Corporate Project Management Toolkit

Business Case Update

Project Name	Aberdeen City Centre Streetscape Project		
Author	Sandy Beattie	**Date**	January 2024
Sponsoring Cluster	Resources	**Version**	2

Contents

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Find further guidance in the ACC Project Management Toolkit online

1. Introduction and Project Overview

Briefly describe the basic project concept. Describe the current business situation as it relates to the problem or opportunity that gave rise to the idea, including any other drivers such as regulatory or legal compliance requirements

If taking no action may have a negative effect on the organisation, then also describe what will happen if the project is **not** undertaken.

This paper sets out a Business Case Update to support a series of streetscape improvements across Aberdeen City Centre. They will complement and be delivered in sequence with other public realm projects previously reported and the construction of Aberdeen Market. This report includes full funding costs (as of December 2023) to implement construction work on the following projects:

- **Union Street East and Castlegate**: public realm and streetscape improvements to Union Street and Castlegate from Market Street to Castle Street. Includes a two-lane carriageway, a segregated bi-directional cycle lane, footpath widening, street furniture, public art, incidental play, improved lighting, enhanced street greening and traffic management measures.
- **Union Street West and West End:** public realm and streetscape improvements to the section of Union Street between its junction with Alford Place & Holburn Street to its junction with Bridge Street & Union Terrace. Including a two-lane carriageway with one lane routing either direction, a segregated bi-directional cycle lane and extended pavement zones and bus shelters, improved public transport interchanges, urban greenery, and potential street-trading space.
- **Market Streetscapes Phases 2 and 3**: public realm and streetscape improvements including additional streetscaping areas instructed by full Council in February 2022 designed to RIBA stage 3. Market streetscaping phase 2 and 3 works include Correction Wynd, St Nicholas Street, St Nicholas Lane, Netherkirkgate, Carmelite Lane and The Green.

This report is complementary to the Streetscaping FBC previously submitted (December 2022) that focused on the following Streetscaping improvements:

- **Union Street Central:** public realm, streetscaping improvements and traffic control measures on the section of Union Street between Union Terrace and Market Street
- **Market to Guild Street Phase 1:** public realm and streetscaping improvements to the area immediately surrounding the new Market Building, including East Green, and Hadden Street, Carmelite Street and across Guild Street to provide improved pedestrian connection between the Rail and Bus Stations and the city centre.
- **Upperkirkgate and Schoolhill:** extension of footways and streetscaping improvements to enhance the setting and improve public realm.

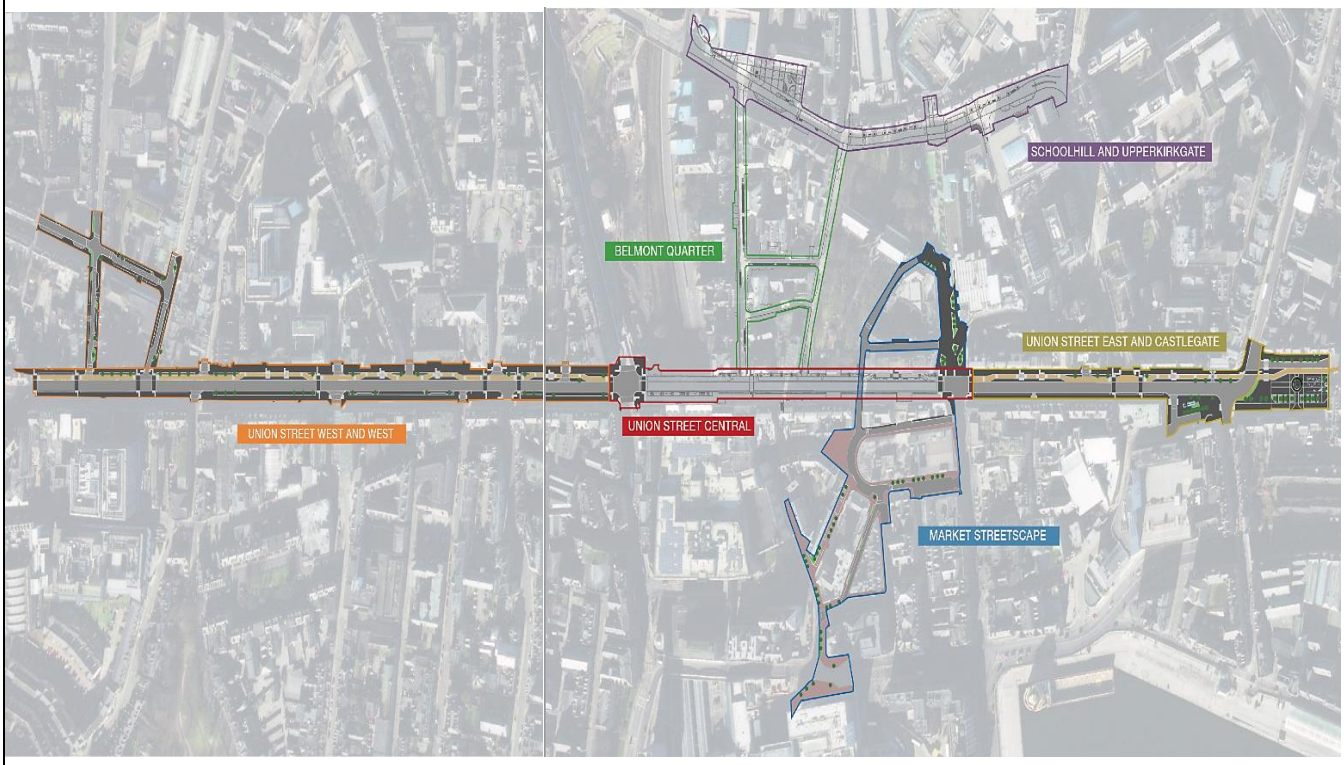


Figure 1: Streetscape Improvements

These proposals will help develop a city centre which is:

- **Accessible and inclusive:** ensuring it is designed to support users of all abilities.
- **More pedestrian and cyclist friendly**: by reducing general vehicular traffic levels to create additional cycling and walking space and a network of streets that are designed around the needs of all users.
- **More sustainable**: it will improve air quality through the inclusion of urban greenery in the designs and support the promotion of a modal shift from vehicular to active travel.
- **More attractive**: it will help the city to achieve its goal of changing people's perception of the city, and establishing a reputation as a distinctive, modern and exciting city to live in and to visit.
- **Healthier**: through the encouragement of cycling and walking, users will become more active and physical wellbeing will benefit as a result. Improvements in air quality from reduced use of vehicles will also have a consequent positive effect on people's health.

The proposals will also address many of the challenges affecting the city centre, including:

- declining footfall and high vacancy rates in city centre retail properties. Savills Property Market Report describes the structural oversupply of the retail market in Aberdeen. In March 2023, the Council's vacancy rate BID survey reported that 19% of all ground floor properties in the BID area were vacant. There was considerable variation with around a quarter of such properties being vacant on Upperkirkgate; over 35% in Schoolhill, and 23% of properties in Union Street. Investment in the public realm, alongside the development of other city centre projects like Aberdeen Market, will improve the permeability and attraction of the city centre, increase footfall and reduce shop vacancy as a result. A similar development in Altrincham, for example,

has seen a decrease in shop vacancy rates of over 22% in seven years following £15 million of investment into the public realm and a new market[1].

- narrow streets, with limited pedestrian space
- the Market to Guild Street public realm project also addresses poor first impressions of the city, particularly for visitors arriving via the train and bus stations

2. Executive Summary

Provide a clear, concise summary of the key features of the business case, briefly describing what the project will deliver, any key decisions associated with it, the expected costs and the funding position (showing any budgets already identified/ expected and the ask of Capital). Include an outline of the benefits, and any dis-benefits, what risks and assumptions are associated with the project, and summarise planned or agreed dates and time constraints. Indicate who is the project sponsor and how the project will be owned and governed and what form the project board will take.

Purpose

Several projects have been delivered to regenerate and revitalise the city centre, including Aberdeen Art Gallery, Marischal Square, Provost Skene's House refurbishment and Union Terrace Gardens. There are several further projects in development, including the new Aberdeen Market; the redevelopment of Queen Street, the Mini Masterplan for George Street and various projects at Aberdeen Beach. The Aberdeen City Centre and Beach Masterplan details ambitious change proposals for Aberdeen and was approved in August 2022 and updated in August 2023.

All these projects have the potential to attract footfall to the city centre; to increase visitor dwell times; and to shape people's perceptions of the city as a positive place to live, work, visit and invest.

The purpose of investment in the public realm is to optimise the collective impact of these interventions on visitor perceptions of the city, by delivering a series of streetscaping improvements that will:

- **Provide a positive first impression of the city:** particularly for visitors arriving by train and bus, who need to pass through the Merchant's Quarter en route to the City Centre.
- **Maximise the impact of the Aberdeen Market project**: by improving the immediate surrounding streetscape.
- **Create a 'golden thread'**: develop an attractive route with clear way-finding that will connect the investments in Union Terrace Gardens, Belmont Street Quarter, Aberdeen Market, Marischal Square, Queen Street and the Beachfront.
- **Improve the Cultural Quarter**: including the streetscape immediately surrounding Aberdeen Art Gallery, the Kirk of St Nicholas and Provost Skene's House.
- **Create a coherent, legible and consistent streetscape** with use of high quality locally sourced (wherever possible) natural materials.

[1] The Pedestrian Pound 2018 – The business case for better streets and places. Available online at: https://www.livingstreets.org.uk/media/3890/pedestrian-pound-2018.pdf

- **Complement and increase the impact of streetscaping improvements** at Union Street Central, Market to Guild Street Phase 1, and Upper Kirkgate and Schoolhill.

Three short term investments were considered and approved through a previous FBC and included streetscaping improvements to the following: the section of Union Street Central between Union Terrace and Market Street with construction expected to begin inQ1 2024 for 17 months. Improvements to the streets immediately surrounding the new Market Building and linking to the train and bus stations are expected to commence in Q1 2025 for 6 months. Streetscaping work at Upperkirkgate and Schoolhill is currently on hold pending completion of Union Street Central.

The investments this report focuses on include Union Street East and Castlegate, Union Street West and West End, and Phases two and three of the Market Streetscape public realm improvements. Construction for Union Street East & Castlegate is anticipated to begin in October 2026 and finish in January 2028. Works at Union Street West & West End are expected to begin from February 2028 to November 2029. Market Streetscape Phases 2 and 3 construction is expected to commence in November 2029 and finish in July 2030. All the above will be subject to future budget approvals, potential grant assistance and completion of existing capital projects in the city centre.

Strategic Fit

The project will contribute to the Prosperous Economy and Prosperous Place objectives of the LOIP, and to the Changing Perceptions, Growing the City Centre Employment Base, A Metropolitan Outlook, A Living City for Everyone, Technologically Advanced and Environmentally Responsible, and Culturally Distinctive objectives of the City Centre and Beach Masterplan.

Project Objectives

The proposals form an important early phase of the wider Aberdeen City Centre and Beach Masterplan developments, and will contribute significantly to a number of objectives of that plan:

Objective	Success criteria	CCBMP Measurement
City centre population growth	More people live, work, and use city centre facilities	3,000 extra people living in the city centre by 2040
Increased Gross Value Added	Still having the highest GVA per head in Scotland	£s per annum
Reduction in crime (actual)	Offences and crime figures in a downward trend in the city centre	30% fewer young people (12 to 17) charged with an offence and a crime by 2026 2% fewer people re-convicted within one year by 2026 1 point increase (4.31 -> 5.31) (/7) in the mean score for people who “Feel safe in the city centre throughout the day and night” by 2026
Increased footfall in the city centre	More locals, visitors and tourists visiting Aberdeen throughout the year	10% increase in daily average footfall in the City Centre by 2026
Reduced Office/Retail vacancy rates in the city centre	Less empty office/retail space in the city centre	2 percentage point (13.99% ->11.99%) decrease in the office vacancy rate and 1 percentage point (6.39% -> 5.39%) decrease in the retail vacancy rate in the city centre by 2026

Increased ease of walking and cycling around Aberdeen	More active travel across all demographics	30% (1,244 -> 1,617) increase in average daily cycling in the city centre by 2026.
Reduction in car journeys in city centre	Fewer cars in the city centre	20% reduction in average daily traffic flow by 2026
Reduction in CO2/NO2 emissions	Ongoing reductions in CO2/NO2 emissions in the city centre	By at least 61% by 2026 and Net Zero Carbon by 2045 Reduce NO2 to <35ug/m3 annual mean in the city centre by 2026.
Increased educational attainment, skills, and lifelong learning	Improved education outcomes	To match or be under Scotland's density of skills gaps in each occupation groupings (High Skilled, Middle Skilled, Service and Labour Intensive) by 2026

This business case recommends that Option 3 of improved City Centre Streetscaping should be carried forward as the preferred option.

Economic Impact Approach

Given the array of city centre proposals currently across Aberdeen and the risk of double counting benefits of the individual interventions, the economic impact appraisal has been modelled across the whole city centre. This business case update sits as part of the city centre masterplan investments and the benefit figures reported therefore relate to the full package of investment:

- Union Street Central Public Realm
- West End
- Aberdeen Market
- George Street
- Aberdeen Market to Guild Street Public Realm
- Queen Street
- Belmont Quarter
- Union Street East
- Schoolhill + Upperkirkgate
- Castlegate
- Union Street West

Project Benefits

An increase of 30% in footfall and retail sales has been assumed, based largely on the experience of a similar redevelopment in Sheffield[2]. There are examples of similar developments across Scotland, however, there is no supporting empirical evidence of the impacts of the projects. However, the redevelopment in Sheffield does have publicly available data and surrounded 3 ambitious public realm improvement projects. Given the similarities between the Heart of the City project in Sheffield and the streetscaping proposals in this project, this development was deemed an appropriate benchmark of which to base the economic assessment.

[2] The Pedestrian Pound 2018, The Business Case for Better Street and Places, Page 33. Available online at: https://www.livingstreets.org.uk/media/3890/pedestrian-pound-2018.pdf

The streetscaping project in Sheffield reported a 35% uplift to footfall and retail sales, but this uplift has been reduced for the purposes of this assessment due to different location characteristics in Aberdeen relative to Sheffield. This prudent assumption is based on the larger untapped market available to Sheffield from the surrounding cities.

The contribution to retail and food & drink GVA, construction spend impacts and active travel impacts are expected to result in £ (PV[3]) in benefits over a 30-year appraisal period.

Wider non-monetisable benefits include improvements to air quality, public health and wellbeing.

Project Costs

Project construction costs have been prepared by cost management consultants and are in the order of **£98.248M as at December 2023.** This is inclusive of inflation, and Optimism Bias. However, VAT is excluded. Capital costs can be broken down as follows:

Union Street East	£19,929,416
Castlegate	£13,387,422
Union Street West	£41,209,086
West End	£12,146,370
Market Streetscape Phase 2	£7,411,587
Market Streetscape Phase 3	£3,164,693
Estimated staffing costs to support delivery	£1,000,000
	£98,248,574.00
Revenue costs	£3,000,000 (estimated over 30 years)

Given the above approach to model the economic impacts across the whole city centre, it is prudent to assess these benefits against the corresponding city centre wide costs to generate an appropriate BCR. Project costs have been combined with the costs across all city centre masterplan projects to model the overall impact of the full package of investments.

Project Delivery

The project will be procured through the Hub model as this will accelerate the procurement process and help to secure best value by providing access to Hub North Scotland Limited's supply chain network and project management resources.

Risks and Assumptions

Key risks facing the project include a general lack of material and resource availability and costs/inflation escalating over and above available funding. A full breakdown of risks is provided in Section 10. The economic modelling was informed using various industry standard sources/tools including Scottish Annual Business Statistics, Office for National Statistics and the Department for Transport's Active Mode Appraisal Toolkit (AMAT).

Aberdeen City Council is the sponsoring organisation for this project. Aberdeen City Council will deliver the projects through their delivery partner Hub North. The project team will report

[3] PV: Present Value concept explained in Appendix B

to the ACC/Hub North programme board, which will meet monthly to provide governance and oversee each of the projects.

3. Strategic Fit

This section will consider how the project fits with the list of projects identified in the Local Outcome Improvement Plan). Firstly, state if the project is identified within the LOIP. If it is not, how does it work with the Council's strategic objectives such as:

- Prosperous Economy
- Prosperous People (Children & Young People)
- Prosperous People (Adults)
- Prosperous Place

The project supports each of the following City Centre and Beach Masterplan objectives:

- **Economy:** To increase footfall and dwell time in the city centre and routes to/from it, supporting vibrancy and economic recovery for all. The project improvements to public realm will attract visitors and enable businesses to maintain and grow their employment base.
- **Inclusion:** Creating inclusive and accessible spaces for all. The project aims to deliver transformative regeneration that benefits users with disabilities or impairments.
- **Net zero:** Prioritising people and active travel and future proofing our city for our young people. Using local and indigenous materials where possible and introducing urban greenery. The project seeks to facilitate a modal shift away from vehicle use in the city centre through the encouragement of walking and cycling.
- **Quality:** Ensuring designs reflect our world class aspirations whilst respecting Aberdeen's characteristics. The project directly addresses this objective through city centre improvements to street furniture and the overall aesthetic of the city centre.

The project will improve accessibility and support the Council's commitment to **accessibility and inclusive design** by providing spaces that all visitors and residents can use safely, with dignity, comfort, convenience and confidence.

The designs will allow all users to make effective, independent choices about how they use the building/space without experiencing undue effort or separation. The design will recognise and address the barriers experienced by people with learning difficulties, people who are deaf, deafened and hard-of-hearing and people who are blind or partially sighted or are neurodivergent. The Council will develop operational policy mechanisms and active management plans to ensure that these accessibility improvements do not diminish over time.

The project will be based around inclusive design principles to ensure it reflects the different faiths, disabilities, genders & hidden conditions, and addresses important issues that affect a neurodiverse population. Inclusive Design is a critical component of delivering inclusive, user-centred environments that cater for the needs of all. This will be embedded into all aspects of the design including, for example, lighting and security.

The Council has appointed an accessibility consultant for the proposed programme who have produced a placemaking framework which is rooted in these disciplines but provides assessment and outputs that are aligned to key outcomes, including wellbeing, inclusivity and

safety. The Council will use this framework to assess both existing environments and proposed schemes to ensure that interventions are appropriately targeted and provide solutions that mean the right outcomes for all users, aiming to create an exemplar city centre for accessibility.

Although not explicitly mentioned in the LOIP, the project will contribute to the **Prosperous Economy** and **Prosperous Place** objectives of the LOIP by driving an increase in visitor footfall and visitor dwell times in Aberdeen City Centre and helping the city to redefine itself as a modern dynamic city and as an attractive place to live, work, visit and invest.

Finally, the project aligns to the six place-based principles in the Aberdeen Local Development Plan, creating a city centre that is distinctive, welcoming, safe & pleasant; easy to get to & move around in; adaptable and resource efficient.

4. Business Aims, Needs & Constraints

Provide an overview of the sponsoring organisation and explain how the project supports the existing policies and strategies, and how it will assist in achieving the business goals, aims and business plans of the organisation. Include any relevant information about the current business situation, such as the organisational structures, business model, buildings, processes, teams and technology currently in place.

Aberdeen City Council is the sponsoring organisation for this project. The project's contribution to the Council's aims and objectives are set out in Section 3, and details of the current business situation are set out below.

The project supports the following existing policies and strategies:

- City Centre and Beach Masterplan 2022 (updated 2023)– the vision for the masterplan is "to create a world class city centre and beach that respects and enhances Aberdeen's unique qualities and characteristics and puts people at its heart".
- Aberdeen Local Development Plan 2023 (ALDP) seeks to "make Aberdeen more attractive, prosperous, and sustainable European city region and an excellent place to live, visit and do business. We will be recognised for:
    - our enterprise and inventiveness, particularly in the knowledge economy and in high value markets;
    - the unique qualities of our environment; and
    - our high quality of life"
- Regional Transport Strategy – the vision is to "provide a safer, cleaner, more inclusive, accessible and resilient transport system in the North East, which protects the natural and built environment and contributes to healthier, more prosperous and fairer communities."
- LOIP - the vision set out in the LOIP is that Aberdeen will be 'a place where all people can prosper' by 2026. By this we mean that we want everyone in the city to have the same opportunities, regardless of their background or circumstances.

Other policies and strategies that the project supports includes: Strategic Development Plan (SDP), Economic Policy Statement, Local Development Plan 2020, City Living Report 2017 (and its 2022 update).

Describe the purpose of the project, why it is needed, establishing a compelling case for change based on business needs, e.g. demand for services, deficiencies in existing provision etc. Where are we now and where do we need to get to.
The project will provide improved access to and improve the quality of the visitor experience across Union Street, Castlegate, West End and surrounding Aberdeen Market and Aberdeen Beach, improve visitor's impressions of these sites, and of the city centre more generally, thus optimising the level of benefit derived from these recent and planned future investments. At present, there is an evidenced structural over-supply of retail in Aberdeen City Centre. The streetscape programme will deliver a transformative regeneration of public realm works across Aberdeen City Centre. This includes the rejuvenation of over 65,000m2 of public realm, split across key public realm 'streetscape intervention' areas within the historic core of Aberdeen. The project will also help deliver a modal shift away from car use in the city centre and improve air quality. It will help revitalise the city centre following the adverse impacts of the Covid-19 pandemic on demand for city centre housing, office and retail space; bringing in additional footfall which will support the success of the wider city centre and beach masterplan interventions. The streetscape intervention proposals seek to promote a cleaner and greener city centre – a place where people naturally inhabit to shop, walk, wheel and, most importantly, to dwell.
Identify any constraints, e.g. timing issues, legal requirements, professional standards, planning constraints. What assumptions have been made, and any linkages and interdependencies with other programmes and projects should be explained, especially where the proposed project is intended to contribute to shared outcomes across multiple Clusters.
The project focuses on a set of Aberdeen City Centre streets, some of which have limited physical space for pedestrians (including those with visual and/or mobility impairments), street furniture and cycling whilst continuing to allow vehicular access and turning space for emergency vehicles, deliveries and refuse collections. The area contains a small number of residential properties. Any development will need to be sensitive to residential amenity including noise, vehicular access and parking. The streets form part of the City Centre Conservation Area and contain several important listed buildings. Therefore, any proposed changes must ensure the character and appearance of the city centre is preserved and enhanced. The streetscape programme fits into the city centre element of the wider City Centre and Beach Masterplan and whilst all the works are split into projects - city centre including Union Street and the West End, Aberdeen Market, Queen Street, George Street, the beach area – there are interdependencies of many of the work packages which will require them to be sequenced together. The project will need to be delivered in a way that addresses adverse impacts on traffic movements, and consideration needs to be given to its impact on access to private car parks and accessible parking spaces. The project will need to be delivered in a way that does not interfere with wayleaves, rights of way and manages services below ground, utilities and drainage.
State what impact the project will have on business as usual, e.g. temporarily reduce capacity or divert resources.

The project will lead to temporary disruption during the construction process. It will have implications for traffic movement generally. It may lead to further restrictions around periods of access for delivery vehicles, some changes to business & resident parking and temporary relocation of blue badge parking where appropriate. It may require some bus stops and taxi ranks to be temporarily re-located. The CCMP Traffic Management Plan sets out mitigation measures to address the traffic implications of the project and the wider City Centre and Beach Masterplan. Through traffic model testing, a package of measures was identified to support the delivery of the City Centre and Beach Masterplan and minimise the impacts to bus journey times and reliability. Measures are detailed in full in a city centre Traffic Management Plan. It is recommended that Union Street Central is completed and reviewed prior to construction starting on Union Street East and West.
State future design considerations that require further explanation, design developments and engagement during the next stage of the project.
The key considerations are summarised in Appendix A. The table sets out all future design considerations required, however there are several of these which have a fundamental importance in the continued design development of the areas.

5. Objectives
List the project's objectives. Make these tangible and clear as they will influence which option is recommended and will be used to monitor project progress and success.

The proposals form an important early phase of the wider Aberdeen City Centre and Beach Masterplan developments will deliver the following objectives and the Council's ambitions for the project:

Objective	SMART performance measure
Improve accessibility	- 14 additional accessible parking bays. c. 25,000 sqm of dedicated pedestrian space with no obstacles, changes in level etc.
Improve walkability and cyclability of project area	- 20% increase in footfall - 30% increase in average daily cycling by 2026
Improve quality of streetscape	- C. 150 new seating opportunities within the public realm proposals - c. 200 new trees and c. 1600m2 of new planting
Reduction in CO2 emissions and air pollution[4]	- 80% reduction in vehicle movements
Attract visitors to Aberdeen	- Increase in footfall counts of 1.66m at city centre access points
Create jobs	- 223 construction jobs - 428 permanent jobs across city centre
Materials sourced from the local area	- All materials to be sourced locally where possible

6. Scope

What will the project produce? What are its outputs?

Consider what business services, processes, people and environments will be delivered, affected or changed by the project.

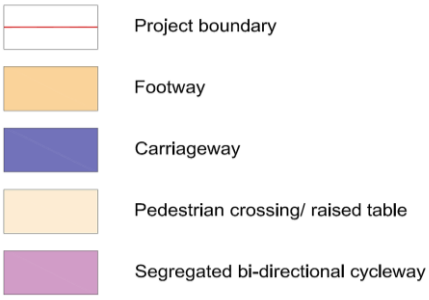
Also define the work the project will carry out to make the transition from the project to 'business as usual' – the handover period.

State the project success criteria.

The project will include the design and installation of streetscaping improvements on Union Street East & Castlegate, Union Street West & West End and Market Streetscape Phases 2 & 3.

The following visuals use the key below:

[4] Requires data on number of vehicle journeys prevented. Then multiply by 0.0014 to get the total tonnes of CO2e impact. This is based the carbon footprint of a 5-mile journey in a standard petrol car (source: https://calculator.carbonfootprint.com/calculator.aspx)



Union Street East and Castlegate: Union Street East will include a two-lane carriageway with one lane routing either direction, a segregated bi-directional cycle lane and further footpath widening, street furniture, improved lighting and enhanced street greening. There will also be the addition of plaza and spill out space for businesses. Castlegate will include a bi-directional cycle way to tie through Castlegate to Union Street and out to the beach. There is also plaza space with street greening and a play area proposed.

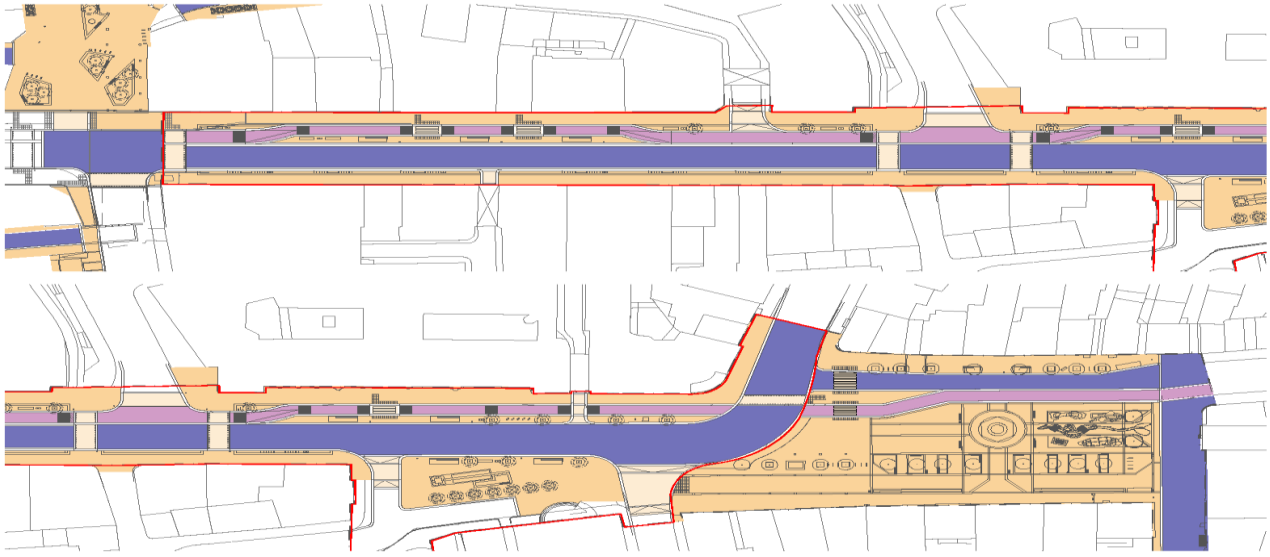


Figure 2: Union Street East Streetscape General Arrangement Plan

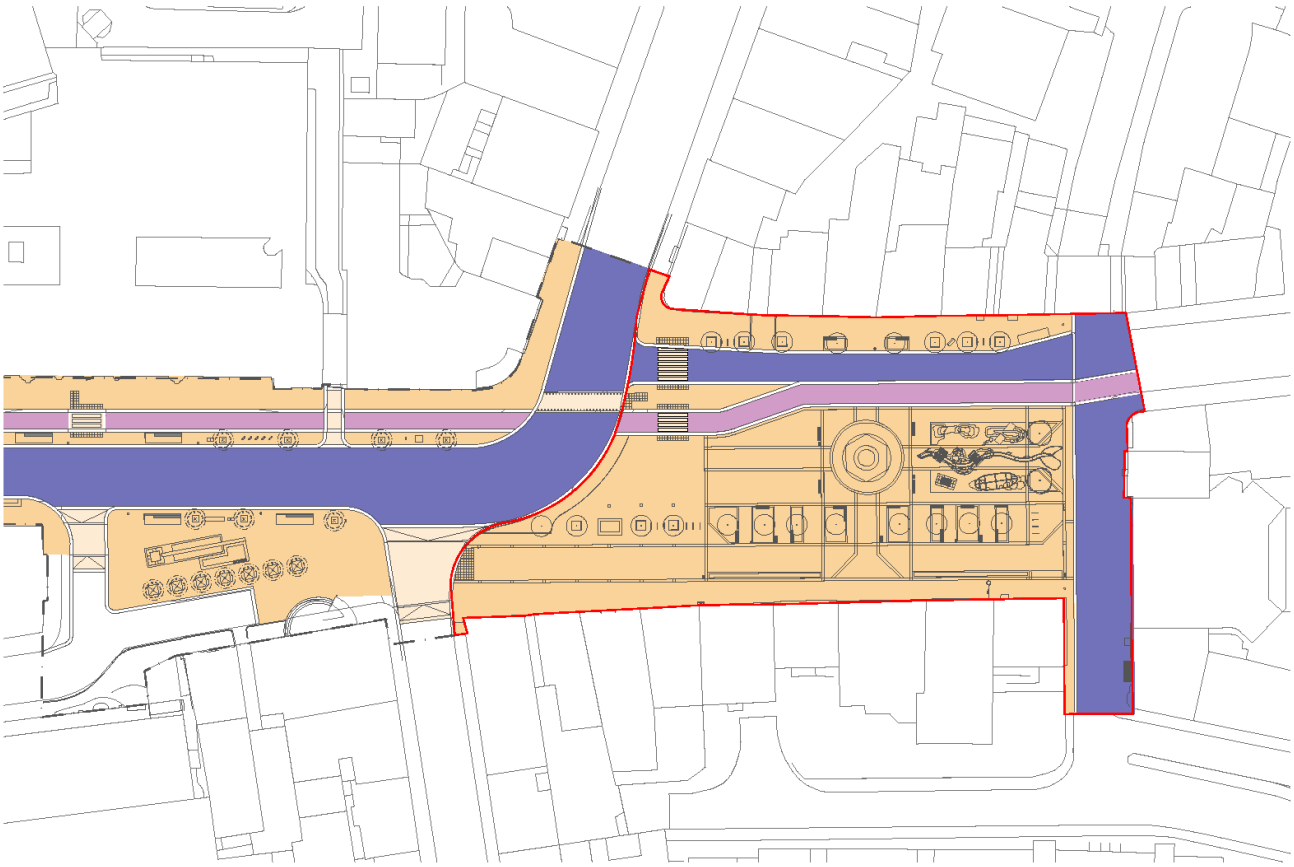


Figure 3: Castlegate General Arrangement

Union Street West and West End: Union Street West End will include a two-lane carriageway with one lane routing either direction, a segregated bi-directional cycle lane and extended pavement zones and bus shelters. These improvements are from Union Street running between its junction with Alford Place & Holburn Street to its junction with Bridge Street and Union Terrace, including increased space for pedestrians and cyclists, improved public transport interchanges, urban greenery, and potential street-trading space. Similarly, West End improvements include a rationalised carriageway and junctions providing enhanced crossing points and space for pedestrians, as well as parkettes/public realm seating and rain gardens to aid drainage.

Figure 4: Union Street West Streetscape General Arrangement Plan

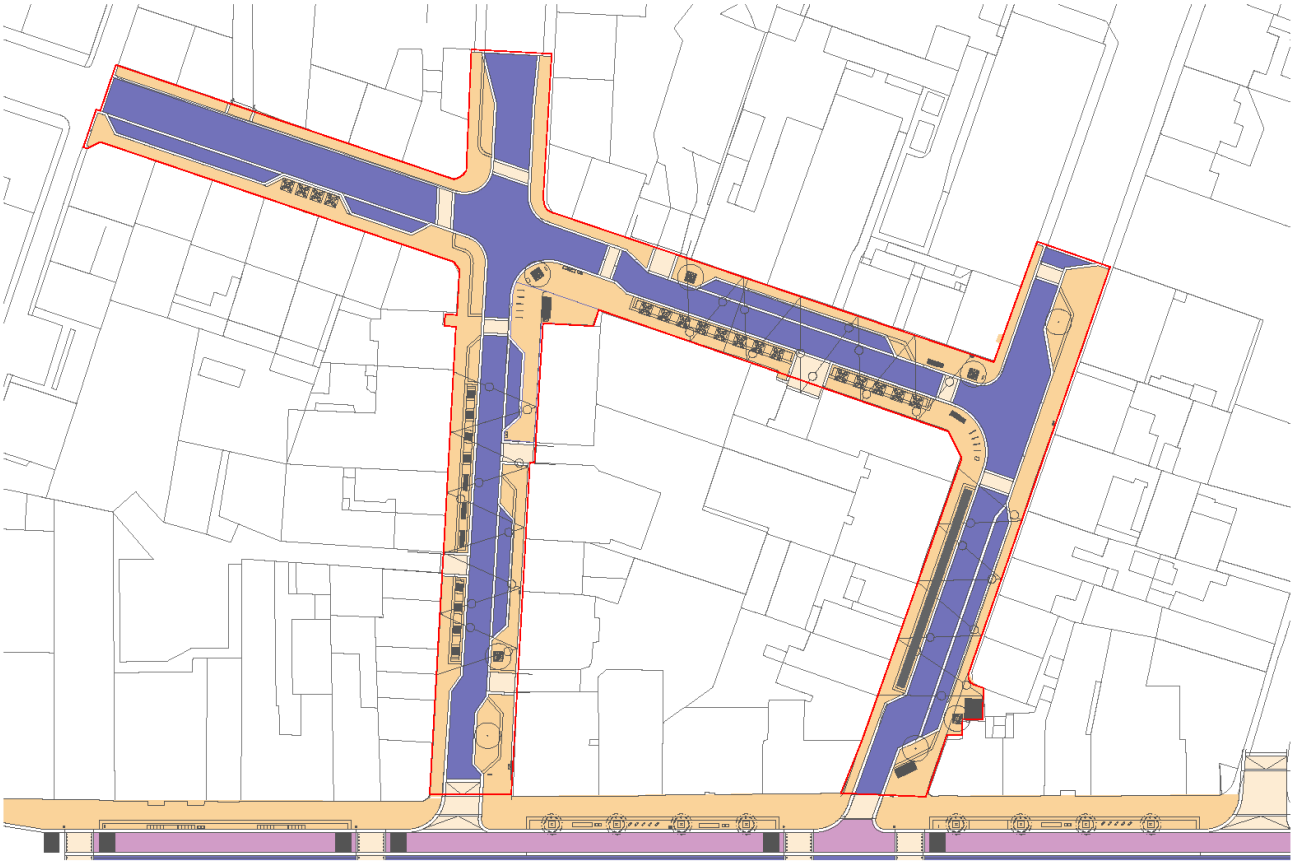


Figure 5: West End General Arrangement Plan

Merchant Quarter Cycle Lane:

A series of proposed route options were assessed to create a cycle route through the Merchant Quarter in Aberdeen, running specifically from the railway station to Union Street, Union Street being the town centre and the main arterial route from which other destinations can be reached. 3 options were assessed by LDA, a route via Carmelite Lane, Stirling Street and via Carmelite Street (N).

The preferred option selected was via Carmelite Street. This offers a more direct route, utilises traffic calmed lane with low traffic and speeds and requires fewer junctions.

The proposal is that between Union Square and the Guild Street junction, cyclists will share the carriageway with traffic before joining a bi-directional cycle lane along Carmelite Street (S). On the way to Union Street, cyclists will be segregated along Carmelite Street (N). However, on the way to the station, cyclists will share with the carriageway with traffic. From Hadden Street to St Nicholas Lane, cyclists will be sharing the carriageway with traffic in both directions. Through St Nicholas Lane and St Nicholas Square, cyclists will be in a 'share with care' zone before joining the signalised junction on Union Street.

Market Streetscape Phase 2 and 3: Phase 2 will include additional streetscaping areas instructed by full Council at February 2022 committee to RIBA stage 3. Phase 3 will be considered as part of the long term streetscape vision, currently outwith scope.

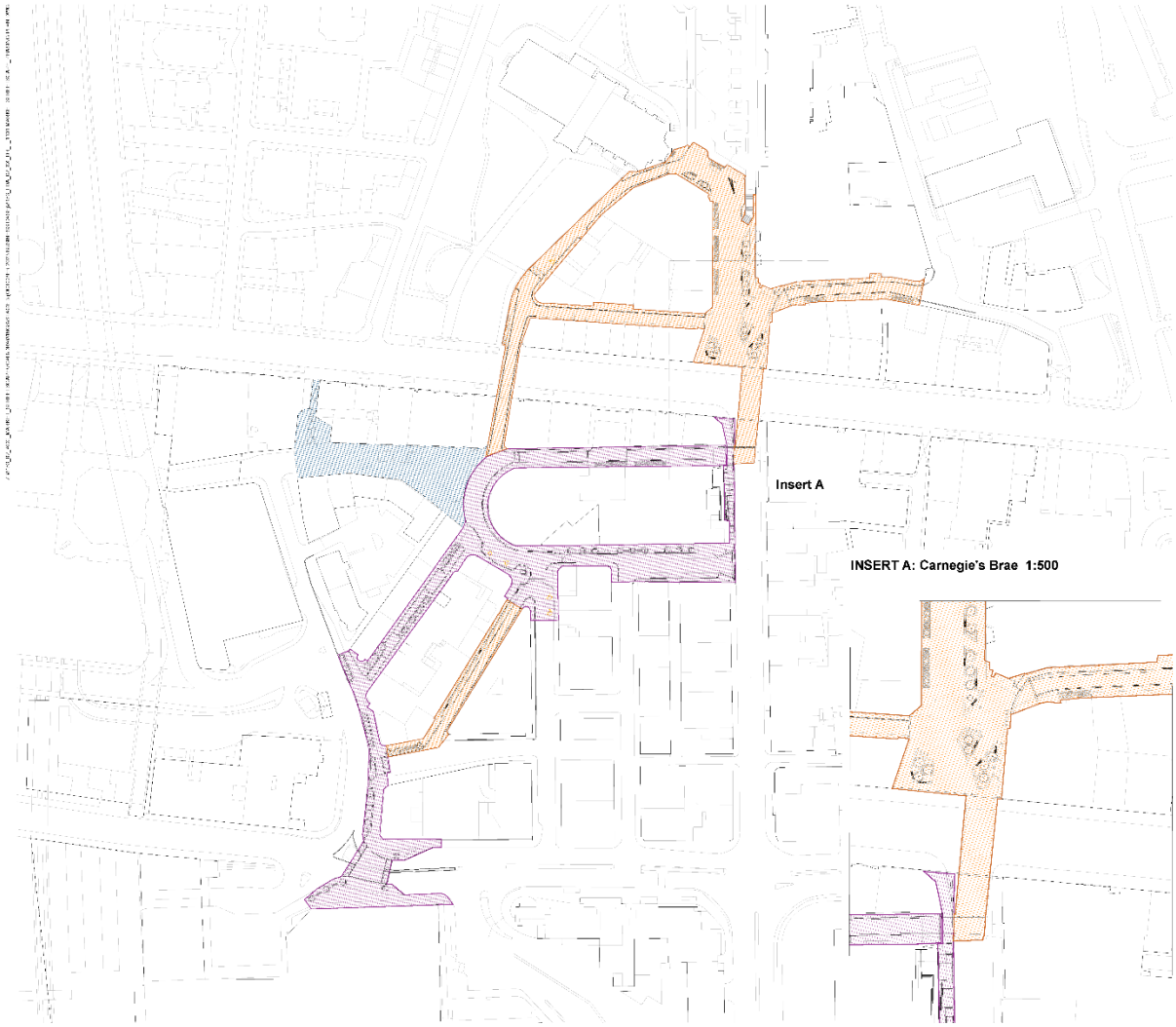


Figure 6 Market Streetscape Phasing Plan - Phase 1 in purple, Phase 2 in amber and Phase in blue

Market streetscaping phase 2 and 3 works includes the following:

- **Carnegie's Brae**

Resurfacing of Carnegie's Brae to create more accessible route. Arch stonework and access doors to be cleaned and made good. Columns to be painted and the installation of an immersive lighting feature proposed.

- **St Nicholas Street**

Regeneration of pedestrianised St Nicholas Street square with resurfacing and introduction of new planters, street furniture and seating elements. Retains service vehicle access during restricted hours. Railing along path from St Nicholas Street to Netherkirkgate to be painted and cleaned. Building facade treatment and feature lighting also proposed.

- **Correction Wynd**

Creation of raised table with new surface to improve pedestrian accessibility and priority under bridge.

- **St Nicholas Lane**

Resurfacing of section of street to provide smooth surface for cycling, walking and wheeling

- **Carmelite Lane**

Retention of 8 car parking spaces and introduction of new planters. Proposed catenary lighting and signage.

- **Trinity Street**

Resurfacing of north pavement which is currently in poor condition. Introduction of new street trees. Raised table crossing at junction with Wapping Street.

- **The Green**

The area around The Green was identified by the December 2022 Committee (Item 9.11, ii, c) as Phase 3 of the Market Streetscape project, and proposals were sought to take this area to Stage 3. Rationalisation of carriageway to allow for pavement widening. Introduction of new raised table crossing from Market to Carmelite Street. Integration of 2 accessible parking spaces adjacent to the Market. Resurfacing of section of carriageway to create smooth surface for cycling. Engagement with local business is key to bringing forward improvement works and maintenance thereafter.

- **Stirling Street**

Introduction of 2 accessible parking spaces to north of Stirling Street.

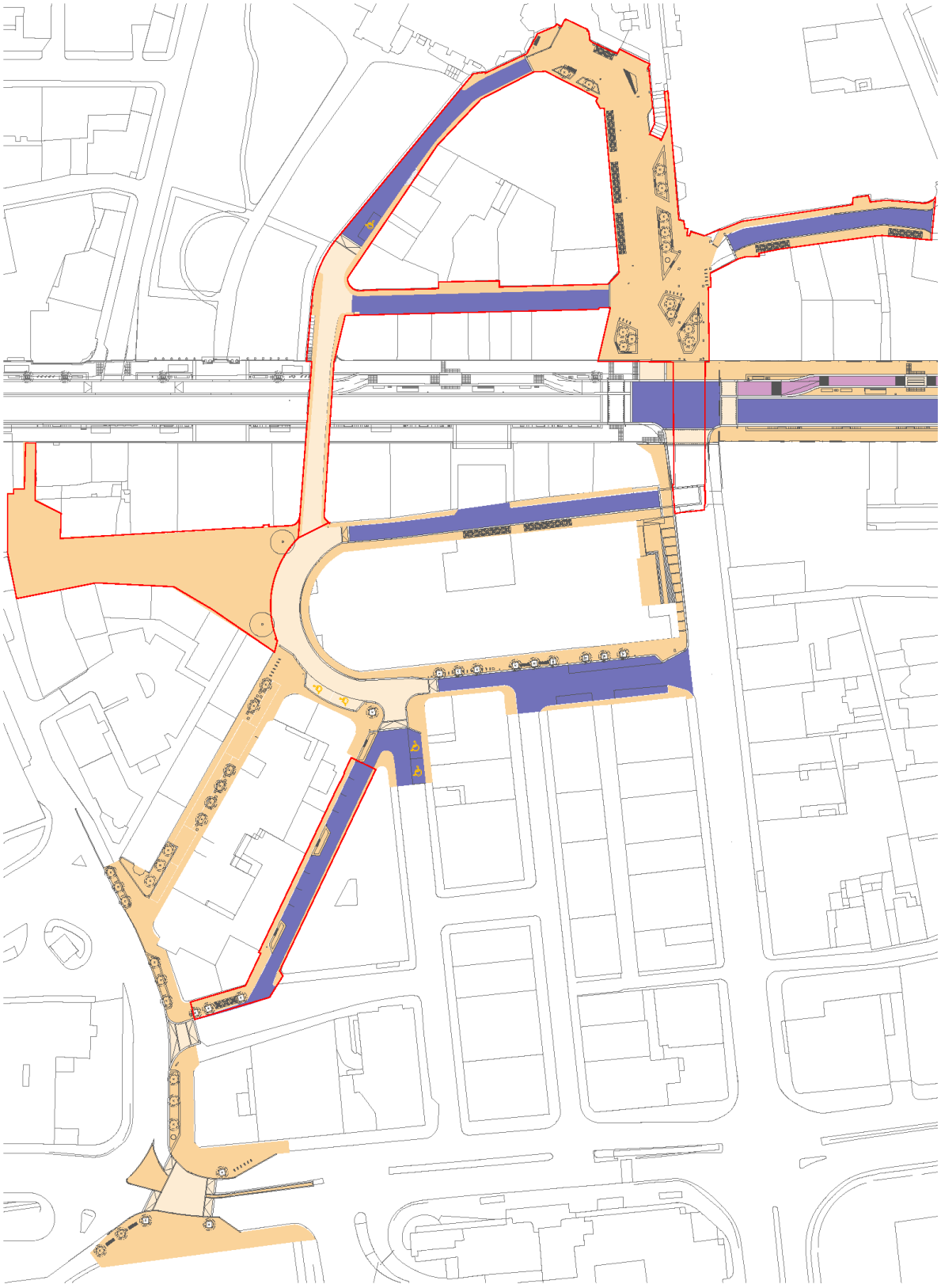


Figure 7: Market Streetscape General Arrangement Plan

6.1 Out of Scope
List any notable exclusions, those areas that may be viewed as associated with the project or the affected business area, but which are excluded from the scope of the project.
The construction of the Market Building, the Queen Street redevelopment, George Street Mini Masterplan, the Aberdeen Beach redevelopments and the Justice Street roundabout are all out of scope and are brought forward through separate Business Cases.

7. Options Appraisal

7.1 Option 1 – Do Nothing	
Description	Do nothing
Expected Costs	£0 additional capital cost. Road maintenance costs will continue to be covered through existing budget.
Expected Benefits	Range of disbenefits including continued urban decline and growing vacancy rates and reputational damage.
Risks Specific to this Option	Deterioration of existing road surfaces; liability for slips, trips or falls; lack of accessible spaces; other city centre masterplan interventions, in particular the Aberdeen Market, Belmont Street Quarter, Queen Street, George Street and Aberdeen Beach could fail to achieve desired outcomes including meeting Low Emission Zone targets. Without appropriate intervention, Aberdeen will experience continued decline in city centre activity. There will be the risk of more retail units becoming vacant, fewer people, especially of a working age, willing to live in and around the city centre and an overall decline in business activity in Aberdeen.
Advantages & Disadvantages	Advantage - There is significant cost avoidance. Disadvantage – Missed opportunity to support the achievement of the City Centre and Beach Masterplan objectives (city centre vacancy rates currently stand at over 35% in Schoolhill, and 23% of properties in Union Street [5], and will rise further under this option). Challenges around limited pedestrian/cycle space; and poor lighting, wayfinding and accessibility will not be addressed. Nothing done to address the need to reduce vehicles in the city centre. Risk of continued decline and loss of businesses resulting in Aberdeen falling behind the modern standard of other city centres.
Viability	No new actions required, so viable.
Other Points	This options also goes against current design industry good practice for city centre design. No new actions are required as there are no delivery timeline, constraints or dependencies for this option.

[5] Provided by ACC Business Improvement District Survey as of March 2023

7.2 Option 2 – Do Minimum	
Description	Do Minimum. Aesthetic improvements including street furniture and enhanced lighting
Expected Costs	Capital cost: £10m (estimated) Maintenance cost: £300k. Pro rata based on proportion of Option 3 maintenance costs out of the total costing (3%)
Expected Benefits	Improvement in street furniture and lighting will provide aesthetic benefits.
Risks Specific to this Option	Public perception that little has changed
Advantages & Disadvantages	Advantages Reduced capital cost. Improvement in street furniture and lighting to improve aesthetics of city centre. Disadvantages Missed opportunity to support the achievement of the City Centre and Beach Masterplan objectives of creating accessible exceptional public realm space and attracting business and anchoring growth in Aberdeen. Challenges around limited pavement/cycle space and wayfinding will not be addressed.
Viability	Low scale intervention so strong viability.
Other Points	Reputational damage to ACC

7.3 Option 3 – Streetscaping Improvements	
Description	Streetscaping improvements as detailed in section 6.
Expected Costs	Total project capital cost of £97.2m based on current designs. The total future costs for all phases is currently estimated at £3m over a 30-year appraisal period but could vary significantly depending upon choice of paving materials. A holding assumption of £50k in annual road maintenance costs has been assumed once construction is complete. ACC environmental services team has also advised that refuse collection and green maintenance costs will be a further annual cost of £81,500. A £50,000 equipment allowance has been added to cover the cost of a cherry picker for changes to lighting fixtures, as these are now set from the road. However, given the array of city centre proposals currently across Aberdeen and the risk of double counting benefits of the individual interventions, the economic impact appraisal has been modelled across the whole city centre. This business case update sits as part of the city centre masterplan investments and the benefit figures reported therefore relate to the full package of investment. Capital costs from previous ACC city centre business case submissions have been included as part of this approach. A 10% contingency has

	been included for future capital works and a further 5% contingency for operational, maintenance and repair costs has also been included.
Expected Benefits	As above, the economic impact appraisal has been modelled across the whole city centre. Total expected benefits across all city centre projects, including previous streetscaping project on Union Street Central, Market Streetscape Phase 1, Upperkirkgate and Schoolhill are in the order of £476.6m. This estimate is based on: **Active travel benefits** The Department for Transport's Active Mode Appraisal Toolkit (AMAT) was used to calculate active travel benefits. ACC provided baseline footfall counter data on pedestrians for several city centre locations. Annual counts were extracted from the following 4 locations to provide a proxy for the pedestrians entering the city centre from the North, South, East and West respectively: Belmont Street, Guild Street, Castlegate and Union Street West End. The summation of these footfall counts, 22,700 per day, was used as the baseline for the active travel benefits. A 20% uplift to these trips was assumed in line with the SMART performance measures outlined in Section 5. A similar approach was adopted for the cycle movements across the city centre. ACC provided weekly averages for daily cycling levels for 4 key entry points in or close to the intervention zone. Only half of the total daily cyclist counts, 121 cyclists, was assumed in this case to account for cyclists entering and leaving the city centre in one journey. As above, a 20% uplift of cycling levels was assumed in alignment with the project's SMART objectives. This is because the roads will be safer and more attractive for cyclists. It was also assumed that 30% of an average cycling trip will use the intervention. These values were the input data for AMAT and provided **£18.8m** in PVb. **Construction spend** - Total spend: £201.7m - Turnover to GVA ratio for Aberdeen construction sector of 0.44 applied to capital spend - Deadweight: 0% (no spending would happen on site in the counterfactual scenario) - Displacement: 20% (project will lead to some displaced construction activity elsewhere) - Leakage: 10% (some of the construction providers will be non-local) - Multiplier: Scottish Government input output tables provides a Scotland wide multiplier of 1.87 for the construction sector. It has

been assumed that 50% of these indirect and induced benefits will be retained locally.

Net discounted economic impact of the construction spend is in the order of **£84.1m.**

Footfall impact of retail GVA

- Full time equivalent employment: figures from the Business Register and Employment Survey indicate that, in 2021, there were 2,805 people employed full time and 4,385 people employed part time in the retail and food & beverage sectors in the city centre area, equivalent to a full time equivalent (FTE) employment of 4,998.
- GVA: this FTE employment contributes an estimated £145 million GVA to the national economy, based on GVA per head data from the 2021 ONS Annual Business Survey.
- We have assumed a 30% uplift in footfall and retail sales under this option. This is once again broadly based on the increase in footfall and sales experienced by the streetscaping project in Sheffield.

Based on these assumptions, we estimate that the 30-year discounted economic impact of this option will be £565 million. However, to convert this GVA value to a net GVA value, several additionality assumptions were applied:

	Value	Rationale
Deadweight	**0%**	In the absence of this intervention, it is unlikely that any development will come forward on the site in a similar timescale.
Displacement	**54%**	In the absence of this intervention, it is likely that a significant contribution would still be made to retail and food & drink. For example, a common contribution to food & drink industry would be someone in the city centre for work wanting to buy lunch will still do so regardless of a streetscaping intervention. Centre for Cities[6] High Street Recovery Tracker reports 46% of city centre spend comes from outside the city and suburbs.
Leakage	**0%**	No leakage adjustment was applied as all contributions are expected to be retained within Aberdeen City Centre.
Multiplier	**1.23**	GVA Type II multiplier for retail of 1.45 was applied to account for indirect and induced benefits retained across Scotland. Only 50% of the national multiplier was applied based on the assumption that only a quarter of the indirect and induced benefits would be retained locally.

[6] Centre for Cities High Street Recovery Tracker March 2022. Available online at: https://www.centreforcities.org/data/high-streets-recovery-tracker/

<table>
<tr><td></td><td>Including these assumptions results in an estimated £373.7m economic impact of the Streetscaping contribution to retail and food & drink in Aberdeen City Centre.

Total Economic benefits of Option 3 are provided in the table below.
Estimated Gross Direct Economic Impact of Option 3
<table>
<tr><th>Area of impact</th><th>Value of impact</th></tr>
<tr><td colspan="2">Figures included in the economic impact calculation (£m)</td></tr>
<tr><td>Active travel benefit[7]</td><td>18.8</td></tr>
<tr><td>Contribution to retail & food & drink GVA</td><td>373.7</td></tr>
<tr><td>Construction spend</td><td>84.1</td></tr>
<tr><td>Total economic impact</td><td>476.6</td></tr>
</table>
Based on the above analysis, the derived BCR is 1.68. This demonstrates the economic viability of the option.</td></tr>
<tr><td>Risks Specific to this Option</td><td>Design – potential impact on existing utility services associated with disturbance during construction.
Quality risks - including insufficient ACC resource to deliver the project
Management issues including short-term disruption to businesses and displacement of traffic flows.
Construction Inflation – Impacting on total project development costs.
Stone for surfacing – supplier capacity</td></tr>
<tr><td>Advantages & Disadvantages</td><td>Advantages
Improved accessibility and increased cycling and walking (AMAT statistics). There will be reduced vehicle usage and consequently improved air quality. Improvements in lighting and wayfinding will also be realised. This option also supports wider City Centre and Beach Masterplan in driving business growth and attracting visitors.
Disadvantages
Significant capital costs hinder the affordability of the option. There is also potential for short-term disruption both to local residents and to road users.</td></tr>
<tr><td>Viability</td><td>Concept designs and detailed independent costings have been undertaken for Union Street East and Castlegate, Union Street West and West End and for Market Streetscapes Phases 2 and 3.

RIBA 3 designs and independent high-level costings have been prepared for all other project elements. No land consolidation challenges so option is considered viable at this stage.</td></tr>
<tr><td>Other Points</td><td>Assumptions:</td></tr>
</table>

[7] Includes impacts on reducing congestion, reducing infrastructure maintenance costs, reducing accidents, improving local air quality, reducing noise and greenhouse gas emissions, improved health, reduced absenteeism and improved journey ambience, adjusted to account for adverse impact on Government fuel duty receipts.

	The economic modelling assumptions are detailed in full in Section 18. The assessment was informed using various industry standard sources/tools including Scottish Annual Business Statistics and the Department for Transport's Active Mode Appraisal Toolkit (AMAT). Constraints of Option 3 include: • Traffic regulation orders and road planning consents: • Material availability: • sufficient manpower in terms of deliverability: • consideration of utilities and basements: • corresponding Market Building development • maintained service, emergency and delivery vehicle access: • Business continuity & resident access The success of the project is also dependent on the standards of construction, and on the selection of a design that makes ongoing maintenance of the project as cost effective as possible. This will be dependent on the following: • Consistent paving of concrete slabs (to help minimise inventory costs) • Consistent use of materials across city centre projects. • Consideration for underground utility networks that may be disrupted or impaired during construction • Selection of materials/appliances that can be readily replaced in subsequent years. For example, street lighting that doesn't use specific and hard to source lightbulbs

7.4 Scoring of Options Against Objectives

Use the table below to score options against the objectives in order to create a shortlist of options to be considered.

Objectives	Options Scoring Against Objectives		
	1	**2**	**3**
Improve walkability and cyclability of project area	0	2	3
Improve quality of streetscape	0	1	3
Reduction in CO2 emissions and air pollution	0	0	3
Attract visitors to Aberdeen	0	1	3
Affordability	3	3	1
Vehicle displacement effects and traffic disruption	3	3	0
Create jobs	0	1	3
Alignment with partnership agreement	0	1	3
Total	**6**	**12**	**19**
Ranking	**3**	**2**	**1**

Scoring

Fully Delivers = 3
Mostly Delivers = 2
Delivers to a Limited Extent = 1
Does not Deliver = 0
Will have a negative impact on objective = -1

7.5 Recommendation

Using evidence based on the options appraisal and the objectives scoring, clearly articulate the recommended option, showing the best fit against the project's stated objectives, and balancing cost, benefits and risk. Note, if an option fails to deliver any essential objective then it must be discounted as unsuitable. The recommendation should not be made on objectives scoring alone but the table can be used to eliminate those options that score poorly as a first stage, with the second stage being a more detailed analysis of the remaining options. Bear in mind:

- Investment Appraisal
- Assumptions
- Constraints
- Dependencies

Based on the above scoring criteria and analysis, the recommendation is that Option 3 represents the preferred option. This option is anticipated to perform best in improving the overall quality of streetscape in Aberdeen through increasing cycling and walking opportunities, subsequent reductions in carbon emissions and attracting visitors to the city in a manner that minimises disruption to local residents and businesses. Although it scores relatively poorly under affordability, Option 3 seeks to efficiently address the key objectives of the City Centre and Beach Masterplan.

Option 3 is also the most likely to address the equality of access needs of all users including users with disabilities and those reliant on public transport. It is also the option most likely to carry public support.

8. Benefits

In the tables below, identify the key benefits the project will deliver.

All benefits need to be measurable, realistic and have a baseline or comparable starting point. These benefits will be monitored during and after the project close to gauge project success and value for money. If a benefit is more subjective, then that should be supported by, for example, staff or customer surveys taken **before and after** the project.

Give an idea of the total financial benefits, if these exist.

List any dis-benefits where appropriate, e.g. the loss of a disposal receipt where it is proposed to utilise a surplus building instead of selling it.

8.1 Customer Benefits						
Benefit	**Measures**	**Source**	**Baseline**	**Expected Benefit**	**Expected Date**	**Measure Frequency**
Increase of 30% in footfall and retail sales, benchmarked to a similar streetscaping project in Sheffield[8] . This was determined the best comparative study given similarities in the projects' scope. For example, it also focused on various public realm improvements.	Active travel	Count	To be benchmarked during detailed design stage	£18.8m	30-year appraisal period	Discounted PV economic impact
	GVA contribution to retail, food and drink	Count	To be benchmarked during detailed design stage	£373.7m	30-year appraisal period	Discounted PV economic impact
	GVA of construction spend	Stantec economic model	To be benchmarked during detailed design stage	£84.1m	30-year appraisal period	Discounted PV economic impact
Better place to live, work and invest.	Non-monetisable					
Improvements in air quality following reduction in car use in city centre	Not monetised					
Improvements in physical health and wellbeing	Not monetised					
Improvements in disabled access to the city centre	Not monetised					
Placemaking impacts and improved perception of Aberdeen	Not monetised					

[8] The Pedestrian Pound 2018, The Business Case for Better Street and Places, Page 33. Available online at: https://www.livingstreets.org.uk/media/3890/pedestrian-pound-2018.pdf

8.2 Staff Benefits						
Benefit	**Measures**	**Source**	**Baseline**	**Expected Benefit**	**Expected Date**	**Measure Frequency**
Improvements to quality of surrounding streetscape for Council staff working in Aberdeen City Centre.	Non-monetisable					

8.3 Resources Benefits (Financial)								
Benefit	**Measures**	**Narrative**	**Source**	**Capital or Revenue?**	**Baseline (£'000)**	**Saving (£'000)**	**Expected Date**	**Measure Frequency**
Increase in business rate receipts	Not monetised	Reported regeneration outcomes for Sheffield's Heart of the City project included an increase of £1.60 to £2.40 / sq ft rental value following the public realm improvements. Business rate receipts in Aberdeen City are therefore likely to increase as rateable values of properties increase.	The Pedestrian Pound 2018					
Increase in city centre commercial occupancy	Not monetised	Investment into public realm has been widely associated with reducing commercial, particularly retail, vacancy rates. Better and more aesthetic streets increases an area's footfall and therefore also the potential for retail and city centre businesses to thrive. In Altrincham, Greater Manchester, £15 million of investment in the public realm, a new market and increasing food and drink premises has been credited with reducing shop vacancy rates from over 30% in 2010.						

Decrease in EPR (empty property relief)	Not monetised	As above, lower commercial property vacancy rates expected across the city centre which will reduce EPR.						

9. Costs

Use the tables below to provide cost information. Costs must include capital investment and where relevant any ongoing revenue costs incurred by the project or as a result of the project.

The source/basis of any estimates should be clearly identified.

Refer to the Government Green Book and the Supplementary Guidance on Optimism Bias for information on determining costs. Outline any assumptions in estimating costs in Section 17, **and** confirm in the Checklist that you have followed this guidance.

Green Book Supplementary Guidance Optimism Bias

The Green Book 2022 (HM Treasury Guidance)

To improve the design development process for capital projects there is a need to consider full life cycle costs, including maintenance. Therefore, costs should be considered at least over a 5-year period. It is an estimate of the resources and capabilities (people, physical resources, and funding) needed to deliver the project and sustain the benefits. The estimates need to cover both the direct project costs and the ongoing (business as usual) costs for the lifetime over which the benefits are to be considered.

Include information on where the budget will come from.

Full costs breakdown to be included.

Any impact on business as usual or service delivery.

9.1 Project Capital Expenditure & Income

TO BE CONFIRMED PENDING CAPITAL PLANNING AND BUDGET PROCESS

(£'000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	30-year Total
Staffing Resources												
Land Acquisitions												
New Vehicles, Plant or Equipment												
Construction Costs												
Capital Receipts and Grants												
Sub-Total												

9.2 Project Revenue Expenditure & Income

TO BE CONFIRMED PENDING CAPITAL PLANNING AND BUDGET PROCESS

(£'000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	30-year Total
Staffing Resources												
Non-Staffing Resources												
Revenue Receipts and Grants												
Sub-Total												

No revenue costs or income anticipated during the construction stage

9.3 Post- Project Capital Expenditure & Income

(£'000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	30-year Total
Staffing Resources												
Land Acquisitions												

New Vehicles, Plant or Equipment												
Construction Costs												
Capital Receipts and Grants												
Sub-Total												

No post-project capital expenditure or income anticipated

9.4 Post- Project Revenue Expenditure & Income												
(£'000)	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**30-year Total**
Staffing Resources												
Non-Staffing Resources[9]												
Revenue Receipts and Grants												
Sub-Total												

[9] Based on annual maintenance cost estimates from ACC environmental services teams – annual total of £81.5k once fully operational in 2033
Awaiting further information from ACC road maintenance team – holding assumption of £50k annual costs applied once fully operational

10. Key Risks	
Description	**Mitigation**
Fully explain any significant risks to the project that you are aware of, especially those which could affect the decision on whether and in what form the project goes ahead. Append your full Risk Log if available.	Details of any mitigating action already taken or suggested.
General lack of material and resource availability causing programme slippage	Early identification of material types and source to guarantee supplies. Engagement with local stone provider and investment required.
Loss of funding engagement with partner organisations & stakeholders consequences - Some elements of match funding may not be deliverable (SUSTRANS, UK Government LUF)	Ensure on-going funding engagement with key stakeholders. Develop and programme a funding tracker. Linking to engagement plan.
Lack of public, key community groups and stakeholders responding through consultation Consequences - Diminished support and/or opposition from community & users	Ensure on-going engagement with the public, community groups, and stakeholders as an integral part of project delivery. Robust engagement plan required, key engagement with milestones Streets-UK appointed in Feb 2022 to manage and coordinate across all projects.
Project costs/inflation escalating over and above available funding. Consequences - Financial risk to the Local Authority with the possibility of an undeliverable project	Have regular budget reviews at client and design team level, ensure clear briefs are issued to the project team and ensure a robust project management structure is in place. Currie & Brown have made allowances for inflation within the capital cost development, including the use of BCIS all-in tender price indices and in-house outlook projections. It should be noted that the time period to delivery presents a risk in itself as design standards, regulations and trends may change in that period.
Rationalisation of buried Utilities	ACC Urban Realm manual refers to potential for underground utility & services covers (e.g. valve chambers, fire hydrants, draw-pits, etc) to be realigned to improve aesthetics of new surfacing works. If required, then knock-on impact on services installations could be significant in terms of disruption and costs. ACC confirmed there is a desire to align existing service chambers / draw pits etc. in

	the footpath although appreciated this may not be possible in all cases due to cost.
Unforeseen buried services and structures	Risk transfer through surveys to identify buried services and structures

11. Procurement Approach

If this project will involve the procurement of products or services, describe the approach that will be taken based upon the recommended option.

The Design Teams must conduct a check on the Health & Safety track record on tender documentation and submission prior to award and confirm this has been done.

The project is to be delivered by hub North Scotland who are a strategic development partner for the planning, procurement and delivery of community-based infrastructure projects across the north of Scotland. Hub North Scotland comprises 16 public sector organisations, the Scottish Futures Trust and private sector partners in a joint venture company known as a hubCo with the purpose of working collaboratively to deliver inspiring projects for communities and best value for participants. Aberdeen City Council are one of these public sector organisations and have been part of the hub initiative since 2011.

The key purpose of the hub initiative is to establish a long-term partnering relationship between hubCo and Aberdeen City Council and to procure the provision of appropriate infrastructure and related services involved in providing Community Services with the aim of: a) improving the efficiency of delivery of community-based facilities; b) delivering economies of scale through shared facilities; c) making the best use of public resources; and d) providing continuous improvement in both cost and quality in public procurement.

Hub North Scotland's dedicated supply chain members are working collaboratively with Aberdeen City Council to develop, design and deliver all projects within the ACC City Vision programme. All procurement is carried out in strict compliance with Hub North Scotland's Project Delivery Method Statement with a completely open book approach to project costs which is continually benchmarked and reviewed to maximise efficiency, accountability and demonstrate continuously improving value for money. The Hub North Scotland supply chain is structured to include both local and national partners maximising economies of scale whilst providing opportunities to local companies. Project development plans have specific focus on community and stakeholder engagement to maximise outcomes for end users.

12. Time

12.1 Time Constraints & Aspirations

Detail any planned or agreed dates, any time constraints on the project or the affected business areas and any other known timescales.

Construction completion of Union Street Central is a known constraint. In order to ensure city centre access can be managed it is recommended that the programme of works commence once that project is complete. A breakdown of the construction timescales of each project element is provided below. All timescales are dependent on utilities, material availability and supply chain generally:

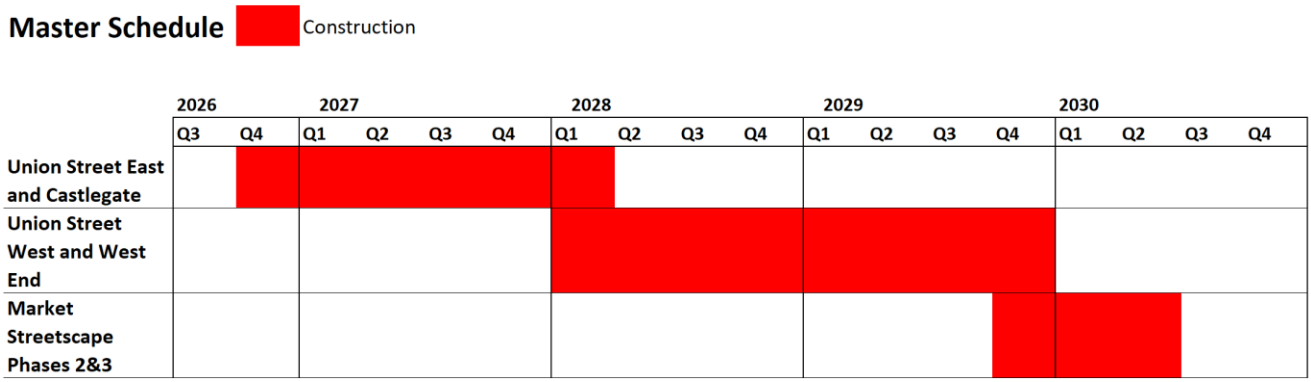


Figure 8: Master Schedule
(INDICATIVE ONLY: TO BE CONFIRMED PENDING CAPITAL PLANNING AND BUDGET PROCESS)

12.2 Key Milestones

Description	Target Date
Union Street East and Castlegate	TBC
Union Street West and West End	TBC
Market Streetscape Phases 2 & 3	TBC

13. Governance

Include any plans around the ownership and governance of the project and identify the people in the key project roles in the table below.

Role	Name	Service
SRO	Chief Officer- Capital	**SRO**
Programme Manager	Hub North Scotland	**Programme Management**
Project Manager	Hub North Scotland	**Project Management**

Lead Contractor	Galliford Try Infrastructure	**Lead Contractor**
Lead Designer and Landscape Architect	Fairhurst/LDA	**Lead Designer and Landscape Architect**
Cost Consultant	Currie and Brown	**Cost Consultant**
Principal Designer	Currie and Brown	**Principal Designer**

14. Resources

List the staff resources and expertise required to implement the project. Ensure support services are included, such as Project Management, Legal, Procurement and Communications.

TO BE CONFIRMED PENDING CAPITAL PLANNING AND BUDGET PROCESS

Task	Responsible Service/Team	Start Date	End Date
Traffic Regulation Order	Road Safety and Traffic Management	Q3 2025	Q3 2029
Road Construction Consent/Section 56	Roads Technical	Q3 2025	Q3 2029
Legal and Comms	Legal & Communications	Q3 2025	Q3 2029

15. Environmental Management

Fully explain any impacts the project will have on the environment (this could include, eg, carbon dioxide emissions, waste, water, natural environment, air quality and adaptation). Include both positive and negative effects and how these will be managed. Include details on how this has been assessed, giving an idea of the cost implication if this exists.

The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 put in place a target for net zero greenhouse emissions by 2045 in Scotland, accelerating new and updated associated policy interventions. In response, the city-wide climate journey is progressing. Following production of a Net Zero Vision for Aberdeen (2020), the Net Zero Aberdeen Routemap was produced collaboratively and approved in February 2022, setting the pathway for a net zero city by 2045. The project will do everything possible to align with existing and emerging climate and resource efficiency commitments and targets.

The project will minimise the embedded carbon of construction through maximising the use of locally sourced materials. The latest ACC Procurement Paper details intentions to use local material.

The project will also contribute to a reduction in CO2 and particle emissions by reducing vehicular movements through Aberdeen City Centre. Planters will absorb carbon and improve quality of local environment. Air quality in the city centre will also improve because of reduced traffic in the city centre.

Furthermore, no impact on waste collection or treatment of surface water is anticipated from the project.

Is a Buildings Checklist being completed for this project?	Yes	No
	☐	☒

If No, what is the reason for this?

Projects do not involve the construction of a new building

16. Preserving Our Heritage

Describe fully any impacts the project will have on the heritage of the city or more widely in the region or nationally. This could include but is not exclusive to the following examples:

- Specific historical items of interest;
- Features of significant local or regional importance/interest;
- Granite elements of existing structures.

Include both positive and negative effects and how these will be managed.

Include details on how this has been assessed, giving an idea of the cost implication if this exists.

This project will provide significant improvements to the city centre streetscape of Aberdeen and consequently its cultural heritage. Encouragement of increased walking and cycling will reduce traffic and congestion in the city centre and elevate the attractiveness of regionally significant sites like Union Street. Construction materials will also align with the granite elements already present across the city centre.

17. Stakeholders

List the key interested individuals, teams, groups or parties that may be affected by the project or have an interest in it, including those external to the organisation. Show what their interest would be and their level of responsibility. Also note any plans for how they will be engaged including the use of any existing communication channels, forums or mechanisms already in place.

In the event the Business Case projects a total capital expenditure of more than £10 Million, stakeholders should include "ACC Bond Investors" who may require to be communicated with through the London Stock Exchange.

Bus Operators

The provisions detailed within this proposal have a direct impact on the modes of transport in Aberdeen city centre due to the changes to the street geometry. In order to provide a suitable level of public transport provision to meet the expectations of the future network demand, engagement with bus operators forms a critical aspect of the process. The main feedback from operators is detailed below:

Operators have reservations with the proposed layout and have stipulated a minimum level of design to facilitate an operational bus network.

It has been possible to address some of the operator feedback in principle, through considerations such as:

- Daytime loading provisions at locations adjacent to USE & USW corridors
    - Potential 7am-7pm alternative loading locations (exact timing to be considered)
    - Loading potentially allowed on USE and USW at remaining times
- Union Street West:
    - Consideration of road widening to 9m at key, focused bus stop locations
    - Eastbound and westbound bus stops grouped (Hubs) and offset from opposing direction
- Union Street East:
    - Only 2 operating lanes are available between Market Street and Broad Street, due to a slight narrowing of the corridor at this location
    - 3 bus stops proposed on north kerb (G1-G3) – for longer distance Stagecoach services, with a potential for a drop-off only on the southern kerb
    - Bus Hub proposed at east end of Union Street / Castle Street to primarily accommodate First Bus services – road widening and potential layby options
    - Option for additional stops at the southern end of King Street (south of West North Street) to accommodate displacement of bus stops around the Adelphi

Overall, both bus operators are supportive of the principals of the proposed revision but a number of outstanding concerns remain that will need to be addressed at the next stage of the design process.

Furthermore, the project will impact on business owners in the intervention area, who may be inconvenienced by traffic disruption in the short term but who also stand to benefit from the increase in footfall that the interventions will support. It will also impact on residents within the area, who will experience similar disruption and potential loss of parking amenity but will stand to benefit most from the improved placemaking and reduction in particle emissions.

A community engagement programme involving local residents and business will be developed and maintained throughout the project delivery stages to help understand these concerns mitigate the adverse issues experienced by these groups.

The project will also impact upon vehicular users visiting the city centre, and on bus service provision across the city centre. The Council has modelled the transport implications of these, and the other City Centre Masterplan proposals.

Internally, the project will also impact on the Council's road maintenance and environmental services teams budgets.

The road maintenance team advise that the development should use the same streetscaping materials, especially those for footways, as those used in other parts of Aberdeen City Centre to avoid unnecessary inventory storage costs. Additional road management may also be required through road narrowing processes. They also advise that access should be maintained for service vehicles and gritters, including sufficient space to exit the vehicles. Lighting installations should be accessible from the road for maintenance purposes and should use fittings that are easily replaceable. Planting that is resilient to spray from gritters should be used in planters and hanging baskets. Utilities providers should be given advanced notice of planned road works during the installation process so that they can co-ordinate any planned asset repairs or replacements to coincide with this.

The environmental services team advise that the maintenance costs associated with the planters and hanging baskets can be minimised by exploring opportunities for commercial sponsorship of green spaces, or through the usage of Aberdeen Inspired funding.

Disability Equity Partnership, taxi operators, business owners

Stakeholder engagement has and will continue with DEP, ACTUP and Aberdeen Inspired.

18. Assumptions

Document the high-level assumptions that have been made during the development of the Business Case and any other unanswered questions that may be significant. Refer to the Supplementary Guidance on Optimism Bias and detail the assumptions you have made in constructing the costs and business case.

Green Book Supplementary Guidance Optimism Bias

An Optimism Bias of 39% is assumed, the Green Book Upper bound for standard civil engineering projects with a 5% reduction. This is justified as some design work has been undertaken on most city centre masterplan project elements, but further designs required.

HM Treasury Green Book standard discount rate of 3.5% has been used to discount costs and benefits over a 30-year appraisal period to derive appropriate BCRs.

Benefit modelling assumptions:

Construction spend

- Turnover to GVA ratio (for construction sector) from the Scottish Annual Business Statistics of 0.44 was applied to capital spend
- Deadweight: 0% (no spending would happen on site in the counterfactual scenario)
- Displacement: 20% (project will lead to some displaced construction activity elsewhere)
- Leakage: 10% (some of the construction providers will be non-local)

- Multiplier: Scottish Government input output tables provides a Scotland wide multiplier of 1.87 for the construction sector. It has been assumed that 50% of these indirect and induced benefits will be retained locally.

Active travel benefits

Baseline footfall was provided by the Council, specifically how many people currently visit Aberdeen City Centre, and these streets in particular, broken down by number of pedestrians and number of cyclists. DfT's AMAT tool was then used to calculate the active travel benefits of the project.

Footfall impact of retail GVA

- Full time equivalent employment was sourced from the Business Register and Employment Survey.
- GVA per head estimates were based on Office for National Statistics, Annual Business Survey (Compiled by Scottish Government) in Aberdeen City.
- We have assumed an 30% uplift in footfall and retail sales under this option. This is benchmarked against the increase in footfall and sales experienced based on a similar streetscaping project in Sheffield.

19. Dependencies

Document any projects, initiatives, policies, key decisions or other activities outside the control of the project that need to be considered or which may present a risk to the project's success, or on which this project depends.

External factors that may present a risk to the viability of the project include the development the bus priority measures, and the completion of ongoing construction on other city centre and beachfront interventions.

The success of the project is also dependent on the standards of construction, and on the selection of a design that makes ongoing maintenance of the project as cost effective as possible. This will be dependent on the following:

- Consistent paving of slabs (to help minimise inventory costs)
- Consistent use of materials across city centre projects.
- Consideration for underground utility networks that may be disrupted or impaired during construction.
- Selection of materials/appliances that can be readily replaced in subsequent years. For example, street lighting that doesn't use specific and hard to source lightbulbs.

Sufficient maintenance budget allowances to accommodate the above will also be crucial to the project's success, and estimates of appropriate budgetary allocations have been included within this business case.

20. Constraints

Document any known pressures, limits or restrictions associated with the project.

The following issues could create constraints for the implementation of the project:

- **Traffic regulation orders and road planning consents**: all appropriate consents must be in place before construction work can commence.
- **Material availability**: road surfacing materials and lighting materials must be obtained for use in the project construction phase. The Council should also ensure that these materials can continue to be sourced into the future as and when replacement work is required. The materials used should be consistent where possible with those used elsewhere in the city centre to limit future inventory costs.
- **Workforce**: The Council and its contractor will need to ensure that sufficient workforce is available to deliver the project within the planned timescales
- **Utilities and basements**: many of the streets in the intervention area have gas, electricity, water and wastewater infrastructure buried beneath them. Union Street has an additional issue of basements of some buildings extending underneath the street. These issues must be fully understood before excavation can begin.
- **Service, emergency and delivery vehicle access:** Access for service vehicles (including refuse collection) and for emergency and delivery vehicles will need to be maintained at all times.
- **Accessible parking**: alternative and accessible parking provision will need to be arranged for blue badge holders in the project area.
- **Business continuity & resident access**: access will need to be maintained for local residents and for local businesses and their customers.

21. ICT Hardware, Software or Network infrastructure

List any new ICT systems or changes likely as a result of the project. If there are no ICT changes, then record as 'none'.

Description of change to Hardware, Software or Network Infrastructure	Approval Required?	Date Approval Received
None		

22. Change Controls Issued by the Project

Date	Change Ref ID	Approval Route	Change Description

Appendix A: Future Design Considerations

	Union Street West	West End	Union Street East	Castlegate	Market Streetscape
Engagement	Consider feedback from stakeholders and potential interventions suggested. Continue engagement with bus operators and undertake engagement with stakeholders.	Continue to undertake engagement with stakeholders.	Consider feedback from stakeholders and potential interventions suggested. Continue engagement with bus operators and undertake engagement with stakeholders.	Continue engagement with bus operators and undertake engagement with stakeholders.	Continue to undertake engagement with stakeholders. Particularly around Phase 3.
Placemaking	Ensure pavement widening and dwell zone areas are maximised in balance with any carriageway compromise.	-	Ensure pavement widening and dwell zone areas are maximised in balance with any carriageway compromise.	Further design development to ensure synthesis between public transport route and wider pedestrian square, as well as servicing requirements.	Further exploration is required into the level of intervention to Phase 3 of the market streetscape.
Carriageway	Consider implications of carriageway width and decide whether to retain consistent 7.3m wide carriageway or implement localised widening to 9m.	-	Consider implications of carriageway width and widening of carriageway after Plainstanes.	-	-
Cycling		-			Explore further the potential for segregated cycling on Guild St and Market St and decide whether to implement cycle infrastructure in Phase 1. Consideration of the detail design of Guild Street to

					accommodate all modes of transport.
Public Transport	Consider implications of current bus stop locations and explore potential need for bus hubs and other bus stop measures. Also consider the implications of ART..	-	Consider implications of current bus stop locations and explore potential need for bus hubs and other bus stop measures. Also consider the implications of ART.	Explore implications and confirm decision to make public transport link one-way eastbound.	-
Operations	Explore options for further traffic restrictions to aid bus operations. E.g. minimising general traffic movements.	Confirm decision to allow left out for taxis from Chapel St to Union St West, right out only for general traffic.	Explore options for further traffic restrictions to aid bus operations. E.g. minimising general traffic movements.	Explore implications and confirm decision to make public transport link one-way eastbound and consider bus stop location.	Analyse and explore operational changes that may be required to Phase 1 if cycling infrastructure is introduced.
Servicing	Fully understand servicing requirements via survey. Explore options for servicing such as reducing the servicing window and promoting side streets for daytime servicing.	-	Fully understand servicing requirements via survey. Explore options for servicing such as reducing the servicing window and promoting side streets for daytime servicing.	Develop detail for service route around Castlegate that would work with exit on to Marischal St.	-
Junctions	Consider options and develop detail for junction design at future stages.	-	Consider options and develop detail for junction design at future stages.	Develop detail for Union Street East -	
Castlegate junction	Develop detail of how the Guild St junction will work for pedestrians and cyclists if cycle options appraisal is implemented				

Appendix B: Present Value Calculations

Explanations of Present Value (PV) principals and calculations used within economic impact modelling

HM Treasury's Green Book provides technical guidance to project appraisal. Embedded within this guidance, is the process of converting costs and benefits into Present Value results in order to compare the two. It is based on the economic concept of social time preference, that individuals prefer to have things now and will demand a discount if a payment is delayed. The Green Book recommends that costs and benefits be discounted at a real rate of 3.5% per year.

PV is a concept used to compare costs and benefits that arise at different points in time. It involves converting future costs and benefits into a value in today's money, also known as a 'present value' calculation. This allows for a more accurate comparison and assessment of the value for money of different options.

For illustration purposes, the PV calculations for the retail and food & drink spend is provided below. The annual GVA benefits are multiplied by the discount index. The standard discount rate of 3.5% is used as the annual percentage reduction in the discount index each year of the appraisal period.

		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
A	**Discount Rate, %**	**3.5%**	**3.5%**	**3.5%**	**3.5%**	**3.5%**	**3.5%**	**3.5%**	**3.5%**
B = (Previous year discount index /1+A)	**Discount Index**	1.00	0.97	0.93	0.90	0.87	0.84	0.81	0.79
C	**Annual GVA £m**	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£14.49**	**£14.49**	**£28.98**
B * C	PV GVA £m	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£12.20**	**£11.79**	**£22.78**