

# CAPITAL INVESTMENT BUSINESS CASE

Consolidated Active Travel Fund



**CPOG Reference No. - BC250040**

## EXECUTIVE SUMMARY

*The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract only the key facts from relevant sections i.e. 'project on a page'.*

*The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.*

This business case seeks the approval to add external Department for Transport funding to the capital programme to improve walking and cycling provision in Plymouth. This will enable more active travel so as improving people's health, quality-of-life and access to opportunities, whilst helping to reduce the city's carbon emissions. There is a demonstrated need for each of the elements in the proposed package of measures which is deliverable within the funding and timescales available and therefore makes no ask on corporate borrowing.

*key notes from section 1*

£746,894 capital funding has been made available by Department for Transport for Plymouth to construct a programme of schemes that improve the walking and cycling environment and address safety concerns.

*key notes from section 2*

Whilst risks of timescales and affordability exist within the programme they are known and will be managed.

*key notes from section 3*

The programme addresses the causes of climate change and a route to market has been identified.

*key notes from section 4*

The capital expenditure is expected to occur over the financial years of 2025/26 and 2026/27 which complies with the terms of the grant funder.

*key risks*

The key risks relate to time and money; these are standard risks that the team are used to managing and will continue to manage throughout delivery.

## SECTION I: PROJECT DETAIL

<b>Project Value</b> (indicate capital or revenue)	Capital: £746,894	<b>Contingency</b> (show as £ and % of the project value)	£74,689 10%
<b>Portfolio Holder</b>	Cllr John Stephens, Cabinet Member for Strategic Planning and Transport	<b>Directorate</b> <b>Service Director</b>	Growth Directorate Paul Barnard (Strategic Planning & Infrastructure)

<b>Senior Responsible Officer (client)</b>	Richard Banner	<b>Project Manager</b>	Various
<b>Address and Post Code</b>	Citywide	<b>Ward</b>	Citywide
<b>Current Situation:</b> <i>(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)</i>			
<p>The current walking and cycling provision requires enhancements and upgrades to sustain an appropriate standard of active travel. A lack of adequate cycle parking provision in the city can be seen as discouraging residents from choosing cycling as a mode of transport</p>			
<b>Proposal:</b> <i>(Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) and (What would happen if we didn't proceed with this scheme?)</i>			
<p>Active Travel England (ATE) will provide £746,894 capital funding under the Consolidated Active Travel Fund (CATF). CATF funding is for:</p> <ol style="list-style-type: none"> <li>1. New construction schemes with robust delivery plans;</li> <li>2. Change control funding to unblock existing ATF schemes to secure timely delivery and improve scheme quality;</li> <li>3. Essential funding to address safety or accessibility concerns on existing active travel routes;</li> <li>4. Early development of future active travel schemes (including to support the development of housing), creating a pipeline of schemes to be funded by future government spending rounds or other local funding;</li> <li>5. Development and delivery of high-quality capability building and behaviour change activities, enabling authorities to plan for and activate existing infrastructure and new capital schemes.</li> </ol> <p>Having briefed the portfolio holder on the options for this funding CPOG have agreed the mandate to apportion the funding as follows: £373,447 for the construction of Brian Vincent Way, a path from Willow Close to Pike Road. The development funding for this project has been mandated through CPOG. This funding will facilitate construction of an improved path which is a key link between Efford and Marsh Mills.</p> <p>£150,000 for the construction of a new crossing of Budshead Road for people to use when crossing to Whitleigh Green shops. By providing a controlled crossing to the local shops residents will find it easier and be encouraged to walk to their local shops.</p> <p>£48,000 for the implementation (construction) of physical measures to support our safer school streets programme. Works will include the tightening of the bell mouth of the junction which will act to reduce vehicle speeds and improve the crossing facilities for residents and school children.</p> <p>£20,447 for essential enhancements and the early development of Dawes Lane, a key link between Brixton and Plymouth which condition has deteriorated.</p> <p>£35,000 for the implementation (construction) of traffic signals at the Mutley Plain / Greenbank Road junction. This will enable the provision of a signal crossing at an existing</p>			

signal junction.

£70,000 for the implementation (construction) of traffic signals at the Ham Drive / Honicknowle Lane junction. Again, this will provide pedestrians crossing facilities at an existing signalised junction.

£50,000 for essential enhancements to replace the fence between Lucas Terrace and Seagull Bridge. This will address safety concerns due to the deteriorating condition of an existing fence which acts as a barrier to a steep slope.

**Why is this your preferred option:** *(Provide a brief explanation why this option is preferred) and (Explain why this is a good capital investment and how this would be an advantage for the Council) and (explain how the preferred option is the right balance between the risks and benefits identified below).*

The proposals provide changes required to enhance road safety and enable more people to walk and cycle so improving health and equality of access to opportunities. Whilst each of the elements are different, all are responding to a clear need.

The scheme aligns with Policy SPT9 – Strategic principles for transport planning and strategy: seeking to reduce the impact of severance caused by [a lack of quality] transport networks, enabling more journeys by walking, cycling and providing genuinely alternative ways to travel. At its core the policy places the adopted hierarchy of transport modes and routes based upon different modes, with walking and cycling at the top of the pyramid and first modes to be considered/improved.

The schemes also align with several Corporate Plan priorities to make Plymouth a fairer, greener city, where everyone does their bit.

- The projects will help ensure there are fewer potholes, with cleaner, greener streets and transport;
- The projects will help keep children, adults and communities safe;

By doing this we will:

- Provide quality public services;
- Focus on prevention and early intervention;
- Spend money wisely.

**Option Analysis:** *Provide an analysis of 'other' options which were considered and discounted, the options considered must be a 'do Nothing' and 'do minimum' and 'viable alternative' options. A SWOT – Strength, Benefit, Opportunity, Threat analysis could be attached as an appendix).*

<b>Do Nothing Option</b>	All of the funding is external and would therefore need to be returned to the Department for Transport
<b>List Benefits:</b>	No benefits to the people of Plymouth or Plymouth City Council
<b>List Risk / Issues:</b>	Local residents would be likely to question why Plymouth City Council has not accepted the funding. Similarly, the Department for Transport and Active Travel England would question this and it would undoubtedly impact upon the council's capability rating which would impact upon future funding allocations
<b>Cost:</b>	£0
<b>Why did you discount this option</b>	This option was discounted on the basis that the changes are required to enhance road safety and help enable people to use more sustainable travel choices

<b>Do Minimum Option</b>	Again, all of the funding is external, and so if only part of the funding were accepted, the rest would need to be returned to the Department for Transport
--------------------------	---

<b>List Benefits:</b>	No benefits to the people of Plymouth or Plymouth City Council
<b>List Risk / Issues:</b>	As per the “do nothing option”
<b>Cost:</b>	£0
<b>Why did you discount this option</b>	As per the “do nothing option”
<b>Viable Alternative Option</b>	Allocate funding to other eligible alternatives
<b>List Benefits:</b>	There is no shortage of unfunded proposals which would improve facilities for pedestrians and cyclists and therefore alternative proposals could undoubtedly be suggested albeit in different locations and benefiting different users.
<b>List Risk / Issues:</b>	Careful consideration of deliverability and affordability has been given to these mandated projects. The introduction of alternatives at this late stage would require such considerations and then approval would be required by Active Travel England – all of which provides considerable risk.
<b>Cost:</b>	£746,894
<b>Why did you discount this option</b>	The preferred package of measures is affordable and deliverable within the required timescales and funding available and, in supporting an already approved scheme on the capital programme helps avoid the risk of requiring corporate borrowing.

<b>Strategic Case:</b>	
<b>Which Corporate Plan priorities does this project deliver?</b>	Fewer potholes, cleaner, greener streets and transport
	Keeping children, adults and communities safe

<b>Milestones and Date:</b>		
Contract Award Date	Start On Site Date	Completion Date
November 2025	January 2026	March 2028

## SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

**Risk Register:** *The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).*

Potential Risks Identified			Likelihood	Impact	Overall Rating
Risk	Lack of funding to deliver the whole programme		Low	Medium	Medium
Mitigation	Risks and contingency built into the bid. Experienced staff involved in estimating costs. Manage budget across programme.		Low	Low	Low
Calculated risk value in £ (Extent of financial risk)		£0	Risk Owner	PCC	
Risk	Lack of time to deliver the whole programme		Low	Medium	Medium
Mitigation	Float has been built into the programme. Experienced staff involved in estimating time. Monitor delivery as projects progress. Write to external funder seeking		Low	Low	Low

	'change control' if the schemes are undeliverable within timescales				
<b>Calculated risk value in £ (Extent of financial risk)</b>	£0	<b>Risk Owner</b>	PCC		
<b>Risk</b>			Select value	Select value	Select value
<b>Mitigation</b>			Select value	Select value	Select value
<b>Calculated risk value in £ (Extent of financial risk)</b>	£	<b>Risk Owner</b>			
<b>Risk</b>			Select value	Select value	Select value
<b>Mitigation</b>			Select value	Select value	Select value
<b>Calculated risk value in £ (Extent of financial risk)</b>	£	<b>Risk Owner</b>			

### Outcomes and Benefits

**List the outcomes and benefits expected from this project.**

*(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)*

*(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)*

#### Financial outcomes and benefits:

External funding of £746,894 provides needed facilities and so reduces the potential ask on PCC budgets. If we do not add external funding to the capital programme Plymouth will need to fund the improvements required.

#### Non-financial outcomes and benefits:

Sustainable transport improvements will help reduce severance, encourage mobility through walking, cycling and scooting that will improve health and help improve the place element of Plymouth by providing the means to encourage and enable residents to walk and cycle in their local neighbourhoods.

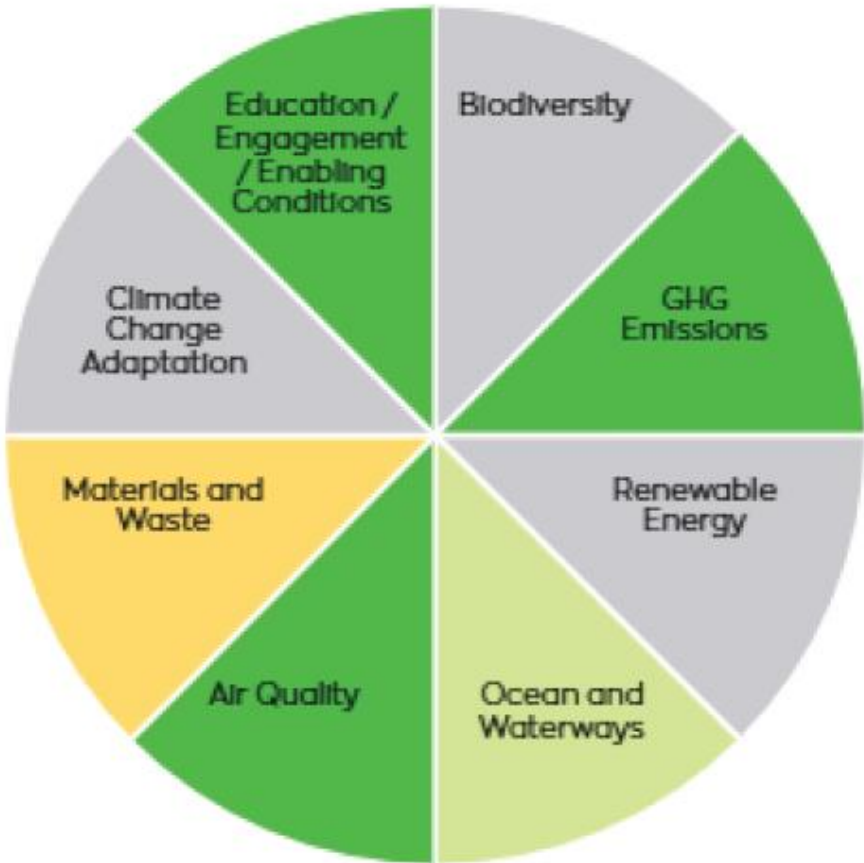
### SECTION 3: CONSULTATION

<b>Does this business case need to go to CMT</b>	No	<b>Date business case approved by CMT (if required)</b>	
<b>Did a mandate go via CPOG/CPB</b>	Yes	<b>Date Capital Mandate approved by CPB</b>	14/08/2025

<b>Does this project involve a corporately maintained property</b>	No
<b>Details of impact of this project ie cost saving from this project or additional requirements</b>	N/a

### Climate Impact Assessment

*Full completion of the CIA is required with the business case if the project is over £200k. (optional for under £200k).*

<b>Upload Climate Impact Wheel</b>	
<b>Summary of the anticipated impact of the proposal on the climate (including any proposed mitigations and impacts beyond 2030)</b>	<p>It is anticipated that the programme will have a positive climate impact.</p> <p>The programme will deliver new routes, improved crossings and will encourage more residents to walk and cycle, providing the conditions to enable change. This is expected to have a long term or significant positive impact on Education / Engagement / Enabling Conditions; Greenhouse Gas Emissions and Air Quality. An upgrade to existing cycle paths and delivery of new crossings will require limited construction works which is expected to have a short term or limited negative impact. Nonetheless additional carbon intensive materials will be required to deliver the upgrades. The construction process will follow appropriate waste management processes and residual waste is expected to be minimal.</p>

<b>Confirm you have engaged with Procurement</b> <i>(All business cases must be discussed with Procurement prior to submission to CPOG. If Procurement have not been consulted on the procurement route, CPOG may not endorse your project to CPB for approval )</i>	Yes
<b>Who have you consulted with in Procurement/ who is your Procurement lead?</b>	Simone Newark
<b>Where an existing contract is to be used could you include the contract title and reference number</b>	PLA16029 - Highways Term Maintenance Contract - South West Highways  21496 - CP2072-21 Term Service Contract for Traffic Signals and related equipment - SWARCO
<b>Procurement route options considered</b> <i>(Procurement Officer to complete this section only)</i>	In line with the Council's Contract Standing Orders, the anticipated value of all the individual schemes are below the

	<p>relevant PA threshold. The following procurement routes have been considered for each individual scheme:</p> <ol style="list-style-type: none"> <li>1. Plymouth Highways Term Maintenance Contract (PHTCM)</li> <li>2. Seeking written quotations/tenders as follows:  -£15,000 - £50,000 - seek two written quotations  -£50,000+ up to relevant PA threshold - seek three written quotations/tenders</li> <li>3. Utilisation of a framework</li> </ol>	
<b>Recommended Procurement route</b> <i>(Procurement Officer to complete this section only)</i>	<p><b>Procurement Requirements:</b></p> <p>The majority of funding is for minor network improvements and we propose to utilise South West Highways (SWH) via Plymouth Highways Term Maintenance Contract (PHTMC). The PHTMC provides the optimum route for delivery given the value of and type of work.</p> <p>Works pertaining to signals will be undertaken utilising the Term Service Contract for Traffic Signals and related equipment with SWARCO.</p> <p>Any professional services / design procurement requirements will be undertaken in accordance with the Council's self-service process seeking a minimum of 1 or 2 quotations, dependent on value.</p> <p>If there is a change in circumstances and the recommended procurement route cannot be undertaken or no longer represents best value for the Council, any alternative recommended procurement route will be undertaken in accordance with Contract Standing Orders.</p>	
<b>Is this business case a purchase of a commercial property?</b>		No
<b>If yes then provide evidence to show that it is not 'primarily for yield'</b>		
<b>Which Members have you engaged with and how have they been consulted</b> <i>(including the Leader, Portfolio Holders and Ward Members)</i>	Cllr John Stephens, Cabinet Member for Strategic Planning and Transport at Portfolio Holder briefings.	
<b>Confirm you have taken necessary Legal advice, is this proposal State subsidy compliant, if yes please explain why.</b>	Legal advice taken.  No state subsidy involved.	
<b>Who is your Legal advisor you have consulted with?</b>	Alison Critchfield	
<b>Equalities Impact Assessment completed</b> - <i>This is a working document commenced at project mandate stage which should inform the project throughout its development. The final version will need to be submitted with your Executive Decision to be published.</i> <i>Evidence is required that 'due regard' has been given to equalities in the decision making'. The EIA toolkit will provide you with all the necessary information to complete an EIA. It sets out</i>		Yes



the reasons for completing an EIA including why and when to undertake an EIA. In this section the robustness of the proposals should be set out in financial terms.

## SECTION 4: FINANCIAL ASSESSMENT

**FINANCIAL ASSESSMENT:** The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole. Exact amounts only throughout the paper - not to be rounded.

It is important to identify any revenue implications arising from this capital project, consider responsibilities for asset operation after project completion. Record that project with any implications has been discussed with revenue accountant (add name). If service borrowing and ≤ £200k incl cost centre borrowing charges made to, estimate asset life, annual borrowing charge confirmed by capital accountants.

### CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr. £	25/26 £	26/27 £	27/28 £	28/29 £	29/30 £	Future Yrs. £	Total £
<b>Brian Vincent Way - £373,447</b>								
Project Management		2,000	20,000					22,000
Construction Drawings		2,000	2,000					4,000
Construction incl. contingency			347,447					347,447
<b>Budshead Road - £150,000</b>								
Project Management		1,000	14,000					15,000
Construction Drawings		2,000	8,000					10,000
Construction incl. contingency			125,000					125,000
<b>Safer school streets programme - £48,000</b>								
Project Management		2,000						2,000
Construction Drawings		3,000						3,000
Construction incl. contingency		43,000						43,000
<b>Dawes Lane - £20,447</b>								
Project Management		1,000	1,000					2,000
Construction Drawings		4,000	4,000					8,000



Construction incl. contingency			10,447					10,447
<b>Mutley Plain / Greenbank Road junction - £35,000</b>								
Project Management		1,000	2,500					3,500
Construction Drawings		1,000	2,000					3,000
Construction incl. contingency			28,500					28,500
<b>Ham Drive / Honicknowle Lane - £70,000</b>								
Project Management		1,000	14,000					15,000
Construction Drawings			8,000					8,000
Construction incl. contingency			47,000					47,000
<b>Lucas Terrace and Seagull Bridge - £50,000</b>								
Project Management		1,500						1,500
Construction Drawings		1,500						1,500
Construction incl. contingency		47,000						47,000
<b>Total capital spend</b>		<b>113,000</b>	<b>633,894</b>					<b>746,894</b>

<b>Provide details of proposed funding: Funding to match with Project Value</b>								
<b>Breakdown of proposed funding</b>	<b>Prev. Yr. £</b>	<b>25/26 £</b>	<b>26/27 £</b>	<b>27/28 £</b>	<b>28/29 £</b>	<b>29/30 £</b>	<b>Future Yrs. £</b>	<b>Total £</b>
CATF Capital Grant		113,000	633,894					<b>746,894</b>
<b>Total funding</b>		<b>113,000</b>	<b>633,894</b>					<b>746,894</b>

<b>S106 or CIL</b> (Provide Planning App or site numbers)	N/a
<b>Which alternative external funding sources been explored</b>	N/a
<b>Are there any bidding constraints and/or any</b>	The terms stipulate that the funds should be committed by 31 March 2026 and spent by 31 March 2027.

<b>restrictions or conditions attached to your funding</b>	
<b>Tax and VAT implications</b>	The project will not directly generate any VAT-exempt income for the Council. Transport and highways infrastructure works are a non-business activity and so any VAT incurred by the Council on costs relating to the highways scheme will be fully recoverable and there will be no adverse impact on the Council's partial exemption position.
<b>Tax and VAT reviewed by</b>	Sarah Scott – Service Accountant
<b>Will this project deliver capital receipts?</b> <i>(If so please provide details)</i>	No

## REVENUE COSTS AND IMPLICATIONS

### Cost of Developing the Capital Project (To be incurred at risk to Service area)

<b>Total Cost of developing the project</b>	£0
<b>Revenue cost code for the development costs</b>	N/a
<b>Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria</b>	N/a
<b>Budget Managers Name</b>	Richard Banner

### Ongoing Revenue Implications for Service Area

	25/26 £	26/27 £	27/28 £	28/29 £	29/30 £	Future Yrs.
<b>Service area revenue cost</b>						
<b>Other</b> (eg: maintenance, utilities, etc)						
<b>Loan repayment</b> (terms agreed with Treasury Management)						
<b>Total Revenue Cost (A)</b>						
<b>Service area revenue benefits/savings</b>						
<b>Annual revenue income</b> (eg: rents, etc)						
<b>Total Revenue Income (B)</b>						
<b>Service area net (benefit) cost (B-A)</b>						
<b>Has the revenue cost been budgeted for or would this make a revenue pressure</b>	Once completed the schemes will need to be maintained via Highways Maintenance budget and it is considered that the impact will be low. The Head of Plymouth Highways has confirmed that the scheme will be incorporated into the Highways enhancement programme. There will be a maintenance liability for drainage clearance and vegetation cutback together with inspection regime to be introduced, this will be absorbed into existing Highways Budget.					

<b>Which cost centre would the revenue pressure be shown</b>					<b>Has this been reviewed by the budget manager</b>	Y	
<b>Name of budget manager</b>			Phil Bellamy				
<b>Loan value</b>	£	<b>Interest Rate</b>	%	<b>Term Years</b>		<b>Annual Repayment</b>	£
<b>Revenue code for annual repayments</b>							
<b>Service area or corporate borrowing</b>							
<b>Revenue implications reviewed by</b>			Nikki Hall				

**Version Control:** *(The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)*


Author of Business Case	Date	Document Version	Reviewed By	Date
Richard Banner	28/08/2025	v 1.0		
Richard Banner	03/09/2025	v 2.0	Sarah Scott Nikki Hall Lynn Walters Simone Newark Alison Critchfield	04/09/2025 05/09/2025 04/09/2025 05/09/2025 04/09/2025
Richard Banner	08/09/2025	v 3.0		

## SECTION 5: RECOMMENDATION AND ENDORSEMENT

### Recommended Decision

It is recommended that the Deputy Leader of the Council:

- Approves the Business Case;
- Allocates £746,894 capital funding for the project into the Capital Programme funded by Active Travel England (ATE) Consolidated Active Travel Fund (CATF);
- Authorises the procurement process;
- Delegates the award of contracts to the Service Director for Strategic Planning & Infrastructure where they do not already have authority to do so.

<b>Cllr John Stephens, Cabinet Member for Strategic Planning and Transport</b>		<b>Service Director, Paul Barnard (Strategic Planning &amp; Infrastructure)</b>	
<b>Email dated:</b>	08/09/2025	<b>Either email dated:</b>	date
<b>Or signed:</b>		<b>Signed:</b> 	
<b>Date:</b>		<b>Date: 08/09/2025</b>	