

# Wednesbury to Brierley Hill Extension

**Evidence Given on Behalf of the Applicant: WMCA  
Transport and Economic Case  
Summary Proof of Evidence  
David Carter**



Transport and Works Act 1992

The Transport and Works

(Inquiries Procedure) Rules 2004

# **1. SUMMARY AND CONCLUSIONS**

1.1.1 My name is David Carter. I am a Market Director with SYSTRA Ltd, a consultancy firm specialising in the transport sector. SYSTRA has been retained by the West Midlands Combined Authority via Transport for the West Midlands, to continue supporting the development of the Wednesbury to Brierley Hill Extension (WBHE) towards final funding and planning approvals.

1.1.2 My academic and professional qualifications are:

- BSc (Hons) Transport Operation and Planning, The University of Aston in Birmingham;
- Transport Planning Professional Qualification; and
- Fellow, Chartered Institute of Logistics and Transport.

1.1.3 I have 30 years' transport planning experience. In that time, I have led and contributed to business cases for a range of transport interventions, and I have a specialism in rapid transit schemes, having worked on schemes in the West Midlands, alongside other parts of the UK. I have appeared as the Expert Witness to the Transport and Works Act Public Inquiry for similar transit scheme extensions addressing Forecasting and Appraisal issues.

1.1.4 The scope of my evidence is primarily to demonstrate the economic case for the WBHE, setting out the economic appraisal methodologies used and the resulting economic appraisal and Value for Money assessment. As such, my evidence contributes to the consideration of Matters 1, 3 and 4 of the Statement of Matters [GEN 3]. My evidence also addresses a number of the issues raised by Objectors, primarily covering economic impact issues, both of the construction phase and the longer-term operational phase.

1.1.1 The granting of the Midland Metro (Wednesbury to Brierley Hill and Miscellaneous Amendments) Order 2005 [WBHE/B2] followed an examination of the transport and economic case for the scheme submitted to Government and the 2004 Public Inquiry.

1.1.2 Since the approval of the granting of the Midland Metro (Wednesbury to Brierley Hill and Miscellaneous Amendments) Order 2005 [WBHE/B2], further work has been undertaken on updating the business case for funding the Metro extension.

Based on the Wednesbury to Brierley Hill Business Case [WBHE/D3-D7], funding of £250m from the Transforming Cities Fund was allocated to the West Midlands Combined Authority (WMCA) by Government on 20<sup>th</sup> November 2017, as set out in the Funding Statement [WBHE/A6].

- 1.1.3 The economic appraisal of the WBHE has been undertaken in line with the Department for Transport's appraisal guidance (WebTAG) and accordingly meets wider Treasury economic appraisal requirements. In my opinion, the appraisal of the WBHE has been undertaken in a way that is proportionate to the cost of the WBHE and the scale of its impacts.
- 1.1.4 Following this approach, the WBHE generates a net present value of £275m (present value 2010 prices), and an adjusted benefit to cost ratio of 2.27 when including wider economic impacts and land value uplift.
- 1.1.5 In addition to the monetised cost benefit analysis, the WBHE offers strong support in other appraisal areas, especially in terms of connectivity to employment and other facilities and in providing benefits to deprived areas along the WBHE routes and along the Metro line between Wolverhampton and Birmingham. The WBHE generates limited adverse impacts, with any environmental impacts governed by the Conditions 10 and 11 attached to the deemed planning consents [WBHE/B7].
- 1.1.6 In my opinion, the economic performance of the WBHE represents value for money, with the benefit cost ratio for the WBHE suggesting the scheme offers 'high' value for money. This view is derived from a consideration of the benefit cost ratio of the scheme driven by both by transport benefits and very strong wider economic benefits, alongside additional impacts that do not form part of the benefit cost ratio but provide very strong support for wider local and national policies. I would also suggest that this view is more widely held and confirmed by the DfT in awarding funding for the scheme through the Transforming Cities Fund.
- 1.1.7 The economic case includes wider economic impacts and land value uplift based on established WegTAG appraisal approaches. Further work undertaken through the Wednesbury to Brierley Hill Metro Extension Economic Impact Assessment [WBHE/D28] identified and quantified some of the more tangible economic and local growth-oriented benefits associated with the WBHE, stating, in 2.7, that "*The extension of the Metro through Wednesbury to Brierley Hill provides a game-changing opportunity for the economic, social and environmental regeneration of the area. The location of Metro stations has the potential to facilitate growth and regeneration, including being the focus of higher density development, as well as*

*enhancing connectivity with other public transport modes.”* This work confirms the strength of the economic case for the scheme and the support it will offer to the regeneration and development of the Black Country.

- 1.1.8 In addition to the strength of the economic case, as assessed through the WebTAG based scheme appraisal, I have considered the potential for additional use of Metro in accessing the Merry Hill, and expect Metro to significantly improve accessibility to the shopping and other facilities, increasing public transport use and increasing visitor throughput. The modest modal shift from car to Metro also has the potential to generate further benefits through reduced pressures on highway access routes and existing car parking facilities. These responses provide an opportunity for a further expansion in visitor numbers for car-bound travellers who may otherwise be put off due to congestion or car park capacity constraints.
- 1.1.9 In response to the Objectors and Supporter to the WBHE, in my opinion my evidence clearly demonstrates that the WBHE will deliver strong long-term economic benefits, including transport user benefits, increased connectivity for residents in accessing employment, for business in accessing their potential workforce, and increased throughput for retail and leisure providers in Dudley and Merry Hill. Whilst there may be some short-term impacts of construction works on localised traffic flows, with carefully traffic management measures in place, and given the modest scale of construction works overall affecting the operational highway network, any impacts will be negligible over the operational lifetime of the scheme appraisal period used in the business case.
- 1.1.10 With a compelling economic case, funding available from DfT and local sources, and the project ready to proceed, I urge the Inspector to recommend the powers applied for.

**Declaration**

- 1.1.11 This statement is true to the best of my knowledge and belief. I can confirm that the views expressed are my true and professional opinion.

