

**CITY CENTRE NEXT STEPS: CASTLE STREET AND CITY  
CENTRE EAST (PHASE 1 + CANAL)**

**STRATEGIC PLANNING AND TRANSPORT (COUNCILLOR  
CARO WILD)**

**AGENDA ITEM: 11**

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**Appendix 6 of this report is not for publication as it contains exempt information of the description in paragraphs 14 and 21 of Schedule 12A of the Local Government Act 1972.**

**Reason for this Report**

1. To report back on the outcome of the public consultation and modelling work, to approve modifications to the current road layout to Castle Street in order to achieve clean air compliance and commission further modelling and analysis of the impact of these modifications on clean air, congestion and wider city recovery and renewal
2. To seek delegated authority to award the tender and begin construction for the City Centre East Phase 1 + Canal Project.

**Background**

3. Capital Ambition, which sets out the administration's delivery priorities, makes clear the need to continue an ambitious regeneration programme for the city centre and for radically improving Cardiff's active and sustainable travel infrastructure, tackling the challenges of congestion, air pollution and the climate emergency.
4. In 2018 the Council received a legal direction from the Welsh Government to ensure that air pollution levels were below the EU limit value, specifically levels of nitrogen dioxide (NO<sub>2</sub>). In response, the Council undertook a detailed analysis of air pollution levels across the city, which identified Castle Street as the sole non-compliant street.
5. In June 2019, the Cabinet approved a Clean Air Plan which set out the steps required to improve air quality in the city centre, and on Castle Street specifically. This included three major city centre schemes:
  - **City Centre West:** Central Square and Westgate Street

- **City Centre North:** Boulevard de Nantes, Kingsway and Castle Street
  - **City Centre East:** Dumfries Place, Station Terrace, Churchill Way / including the Canal reopening, and Bute Terrace
6. In addition the following supporting projects were included within the Clean Air Plan:
- **City Centre Enabling Works Package:** A series of supporting network enhancement that will improve connections to and from the city centre area
  - **SMART Corridors:** Three improvement corridors (North, East and West) aimed at improving bus journey time reliability into the city centre and alleviating congestion problems on key routes.
7. Following the approval of the Clean Air Plan, £15.2m has been secured from Welsh Government to progress these schemes, representing a significant contribution towards the total project cost.
8. Successful implementation will significantly improve air quality and ensure compliance with legal limits. It will also establish a high quality active travel infrastructure for the city and improve connectivity between key developments by strategically aligning bus routes and enhancing links with the new Transport Interchange. An overview of city centre project areas is included in Appendix 1 of this report.

#### Responding to the Covid-19 Pandemic

9. As set out in the recent 'Recovery and Renewal: Greener, Fairer, Stronger' report, approved by Cabinet in May 2021, the Covid-19 pandemic has had a unique impact on the city centre and on mobility patterns in the city. In order to create Covid-secure mobility options and environments a series of innovations and adaptations were introduced at pace in the city centre, including:
- Summer 2020: Castle Street was closed to all traffic to accommodate an outdoor dining area, with Station Terrace restricted to bus, taxi and limited access only.
  - Autumn 2020: The pavement was extended on Castle Street south, outdoor dining areas were removed and buses, taxis & access vehicles were allowed in. Station Terrace was opened to all traffic.
  - Autumn 2020 – Present: A series of Pop up Cycleway were installed in the city centre to replicate those included in the permanent programme, extensions to these cycleways continue to be on site today and will see over 2.5 miles of additional cycleway installed.
  - April 2021: Station Terrace closure re-implemented to support buses, the future City Centre East Transport Project and the delivery of the Churchill Way event space.

10. As Cardiff looks towards recovery and renewal, the existing proposals contained within the Clean Air Plan were revisited in the context of a number of additional considerations. These included:
- **Maintaining improvements in air quality:** The temporary measures established on Castle Street in response to COVID-19 led to a significant improvement in air quality and ensured that compliance with the EU Limit for NO<sub>2</sub> was achieved in advanced of the modelled forecast date within the Clean Air Plan. The Council needs to ensure that compliance is maintained and that the obligations as set out in the legal direction from Welsh Government are met.
  - **Supporting Economic Recovery:** To support economic recovery it is critical that any highway network and public transport disruption is kept to a minimum, and that access for all users and modes to the city centre is maintained.
  - **The Lifting of Covid-19 Restrictions:** As restrictions are lifted and people and businesses return to normal life, there will be increased pressure on the transport network.
  - **Roll out of Cycling Infrastructure:** Cardiff has an ambitious cycle infrastructure construction programme. The aim is to create the UKs most successful cycling city. Major enhancements to this network have been implemented during the pandemic, with new 'pop up' routes and facilities put in place, including the new link on Castle Street. These pop-up routes now need to be developed into a more mature routes and integrated with the existing and planned network roll-out.
  - **Supporting Bus Priority:** Public Transport and Bus operation is a key priority for the Council. The current bus priority around the city centre is provided primarily in the anti-clockwise direction and needs to be enhanced to add the flexibility needed to accommodate the new Transport Interchange in Central Square. Future improvements will also need to accommodate cross city routes, improved event day movement, quicker and shorter loops for local and regional buses and provide for future population growth. The option selected moving forward will need to include measures to ensure that public transport is fully supported. These measures may include short term mitigations as well as longer term proposals that can be identified in the soon to be consulted upon Cardiff Bus Strategy.
  - **Development:** Key developments, such as Central Square, Central Quay and development of key stations as part of the Metro will put added pressure on the network.
11. Taking the issues identified above into account, the following schemes on Castle Street and in City Centre East will now be progressed:

## Castle Street

12. As noted above, a number of temporary adaptations were made to Castle Street in responding to the pandemic. As restrictions were lifted current arrangements were reviewed in light of the approved Clean Air Plan and the wider recovery context for the city. Consequently, two options for Castle Street were developed for consideration and for public consultation:
- **Option 1:** This scheme is the previously approved design included in the Council's Clean Air Plan. The scheme allows general traffic to access the area under reduced capacity, whilst also providing segregated cycling facilities, bus priority and public realm improvements.
  - **Option 2:** A variation on Option 1 where general traffic is restricted from using the street as a through-route at all times. The scheme provides a segregated cycle lane, bus and taxi access and improved public realm via an extension to the pavement on the south side.

### Traffic Modelling and Impacts

13. Further variable demand modelling (VDM) has been undertaken by transportation consultants, to provide updated transport data to reflect potential mode shift changes/ cancelled journeys as a result of the schemes. This differs from the previous modelling which was fixed demand which meant the model didn't take account of any changes and assumed travel behaviours remained the same. The results of the traffic impact of the two schemes are shown in Appendix 4, showing the am and pm peak travel times (pre-Covid-19). Key points include:
- a. Comparative assessment shows that both options are modelled to cause some displacement impacts to the west of the city centre, due to the impact of removing some or all of the through traffic.
  - b. The larger impacts are modelled to occur on the arterial routes of the A48 and A4232 due to rerouting behaviour to avoid the city centre.

### Air Quality Modelling

14. Using the updated VDM traffic data further air quality modelling has been undertaken. The key outcomes of the modelling to consider for both options on Castle Street are:
- a. Both options ensure compliance with legal limits is obtained on Castle Street.
  - b. Option 1 reduces levels on Castle Street to 28  $\mu\text{g}/\text{m}^3$  whilst Option 2 reduces levels to 20  $\mu\text{g}/\text{m}^3$ .
  - c. Both options show improvements in air quality across the city. This is due to the restriction of traffic through the city centre and other elements of the clean air plan.
  - d. Both options do cause some minor increases in  $\text{NO}_2$  concentrations when compared to the Baseline Scenario. However these

increases do not cause the absolute NO<sub>2</sub> concentrations to be at risk of exceedance of the limit value.

### Results of Public Consultation

15. Between March 2021 and May 2021 an extensive public and stakeholder consultation and engagement exercise was undertaken on the future options for Castle Street, with over 6250 response received. The consultation report is included in Appendix 3 of this report. Key points include:
  - a. 53.8% thought option 1 had considerable benefit
  - b. 33.8% thought option 2 had considerable benefit
16. Overall, the public consultation therefore indicated that there were greater levels of support for Option 1, the reopening of Castle Street to general traffic, and inclusion of a segregated bus and cycle lane. It should also be noted that Cardiff Bus and Active Travel organisations put forward strong objection to Option 1 and support for Option 2.

### Next Steps

17. As a result of traffic and air quality monitoring, the public consultation, and further analysis of the COVID-19 recovery period, it is proposed that modifications to the current scheme are put in place to allow all vehicles (including cars) to access two lanes of Castle Street, with a westbound bus lane and two-way segregated cycleway retained. A draft concept design of this arrangement is included in Appendix 2.
18. This adaptation to the current temporary arrangements will enable further analysis, monitoring and assessment to take place to fully understand the impacts of the scheme on the network, air quality, wider city environment and economy before a permanent scheme is implemented post-COVID-19 recovery. This will also provide the opportunity to work with public transport providers to address any issues that may emerge from this adjusted scheme.
19. It is proposed that a new tender process will now take place to award a contract due to the reduction in specification of the non-permanent scheme. A successful tender would allow the scheme to go onsite later this summer. This would allow only buses and taxis during construction period with Castle Street open to all traffic in the autumn.

### **City Centre East**

20. Between December 2020 and February 2021 a public consultation took place on the final option for 'City Centre East' transport improvement schemes. This included permanent bus priority measures on Station Terrace & Churchill Way, a permanent cycleway a revised car park routing system and the first phase of the Canal at the north end of Churchill Way. The full design is included in Appendix 5.

21. It is now proposed that this scheme be approved for delivery and that authority is delegated to the Director of Planning, Transport & Environment in consultation with the Corporate Director of Resources to award the tender and begin construction.
22. The Cabinet has previously given authority to send this scheme out to tender (June 2019). It is now proposed that a mini-competition tender will be undertaken in June 2021 via Lot 9 (£5m-£10m) of the South East Wales Highways Framework under an NEC4 Option C Target Cost Contract with Activity Schedule. The following contractors will be invited to tender over an 8 week period:
  - a. Alun Griffiths (Contractors) Ltd
  - b. Knights Brown
  - c. Centregreat
  - d. Walters
  - e. Jones Brothers (Ruthin)
23. A cost share percentage range, is associated with the contract that incentivises the contractor to remain on budget. Any overspend will be shared on a percentage basis. The share percentages have been set to best promote collaborative working and minimise the risk of overspend.
24. The nature of highway infrastructure works mean there remain risks of unforeseen issues with utilities and other underground items. However these risks including a review of lessons learnt on previous schemes have been mitigated with a comprehensive survey schedule undertaken and engagement process with utility companies in advance.
25. Subject to this approval and the successful completion of the procurement exercise, and any other necessary statutory processes being completed, work is targeted to begin in September 2021.

### **Future Public and Stakeholder Engagement**

26. The following measures will be taken on the Castle Street and City Centre East transport schemes to inform and assist key stakeholders, as well as the wider public:
  - I. A dedicated project website containing all information associated with the project including: project background; maps; designs and operational plans.
  - II. A communication plan for each phase of works, including: newsletters for local residents and businesses; press releases and proactive media engagement.
  - III. Regular Stakeholder Meetings with Bus Operators and other key stakeholders.

## **Project Funding**

27. A number of funding sources are available to meet the costs of the proposed works on both projects.
28. The Castle Street option will be funded from the Clean Air funding allocated by the Welsh Government. This scheme is estimated to cost in the region of £300,000.
29. City Centre East will be funded by City Deal Grant Funding, Air Quality Funding and General Capital Fund. The current cost estimate for this project is £7-9m, this includes the highway element and the first phase of the Canal Quarter.
30. Opportunities will be considered for further Welsh Government grant funding bids for Transport funding as well as utilising the Council's own capital programme funding for relevant projects to be undertaken as part of the city centre and wider enabling works.
31. It is estimated that the fees associated with delivering both projects (from April 2021 onwards) will be £400,000 for both projects.

## **Future Maintenance Costs**

32. The contract for both projects will provide 2 years maintenance cover on hard infrastructure and 5 years cover on soft landscaping maintenance.
33. Following on from the construction period and the above maintenance periods, it is acknowledged that new infrastructure will cause future maintenance costs. The Project Team are working with all the relevant departments to identify costs and formulate plans for future maintenance and cleansing. This is to ensure that the level of investment proposed across the City Centre can be sustained and maintained. This will need to be a consideration in developing the future Medium Term Financial Plan, along with other Council priorities.

## **Local Member consultation**

34. Local Members have been able to comment on the proposals for the city centre as part of the Clean Air Consultation that ran from April-May 2019. Then again during the scheme consultations for City Centre East (December 2020-February 2021) and Castle Street (March – May 2021)
35. Local Members will also be consulted with as part of the Traffic Regulation (TRO) process for each project.

## **Reason for Recommendations**

36. The delivery of these highway works are critical to the operation and future success of the Public Transport Network (including the Transport Interchange), the implementation of the Clean Air Plan to improve the air

quality in the City Centre and the future development of the city centre's transport network as a whole.

37. These two transport projects deliver key commitments in the Transport White Paper and will greatly assist with meeting targets in that paper, and also the One Planet Strategy.
38. Tender awards must now take place to ensure a contractor can be on site in financial year 2021-22.

### **Financial Implications**

39. The costs and funding of the projects are set out in the confidential appendix 6, including the delivery of the current chosen option for Castle Street. The Council will need to ensure that it secures the required skills to support the delivery and ongoing contract management to manage and mitigate risks during the construction period for the projects. As part of the procurement approach it should be ensured that any appointed contractors have the skills and also capacity to complete the works within agreed timescales having considered other commitments already in place.
40. In order to avoid the risk of additional costs and compensation claims, it is essential that there is a clear scope at the outset, with any changes being managed within the budget available. Where grant funding is used towards works, this should be in accordance with the award of that grant and in consultation with the grant provider. Changes which result in abortive costs will need to be charged to a revenue budget and require consultation with grant funding bodies where relevant.
41. Expenditure incurred on the projects will need to be in accordance with the terms and conditions including timescales identified in any external grants. The Council has allocated £3 million from its capital programme approved in March 2021 toward exposing the existing dock feeder canal at the upper end of Churchill Way to provide a new public space with seating areas. No budgets are available for further phases of the canal.

### **Legal Implications**

42. The body of the report raises a number of points however these legal implications deal with the implications arising from the four recommendations.
43. Recommendation 1 – raises no direct legal implications. A public consultation gives rise to a legitimate expectation that the outcome of the consultation will be taken into account in determining the way forward and it is noted that the proposals for Castle Street are in line with the preferred option of the consultees.
44. Recommendation 2 – raises no direct legal implications as legal services are instructed that no further road traffic regulation orders are required for the implementation the proposed alterations to the current road layout.

45. Recommendation 3 – raises no direct legal implications
46. Recommendation 4 – for the legal implications regarding the commencement of the procurement, please see the previous cabinet report referred in paragraph of 22 of this report. Further legal implications will be provided on the Officer Decision Report concerning the award of the contract.
47. Please note that any decisions must however be made in accordance with the Council's Scheme of Delegations and the general legal advice set out below
48. The above decisions have to be made in the context of the Council's public sector equality duties. The Council also has to satisfy its public sector duties under the Equality 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. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.
49. The Well-Being of Future Generations (Wales) Act 2015 ("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.
50. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff's Corporate Plan 2021-24
51. The well being duty also requires the Council to act in accordance with 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without comprising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
  - a. Look to the long term
  - b. Focus on prevention by understanding the root causes of problems
  - c. Deliver an integrates approach to achieving the 7 national well-being goals
  - d. Work in collaboration with others to find shared sustainable solutions
  - e. Involve people from all sections of the community in the decisions which affect them
52. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory

Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

53. The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations. The Council has to consider the Well-being of Future Generations (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.

### **HR Implications**

54. There are no HR Implications for this report.

### **Property Implications**

55. There are no specific property implications in respect of this Castle Street and City Centre East report. Where there are any resultant land transactions, negotiations or valuations required to deliver any proposals, they should be done so in accordance with the Council's Asset Management process and in consultation with Strategic Estates and relevant service areas.

## **RECOMMENDATIONS**

Cabinet is recommended to:

1. Note the outcome of the public consultation and modelling work carried out on the future of Castle St.
2. Approve the implementation of the adjustment to the current road layout on Castle Street to allow all traffic as outlined in Appendix 2.
3. Note the intention to undertake further modelling and analysis of the impact of the scheme on clean air, congestions and wider city recovery and renewal.
4. Delegate authority to the Director of Planning, Transport & Environment in consultation with the Corporate Director of Resources to deal with all aspects of the procurement process (including approving the evaluation criteria to be used and authorising the award of the proposed contract) and all ancillary matters pertaining to the procurement for the construction of City Centre East + Canal Phase 1.

<b>SENIOR RESPONSIBLE OFFICER</b>	Andrew Gregory Director of Planning, Transport & Environment
	11 June 2021

***The following appendices are attached:***

Appendix 1 Project Area Map

Appendix 2 Traffic Modelling and Air Quality Technical Information

Appendix 3 Consultation Report – Castle Street

Appendix 4 Castle Street Option Design

Appendix 5 Detailed Design City Centre East

Appendix 6 Funding Makeup CONFIDENTIAL