approved on 12th September 2019;
 - v) an additional allocation of £3m from the IIF Programme to match fund transport initiatives that meet the Metro Plus agenda to maximise new funding and delivery opportunities; and to approve a request to CCR that it grants the additional delegations as identified within the report;
 - vi) noting that ongoing monitoring of the programme will be featured within quarterly Highlight Reports and also actively reviewed by Chief Executives via Programme Board.

Progress to Date, including Risk & highlights

3. Following the agreements identified above, WG has awarded Merthyr Tydfil Borough Council, on behalf of the CCR, £8m towards the Metro Plus

Programme, the Phase 2 Development, MEF and CVL programmes, the majority of which is to deliver the Phase 1 Metro Plus Programme.

4. Tender submissions generally are being submitted significantly higher as a result of market forces, materials increases, labour shortages, etc. Railside sign-off processes are also challenging with additional specialist consultancy support required in some cases to drive the process forward.

5. An update of the Metro Plus Phase 1 delivery and development schemes and the issues arising include:-
 - Pontypool and New Inn Station –The tenders have been received, assessed and the contract awarded. The funding award letter from the WIF has also been issued as well as the award of funding from Merthyr’s LTF allocation to enable Torfaen to award the contract.
However, since the tender submission and the award of funding packages, substantial increases in material costs, sub-contractor prices, winter delivery conditions and additional project management costs has meant a further increase estimated overall, on top of contingency provided. Therefore, this is still currently being negotiated and an update will be brought to the next meeting.

 - Porth Interchange – The tenders have been evaluated and a contract awarded to Encon Construction based on the outcomes of a value engineering exercise. The cost of the project following the tender process has meant a £1.2m increase in costs from the previous estimated cost, with tender submissions being significantly higher due to the reasons mentioned above. Railside sign-off processes have proved challenging with additional specialist consultancy support (Ricardo and SLC Properties) required to drive the process forward. This work is ongoing and will continue until such time as the station goes into service. High-level discussions with TfW are ongoing with a Joint Steering Group established to gain agreement on sign-off to enable works to commence. Encon construction programme agreed and will mobilise toward major works commencing January 2022 with a 12-month construction programme.
Following commencement of works, TfW will facilitate a lessons learned process to establish a framework for engagement that will be rolled out and applied to all future rail integration projects. This should simplify engagement on future integration projects.
In addition, RCT has submitted a bid for UK Government Levelling Up funding to provide further funding support for the project.
It is intended that TfW will operate the facility and work is being undertaken to establish operational costs. WG has indicated that it expects RCT to contribute to the operational costs. This matter is subject to further discussion.

- Severn Tunnel Junction – The tender has been evaluated and preferred supplier identified. Ecology issues have been identified late and need to be satisfied prior to planning approval being sought through delegation. Once this has been carried out, a scheme start date will be identified.
- Cardiff City Centre East - Traffic modelling and testing for weekend operations; survey work; detailed design; drainage design; cost estimating; WeITAG Stage 2 and 3; and preparation of consultation documents has all been carried out and the tender process carried out. Subject to tender evaluation costs being satisfactory, the scheme is due to commence on site in late Autumn.
 - Barry Docks Interchange - WeITAG Stage 2 completed and successfully presented for approval by Cabinet and Scrutiny. WeITAG Stage 3 is ongoing and currently on programme.
 - Porthcawl - Preliminary design on the new bus terminus at the Portway has commenced and is progressing at pace. Pyle park & ride has proven undeliverable and therefore all funding has been redirected to providing a comprehensive scheme at Porthcawl.
 - Penprysg Road Bridge, Pencoed - WeITAG Stage 3 work has been commissioned and a consultation programme is currently being developed.
 - Caerphilly Interchange - WeITAG & RIBA Stage 2 study brief are currently being developed and anticipated to commence early autumn.
 - Merthyr Tydfil Rail Station - Optioneering for additional track capacity and platform lengthening has been undertaken and will inform early options for a new station building as part of the wider Placemaking Plan for the town centre. RIBA Stages 0-2 including WeITAG Stage 2 brief developed.
 - Abertillery Interchange - Land has been acquired for the proposed new rail station and associated P&R at Abertillery. Ongoing review of previous Grip 3 work on the Abertillery Spur is being undertaken by TfW. Quadruphite agreement between BG, WG, TfW and AIW is also being developed.
 - Newport to Cardiff Bus Corridor – this work is tied into the working group developing the response to the outcomes of Burns M4 study and more information will be brought to a future meeting.

The Metro Plus Phase 2, CVL and MEF Corridor updates include:-

- The four MEF schemes that currently make up the programme (including NW Cardiff) are progressing and undertaking feasibility and business case work and will be the subject of a future report once this work is completed.

- Ystrad Mynach and Llanbradach P&R - The WeITAG Stage 2 for the Central Rhymney strategic P&R study brief is being developed.
 - Cogan Station - Project initiation and stakeholders meeting undertaken with Transport for Wales and Network Rail, leading to the development of WeITAG Stage 3 brief, including the rail aspiration for the station.
 - Pentrebach Station and P&R - Developing governance arrangements for Hoover site acquisition with WG Regeneration.
 - Brynmawr Interchange - Completion of WeITAG Stage 1 study.
 - NW Cardiff Corridor Study - WeITAG Stage 1 reported to RCTCBC and Cardiff CC Cabinets. Two stage 2 studies have been commissioned to look at early and longer-term interventions.
 - Treforest/Nantgarw P+R/Station – a scope of works is currently being developed and the design of the new Treforest station is still progressing. Ongoing acquisition of property and associated parcel of land (Willingford House) that is required for the scheme to be delivered. The DWP offices adjacent to the proposed station will be occupied in phases with around 1,000 staff based at the site by the end of the financial year, with the balance to follow.
 - Aberdare to Hirwaun – the next stage of this study has commenced and is progressing. Acquisition of the land at Trecynon for the provision of a P&R has been completed and a bid to the UK Government Levelling Up fund has been submitted to secure funding to establish a mixed-use development including a phase 1 park and ride/share, new active travel access and small business units. The land acquisition also secures access to a potential new rail station as well as additional phases of parking should demand require.
 - Cwmbran Intechange – the WeITAG Stage 2 work is ongoing.
6. The predicted estimated spend in the first quarter of 2021 was £3.08m, but the actual claim for works completed was only £114,900. The issues identified above for each scheme have played a significant part in not being able to deliver the Programme, and whilst three of the schemes were predicted to be on site and delivered within the first quarter, the circumstances described above have led to this becoming unachievable. However, mitigation measures are in place and constantly being undertaken to ensure the overall programme is delivered within the programme delivery timescale (by 31st March 2023).

Local Member consultation (where appropriate)

7. All Members would have been consulted through their local mechanisms for local project approval and support. This report is part of a series of updates on programme activity, whereby regional engagement takes place.

Reason for Recommendations

8. To offer an update on progress of the regional Programme of Future Mobility schemes.
9. To request that Members approve the decisions taken under delegation.

Financial Implications

10. The RTA and Regional cabinet have considered a number of reports that have considered the progress and delays experience in delivery of schemes approved as part of the Metro + project. In March 2021, Regional Cabinet considered options to resolve a number of delivery and cost challenges for schemes including a revised funding approach as follows:

- 50/50 LTF/City Deal funding for the first £3m per scheme;
- then £1.5m from LAs (or less if scheme total is less than £4.5m);
- other external grant funding if available to support the scheme;
- any residual balance to be met by 50/50 contributions remaining from the 'pooled' LTF and City Deal pots.

11. Further Welsh Government grant has been awarded for the development of phase two projects and any expenditure incurred should be in accordance with the timescales and terms and conditions of approved grants. The report sets out background to delay and increased costs of schemes. It is essential to note that there is no obligation of WG or CCRC to pay for additional costs that may arise on projects either following a tender exercise or whilst works are proceeding on site. In entering into contracts, Local Authorities need to be content that the risk of any cost overruns must be met by them and sufficient resources will need to be made available should such a scenario arise.

12. The report highlights delay on schemes and it should be noted that the Welsh Government programme which supports this funding is one of five years. Close monitoring and early discussions should take place with WG to mitigate against the risk of loss of any grant funding, including prioritising its use before City Deal Funding.

Legal Implications

14. The report provides an update to members in relation to the 'Future Mobility' Metro Plus Phase 1 projects, the Metro Plus Phase 2 Programme and the Metro Enhancement Framework (MEF) Programme. There are no decisions for members to make at this stage, and as such there are no legal implications in this report.

Well-being of Future Generations (Wales) Act 2015

13. In delivering the Programme and in considering its endorsement regard should be had, amongst other matters, to:

- a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;
- b) public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: a. age; b. gender reassignment; c. sex; d. race – including ethnic or national origin, colour or nationality; e. disability; f. pregnancy and maternity; g. marriage and civil partnership; h. sexual orientation; i. religion or belief – including lack of belief, and;
- c) the Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRCD) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the CCRTA should consider how the proposed decision will contribute towards meeting the wellbeing objectives set by each Council and in so doing achieve the national wellbeing goals. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

Put simply, this means that CCRTA must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, CCRTA must:

- look to the long term;
- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 national well-being goals;
- work in collaboration with others to find shared sustainable solutions;
- involve people from all sections of the community in the decisions which affect them.

14. CCRTA must be satisfied that the proposed decision accords with the principles above. To assist CCRTA to consider the duties under the Act in

respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 3.

Recommendations

15. It is recommended that the CCRTA:

- (1) notes the progress of the regional programme; Metro Plus Phase 1, Metro Plus Phase 2, MEF Corridors and CVL enhancements.
- (2) Endorses the decisions taken to approve funding for both the Pontypool & New Inn and Porth Schemes.

Kellie Beirne
Director, Cardiff Capital Region
9 September 2021

Appendices

Appendix 1 Well-being of Future Generations Assessment