

Gloucestershire Economic Growth Joint Committee: Strategic Economic Development Fund (SEDF)

Expression of Interest/Application Template

Gloucestershire Economic Growth: Strategic Economic Development Fund (SEDF):

This fund is for the benefit of the whole of Gloucestershire, and utilising funds from the current Gloucestershire Local Authority Business Rates Pool. It facilitates collective work on the economic development agenda and reflects the commitment of the Pool participants to drive economic investment which also links to the planning and infrastructure process. Eligibility criteria for the fund has been established and agreed by all participants, against which bids for funding are assessed.

Access to the Fund is for the principle stakeholders only – the Local Authorities and Local Economic Partnership, and any project or funding request will need to have a clearly identified sponsoring lead organisation/contact. Expression of Interest submissions should be completed and submitted for consideration by the Gloucestershire Economic Growth Joint Committee Senior Officer Support Group, at a relevant meeting. They will assess its potential against the criteria and whether a good strategic fit. This mirrors the same approach adopted for the consideration of new projects for the Gloucestershire Capital Investment Pipeline (CIP).

Project Name:	
Central Gloucestershire Mass Transit	
Investment theme: <i>Tick the primary theme that best fits your project. If applicable, also tick a sub theme. If 'other' state and explain.</i>	
Primary Investment theme: Business Environment <input type="checkbox"/> Housing <input type="checkbox"/> Infrastructure <input checked="" type="checkbox"/> Place Shaping <input type="checkbox"/> Skills and Employment Other <input type="checkbox"/>	
Sub investment theme: Digital <input type="checkbox"/> Education <input type="checkbox"/> Employment <input type="checkbox"/> Energy <input type="checkbox"/> Housing <input type="checkbox"/> Regeneration <input type="checkbox"/> Transport <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
Promoter Details:	
Promoter Organisation	Gloucestershire County Council
Promoter Address	Shire Hall, Westgate Street, Gloucester, GL1 2TG
Primary Contact (name & job title)	Dr Dave Land, Principal Transport Planner
Email Address	david.land@gloucestershire.gov.uk
Contact Telephone Number	01452 425828
Project Summary (Max 250 words) <i>(Describe your project idea clearly and succinctly, including what</i>	

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the investment would buy, and why it would lead to economic growth for Gloucestershire. Include the potential timeframe, and any significant drivers or constraints related to the scheduling of the investment.

GCC are in the early stages of developing a potential mass transit scheme in Central Gloucestershire. The development of mass transit has been identified as a key intervention to address the climate emergency declared by all Gloucestershire councils in 2019 and to help achieve the Gloucestershire 2050 Vision.

A Pre-feasibility study has identified several broad corridors in Central Gloucestershire where there is sufficient demand to introduce mass transit:

- 1) South West Gloucester to Gloucester city centre.
- 2) Gloucester to Cheltenham.
- 3) Cheltenham town centre to North West Cheltenham (potential extensions into North West and West Cheltenham development sites).
- 4) Cheltenham town centre to Bishops Cleeve (potential extension to Ashchurch).

Mass transit will provide a step change in public transport provision through the delivery of high levels of mode segregation and connection with other transport modes. This will vastly improve connectivity – travel times, accessibility, frequency and affordability - in Central Gloucestershire, increasing access to employment, education and other services. This in turn will drive economic development through a marked increase in the ability for employers and employees to connect, attracting a stronger pool of workers to the county by delivering sustainable access to jobs, services, leisure, and retail facilities.

Numerous case studies have shown that mass transit provides mobility, can shape land use and development patterns, generate jobs and enable economic growth, and support public policies regarding energy use, air quality and carbon emissions.

A bus rapid transit (BRT) mass transit system has been identified as the preferred form of mass transit as it is appropriate for the level of demand identified and flexible.

Mass transit is key to economic growth in Gloucestershire as it will improve connectivity, thereby increasing productivity and accommodating sustainable future growth. A ground-breaking study in the USA, showed that planned public transportation investments would yield a 2 to 1 return while helping to generate income for local businesses, its workers and their neighbourhoods.

Mass transit will support rural-urban linkages through connectivity via well-located interchange hubs. These would enable residents from other districts in the county (i.e. Forest of Dean, Stroud, Cotswolds) to travel to an appropriate interchange hub, at which point they would mode-shift to mass transit, ensuring their travel into central Gloucestershire is fast and efficient. GCC are commissioning an interchange strategy to support this process. It will report in 2022.

A Feasibility study is underway and expected to be completed by March 2022. Development funding

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is required to progress to the Option Assessment Report (OAR) stage in the 2022/23 financial year (also to include development of an Appraisal Specification Report (ASR)). Construction would commence in 2027 at the earliest.

Summary of benefits/outcomes that will be delivered (Max 250 words) *(Expanding on your summary, provide information on the tangible benefits or outcomes that would be delivered, leading to the growth of the Gloucestershire economy. These could address challenges or capitalise on opportunities, including those associated with improving productivity. List the expected benefits, estimated quantities and indicate the timescales).*

It is expected that mass transit will provide the following benefits in Central Gloucestershire:

- Enhancing the local economy – greater connectivity across and through urban areas is central to attracting investment and accommodating sustainable future growth in Central Gloucestershire.
- Reducing road congestion - mass transit is key to encouraging modal shift away from private vehicles, thus reducing congestion.
- Increase access to jobs, education and services – mass transit provides a step change in public transport provision through providing high levels of segregation and connection with other transport modes. This will increase access to employment, education and other services for all and thereby increase productivity.
- Reduce CO² emissions and air pollution – mass transit has been identified as a key intervention to address the climate change emergency declared by all Gloucestershire councils in 2019 and aims for carbon zero by 2045. Addressing the climate emergency is vital to protect future productivity.

Strategic Fit (Max 150 words) *(Give the local, regional or national context for your project. Explain how it clearly aligns to the Strategic Economic Plan v2 <https://www.gfirstlep.com/downloads/2018/sep-2-update2018v3.pdf> and complements the local District strategies and delivery plans*

Mass transit aligns with the Strategic Economic Plan v2 as it will deliver digital and integrated transport connectivity, one of the key aims of the Plan. Mass transit is key to ensuring transport infrastructure meets the future needs of the businesses and people of Gloucestershire. It will also improve productivity through connecting people to jobs and services, helping to retain young talent and attract new investment (the key aim of the Gloucestershire 2050 Vision). It will provide firms with a strong means of attracting new talent to their opportunities and to the region.

The Draft Local Industrial Strategy identifies a mass-transport solution providing a reliable, quick and clean link between Cheltenham and Gloucester as a key investment priority, as part of the aim to create real alternatives to travel by car in Gloucestershire.

The Gloucestershire Local Transport Plan 2020-41 (LTP, adopted 2021) outlined the ambition to deliver the concept of mass transit and identified a potential Mass Public Transit Area.

Evidence of need or demand (Max 150 words) *(give details of the evidence you can reference that supports your case that there is a need or demand for this project)*

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- High population density/growing population – 38% of Gloucestershire’s population lives within Cheltenham/Gloucester (ONS, 2021).
- Poor connectivity/accessibility for non-car modes – a trip between Quedgeley and Cheltenham is 1 hour by bus and 24 minutes by car (Google journey times).
- High car ownership/high car trip rates – 81% of households in Cheltenham/Gloucester have access to a car, above the national average (74%) (2011 census).
- Congestion and delay/CO2 emissions and air pollution – nationally cars account for 55% of transport related greenhouse gas emissions (LTP).
- Constraint to economic development – several central wards rank amongst the 20% most deprived nationally (IMD). Gloucester is a Category 1 authority in the Levelling Up Fund Index with issues around productivity.
- Constraint on delivering sustainable development/placemaking – LTP outlines a vision for a ‘City region’ with a reliable, sustainable transport network.
- Challenge of achieving Net Zero target – transport accounts for 32% of CO2 emissions in Gloucestershire (2018) (LTP).

Summary of the project costs and any sources of funding: *(Estimated total capital cost of the project, and (if available) list the main elements of the budget. Provide details of any potential or secured source(s) of funding and the likely shortfall.)*

Scheme construction

A high-level cost analysis has shown that constructing mass transit in all four indicative corridors is estimated to cost between £180-440 million for a bus type mass transit system and between £1.1-£2.2 billion for a light rail (LRT) mass transit system. These total constructions costs are based on initial cost ranges per route km which were taken from a number of case studies of similar mass transit schemes which have already been constructed. (The indicative costs ranges used were £5-10 million per km for BRT and £30-50 million per km for LRT).

Scheme Development

£3 million for scheme development has been requested through GCC’s Bus Service Improvement Plan (BSIP). Published in October 2021. See section 5.2 - [gcc-bsip-final-2910-accessible.pdf](https://www.gloucestershire.gov.uk/gcc-bsip-final-2910-accessible.pdf) ([gloucestershire.gov.uk](https://www.gloucestershire.gov.uk)), but this is under severe threat with BSIP funding being downgraded from £3billion to £1.15billion, against a national ask of £6billion. This means we cannot rely on BSIP funding for development costs.

Based on our current understanding of the study area and scope requirements (excluding any surveys), we are requesting £850,000 from the SEDF to support development of an OAR and ASR (2022-3) and a Strategic Outline Case (SOC) (2023-5). Expenditure on the project will be closely monitored, with updates provided to Senior Officers Group (SOG) on a regular basis.

**Atkins indicative costs for delivery of Mass
Transit development: OAR, ASR and SOC**

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OAR	£300,000		
SOC	£550,000		
Total funding requested	£850,000		
	OAR		SOC
			£
Modelling	£ 50,000	Modelling	£125,000
Stakeholder engagement	£ 50,000	Stakeholder engagement	£115,000
Evidence base	£ 45,000	Engineering/feasibility	£135,000
Generating options	£ 45,000	Environment	£100,000
Engineering/feasibility for options	£ 25,000	Funding/Finance	£75,000
Appraising options	£ 30,000		
Costing	£ 25,000		
Environment	£ 17,500		
ASR	£ 12,500		
	£		£
TOTAL	300,000.00	TOTAL	550,000.00

GCC have already made substantial contributions to this work:

- We have funded both the pre-feasibility and the feasibility study: Total c. £195,000
- We have committed £100,000 from MTFs for Mass Transit for 22/23
- We are using officer resources to lead the project
- We will be using the GT3M model, for which county has paid c.£450k

Currently the GCC Transport Scheme development budget is fully targeted at ensuring M5 Junction 9 and A46 transport scheme remains on target. However, if our bid to Homes England regarding Junction 9 is successful then this may help release some funding. Our intention is that any released funding will be used to accelerate Mass Transit. We are aware it is becoming increasingly important to deliver this project as quickly as possible to help both GCC and the Districts meet climate change targets.

Summary of the Revenue Investment(s) required *(Explain how the project would be deliverable and sustainable by explaining the sources of revenue funding to support the likely cost needed to deliver the project following the capital investment)*

As part of the Pre-feasibility stage of the project a high-level analysis of scheme revenue and viability was undertaken using estimated patronage levels, and indicative fares and operating costs. This has shown that if assuming a BRT type mass transit system all of the corridors would provide a revenue surplus, with an estimated total year revenue surplus of £6.6-8.9 million, making BRT a viable option.

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Project Status (<i>select from one of the following, and provide brief explanation</i>)	
Concept Stage (<i>very early stages, requires considerable development before it could be considered for funding</i>)	
Outline Stage (<i>early stages, some detail clear but longer term aspiration which will need further development</i>)	A Pre-feasibility study was completed in March 2021 and a Feasibility study is expected to be completed in March 2022. The need for intervention has been identified and indicative corridors for mass transit have been used in early modelling to understand potential patronage levels and high-level cost estimates. The next stage is to develop an OAR which will identify a preferred option to be taken forward to business case stage.
Developed Stage (<i>clear project plan, deliverable, but seeking funds</i>)	
Mobilising Stage (<i>project moving close to delivery, which still has some challenges to overcome</i>)	
Project Status: key milestones (<i>where applicable, provide brief notes on the current situation</i>)	
Promoter identified	Gloucestershire County Council are acting as the scheme promoter (Pre-feasibility study (2020-21) was first piece of work undertaken).
Full Business case available	A Full Business Case is expected to be completed by 2027.
Planning Status	The scheme has no planning status at this early stage, this will be key to later stages.
Land Assembly (potential requirement for CPO)	According to early assessments it would be difficult to undertake much land take along the indicative corridors. Where necessary the first priority would be to reallocate road space/consider how mass transit could work within the existing road space if other modes were redirected for example.
Confirmed Funding Sources	There are no confirmed capital funding sources at this stage – the project team will work with the DfT and Western Gateway to identify opportunities.

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Design Detail Stage	Detailed design stage would be undertaken as part of business case development between 2024-27.
Earliest Potential Start Date	It is estimated that construction could start in 2027 at the earliest.

Key challenges/risks associated with Project *(give brief indication of the main challenges or risks associated with the successful delivery of this project)*

Challenge / Risk	Potential Impact / mitigation
No capital funding stream identified at this stage.	Project still at an early stage and the project team will engage with the DfT and Western Gateway to identify opportunities.
Need for alignment between future development and mass transit.	The project team will work with the districts, in particular the JCS authorities, to ensure that future development compliments mass transit and maximises possible levels of demand.
Mass transit is considered the only solution to decarbonisation and economic growth	The project team will work across the board with colleagues and stakeholders, including the carbon pathways team, active travel team, rail team and others, to ensure mass transit is a strong part of the change required, rather than a siloed activity
Mass transit is not distinguishable from Bus Priority measures	Mass transit as a complete system has different objectives, different processes and different solutions (segregation, frequency, locations, economic development and so on), so whilst it needs to work in sync with the bus network, not be a competitor, equally, it needs to be considered as a different solution to a different problem than local buses.
'scaremongering' about mass transit knocking down houses and trees.	Strong, transparent communication, messaging and PR to support

Declaration by Applicant

I certify to the best of my knowledge the information submitted on this form is true and correct.

Signed (on behalf of Promoter)

Date :-

Name and title:

Gloucestershire Economic Growth Joint Committee: Strategic Economic Development Fund (SEDF)

Sent to: (Name of organisation / person)

Date submitted:

