**FURTHERGATE LINK ROAD**

**Strategic Outline Business Case**

**May 2018**

Document Control Sheet

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**Executive Summary**

**Introduction**

This Strategic Outline Business Case (SOBC) has been completed by Capita on behalf of Blackburn with Darwen Borough Council (BwDBC) in regard to the proposed Furthergate Link Road scheme. The scheme is seeking approval from the LEP and funding towards its £3.96m cost. In line with the LEP’s Accountability Framework, this SOBC is required in order to seek approval and draw down funds.

**Scheme Overview**

At present, there is a high volume of traffic passing through the residential area along the A678 Burnley Road. The existing highway network currently operates close to capacity and the situation is likely to deteriorate in the nearest future. The modelling exercise undertaken supports this, demonstrating that the existing Red Lion Roundabout would reach its capacity by the 2034 and the existing A678 Burnley Road/Gorse Street priority junction is forecasted to operate over capacity in the 2019 and 2034 future years.

Under the scheme proposals, the link road would be completed between the Red Lion Roundabout and Gorse Street, running parallel to the A678 Burnley Road. At its north-eastern end, the new link road would tie into the existing section of the carriageway, which currently forms a fifth arm of the Red Lion Roundabout, constructed as part of the Pennine Reach scheme. At its south-western end, the proposed link road would tie into the A678 Burnley Road, approximately 130m to the north of the signalised junction with the A678 Furthergate.

The main challenge, which the Furthergate Link Road scheme aims to address is to reduce the existing congestion issues along the A678 Burnley Road corridor, resulting in travel time savings and aiding optimisation of the highway network between the M65 motorway and Blackburn town centre. In addition, investment in the Furthergate Link Road scheme would contribute to economic growth by releasing the potential for a number of strategic sites along the route of the new link road that would help to attract new developers and accelerate projects that are already planned. Bringing forward new commercial/employment development and possibly housing would also help the borough to meet its Local Plan and Prosperity Plan targets for new business, jobs and homes.

The impact of not progressing would be detrimental on both local and strategic highway network, particularly accessibility to and from the main gateway of East Lancashire (i.e. M65) and Blackburn town centre. In addition, a number of development sites may suffer from not progressing the scheme, as having no direct access onto the highway network and as a result becoming unattractive for development. If the sites are however to be delivered, the impact on the local highway network is envisaged to be significant, with junctions forecasted to operate over capacity. This in turn would result in increased air quality issues along the A678 Burnley Road and exacerbation of severance.

**Value for Money**

The scheme will deliver significant journey-time saving benefits, amounting to a **PVB of £35.62m** (2010 Prices, discounted over 60 years). The scheme also demonstrates ‘Very High’ value for money based on a traditional transport **BCR of 9.97** in its entirety.

The scheme also has the potential to generate approximately £631,126 per annum of Gross Value Added (GVA) benefits averaged over a 60-year appraisal period (2010 prices, based on locally adjusted GVA values), which (in line with DfT guidance) have not been incorporated into the BCR but demonstrate the scheme’s positive contribution to the wider economy.

**Economic Output Comparison**

|  |  |  |
| --- | --- | --- |
| **Economic Output** | **Furthergate** | **Pennine Gateway Forecast Total** |
| Housing units | Nil | 870 |
| Private sector investment | £71m | £125m |
| Jobs | 438 | 3,750 |
| Commercial floor space | 17,500 | 64,000 sq m |
| GVA | £236m | £414.7m |

A yearly cumulative total for how these outputs will be achieved is provided below.

**Furthergate Link Road Annual Economic Output**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Year** | **Floorspace (sqm)** | | | | **Jobs** | | | **GVA (£,000s)** |
| **Scheme Dependent** | **Accelerated** | **TOTAL** | **Scheme Dependent** | | **Accelerated** | **TOTAL** |
| 2021 | - | 11,500 | 11,500 | - | | 288 | 288 | £673.8 |
| 2025 | 10,500 | 19,500 | 30,000 | 263 | | 488 | 750 | £7,932.6 |
| 2026 | 17,500 | 59,500 | 77,000 | 438 | | 1,488 | 1,925 | £12,026.0 |
| 2027 | 17,500 | 67,500 | 85,000 | 438 | | 1,688 | 2,125 | £17,848.4 |

|  |  |
| --- | --- |
| Strategic Case *The strategic case helps to determine the need for a scheme. It must demonstrate the case for change, presenting a clear rationale for making an investment against the strategic objectives of the organisation proposing it and other relevant Government objectives. It provides important evidence and sets out robust assumptions at an early stage in the development of a business case and explains how various options have been sifted and distilled into a preferred scheme.* | |
| Strategic Context *Please explain the wider strategic context for the proposed scheme by describing the aims and objectives of the promoting organisation. Consider what is driving the need for change at a strategic level, including external factors such as new legislation, technology.* | **Introduction**  The proposed Furthergate Link Road scheme is one of three infrastructure packages, which altogether comprise the Growth Deal 3 “Pennine Gateways” project, aimed to support the sustainable delivery of new homes, new business and jobs in the three growth area of the Borough whilst contributing to alleviating congestion.  The “Pennine Gateways” project has been approved in principle by the Lancashire Enterprise Partnership (LEP) for funding and was given “Programme Entry” in spring 2017 as part of Central Government’s Growth Deal 3 announcement. Majority funding for delivery comes via the LEP with physical and financial completion required by March 2021.  The LEP has secured £320 million from the Government's Local Growth Fund to support economic growth in the area through the Growth Deal. The Lancashire Growth Deal as agreed with Government aims to realise the growth potential of the whole of Lancashire, building on key local economic assets and high-value business clusters.  The deal will help to:   * Create up to 11,000 jobs and 3,900 new homes * Attract £1.2 billion of new private sector investment to Lancashire   The “Pennine Gateways” project contributes significantly to the “Releasing Growth Potential” priority of the LEP, through essential transport improvements to motorway junctions and railway lines as well as building new roads which support job creation and enable the release of more land for homes and businesses.  **Furthergate Link Road Scheme Background**  A new link road between the Red Lion Roundabout and the A678 Furthergate was first proposed as part of the Pennine Reach major transport scheme Business Case. The original proposals for the new link road involved construction of the new highway running roughly parallel to the A678 Burnley Road to its north, through an industrial area. However, due to unresolved issues relating to third party land, full construction of the new link road has never been completed.  Improvements to the existing A678 Furthergate/Burnley Close priority junction were completed in 2016, upgrading it to a signal junction, with Burnley Close effectively becoming the A678. An enhanced bus priority route has been also provided through the A678 Bottomgate and the A678 Furthergate, with an intention to expand the bus priority through the A678 Burnley Road as part of the original scheme proposal.  A north-eastern section of the new link road has already been delivered in 2016 using funding from the original Pennine Reach Scheme. This currently forms a fifth arm of the Red Lion Roundabout, and is constructed to the specification outlined by the original scheme design for the link road.  **Furthergate Link Road Scheme Proposal**  Under the scheme proposals, the link road would be completed between the Red Lion Roundabout and Gorse Street, running parallel to the A678 Burnley Road. At its north-eastern end, the new link road would tie into the existing section of the carriageway, which currently forms a fifth arm of the Red Lion Roundabout, constructed as part of the Pennine Reach scheme. At its south-western end, the proposed link road would tie into the A678 Burnley Road, approximately 130m to the north of the signalised junction with the A678 Furthergate.  The proposed link road would provide one traffic lane in each direction (3.65m wide), with 1.5m wide cycle lanes and 2m wide footways on both sides of the road.  A new four-arm roundabout junction would be constructed approximately 370m to the west of the Red Lion Roundabout, to maintain the existing access to Kenyon’s Haulage yard and to provide a new access to allotment plots, located to the north of the proposed new link road.  A section of Gorse Street would be stopped up, as a new link would be provided to tie into the proposed link road, via a new signalised junction.  A new priority junction would be provided, where the proposed new link road intersects the A678 Burnley Road, with the link road forming the major arm of the junction.  The proposed layout of the new link road and the scheme’s location plan are shown in Appendix A and also indicatively shown in Figure 1.1.1 and Figure 1.1.2.    Figure 1.1.1. Furthergate Link Road Location    A678 Burnley Road  Blackburn Town Centre  A678 Furthergate  Red Lion Roundabout  M65 Motorway  Proposed  Furthergate Link Road  Figure 1.1.2. Furthergate Link Road Indicative Layout    **Need for Change**  At present, there is a high volume of traffic passing through the residential area along the A678 Burnley Road. This can be identified in the typical traffic speed plots from Google Maps presented in Figure 1.1.3 and Figure 1.1.4.  Figure 1.1.3. Typical Traffic Conditions, AM Peak 8:40    *Source: Google*  Figure 1.1.4. Typical Traffic Conditions, PM Peak 5:15    *Source: Google*  The existing congestion issues are also evidenced by the speed survey undertaken, which demonstrates that the average AM peak, PM peak and IP hour speeds are below a 30mph speed limit (24.9mph, 24.5mph and 25.6mph respectively).  The existing highway network currently operates close to capacity and the situation is likely to deteriorate in the nearest future. The modelling exercise undertaken (junction modelling outputs are provided in Appendix E of the BCR Technical Note report included as Appendix J of this document) supports this, demonstrating that the existing Red Lion Roundabout would reach its capacity by the 2034. Without the proposed scheme, the roundabout junction would operate at 2% over its ultimate capacity in the 2034 PM peak hour, which is confirmed by the highest Ratio of Flow to Capacity (RFC) value of 1.02 observed on the A678 Burnley Road arm of the junction, with the maximum corresponding queue length of 30 passenger car units (PCUs) and delays expected to reach 85 seconds.  The existing A678 Burnley Road/Gorse Street priority junction currently operates close to its ultimate capacity, with only 2% spare capacity in the 2018 PM peak hour. This is evident from the highest RFC value of 0.98 observed on the Gorse Street arm of the junction in the 2018 PM peak scenario. The corresponding maximum queue length is 13 PCUs, whilst the delay is 115 seconds. Without any measures undertaken, the situation would deteriorate with junction operating over capacity in both the 2019 and 2034 future years. In the 2019 future year the highest RFC value observed is 1.01, with the corresponding queue length of 16 PCUs and delay reaching 137 seconds. In the 2034 future year the priority junction would be significantly over capacity during both AM and PM peak hours. In the AM peak hour, the maximum RFC value would reach 1.48 on the A678 Burnley Road northern arm of the junction, with the corresponding queue of 30 PCUs and delay of 350 seconds. In the PM peak hour, the maximum RCF value is forecasted to occur on the Gorse Street arm of the junction reaching 1.40, with the corresponding queue length of 75 PCUs and a delay of 625 seconds.  An overview of the typical traffic conditions, speed surveys and junction modelling exercise undertaken demonstrate that without any measures undertaken, the existing highway network would not be capable to cater for the 2019 and 2034 future year background traffic growth. The existing congestion issues would result in significantly increased total journey times along the A678 Burnley Road corridor, which in turn would affect the strategic road network.  It is envisaged that the proposed new link road would improve journey times, providing an alternative route for through traffic between Blackburn and Junction 6 of the M65 motorway, as well as reducing congestion through the residential area along the A678 Burnley Road. In addition, the proposed new link road would help to unlock new areas of land for potential development.  **Wider Strategic Context – Policy Review**  The proposals are strongly aligned to various National, Regional and Local policies, helping to achieve both their immediate goals and contribute to longer-term aims. Details of these policies and the scheme’s contributions are presented below.  **National Policy**  ***National Planning Policy Framework (NPPF)***  The NPPF was released on 27th March 2012, replacing all previous planning policy guidance and was designed to be the primary source of national planning guidance in England.  Central to the NPPF is a “presumption in favour of sustainable development”, which for planning means that:   * Local planning authorities should positively seek opportunities to meet the development needs of their area; * Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless:   - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework as a whole; or  - specific policies in the Framework indicate development should be restricted.  The NPPF states: All developments that generate significant amounts of movement should be supported by a Transport Statement or Transport Assessment Plans and decisions should take into account whether:   * The opportunities for sustainable transport modes have been taken up depending on the nature and location of the site, to reduce the need for major transport infrastructure; * Safe and suitable access to the site can be achieved for all people; and * Improvements can be undertaken within the transport network that could effectively limit the significant impacts of the development.   Development should only be prevented or refused on transport grounds where the residual cumulative impacts of development are severe.  It further states, that *“Encouragement should be given to solutions which support reductions in greenhouse gas emissions and reduce congestion. In preparing Local Plans, local planning authorities should therefore support a pattern of development which, where reasonable to do so, facilitates the use of sustainable modes of transport.”*  ***Department for Transport: Single Departmental Plan (Published 14 December 2017)***  National Transport Policy, as demonstrated within the Department for Transport’s Single Department Plan, focuses on *“…putting passengers and road users at the heart of our transport system, both in delivering our day to day operations and when taking longer term policy and investment decisions.”*  The Furthergate Link Road project contributes to the delivery of the key DfT’s objective within the Single Departmental Plan to *“Improve Journeys”*, through investing in infrastructure between Blackburn and Junction 6 of the M65 motorway, whilst addressing the congested A678 Burnley Road route running through a residential area.  The project would also contribute to the delivery of the *“Boost economic growth and opportunity”* objective by unlocking new areas of land for potential development.  ***Highways England***  While it is not anticipated that the scheme will have a perceptible impact on the Strategic Route Network (SRN), Furthergate Link Road highway interventions are expected to improve journeys along the A678 Burnley Road leading to and from the M65. The main aims of Highways England (HE), the responsible authority for the SRN, can be found at the following link: <https://www.gov.uk/government/organisations/highways-england/about>  The Furthergate Link Road scheme is considered to support a number of HE’s key aims, including supporting economic growth, as well as ensuring a safe and free flowing network.  **Regional Policy**  ***Lancashire Strategic Economic Plan 2014***  The Lancashire Strategic Economic Plan (SEP) sets out the growth ambitions for the next 10 years, with a focus on realising the potential of the whole of Lancashire. The SEP identifies key priorities and programmes which command local support and funding commitments.  In regards to East Lancashire, the SEP recognizes the issues around *“…connectivity and access…to and from the M65”*, which is the main route connecting East Lancashire with the M6 and M61 near Preston: *“It* [M65] *therefore plays an essential role in the economy of this part of the country, connecting people and business internally as well as providing the primary means of access to the M6.”* (paragraph 7.148).  In this respect, the Furthergate Link Road scheme will provide a high quality link to the M65 and the wider network, as well as relieving local congestion.  The proposed location of the new link road would help to unlock new areas of land for potential development with strong connections to SRN, boosting the region’s economy.  ***East Lancashire Highways & Transport Masterplan.***  The East Lancashire Highways & Transport Masterplan was adopted in February 2014, and aims to align economic and transport objectives across East Lancashire. The Masterplan is designed around five core principles, all of which will be supported either directly or indirectly by the implementation of the proposed Furthergate Link Road scheme.  These five principles are:   * Support the economic development of East Lancashire and of the country as a whole; * Work to address deprivation; * Promote community resilience; * Increase healthy behavior; and * Reduce our carbon footprint.   The Masterplan identifies the Furthergate and Pennine Gateway area, which forms a gateway into the town of Blackburn, as those expected to see redevelopment. The document further states on page 28: *“The HA* [Highways Agency] *has an integral role in assisting growth in East Lancashire by ensuring that the strategic corridors of the M66/A56 (T) and M65 operate effectively and efficiently and integrate fully with the local highway network.*” The Furthergate Link Road scheme would therefore contribute in the joint effort to improve the East Lancashire’s gateway by providing a new access to the M65 motorway and creating a viable alternative to the congested A678 Burnley Road.  Furthermore, on page 48, the Masterplan highlights the importance of the gateway corridor due to location of future development opportunities: *“Many future employment opportunities and proprieties will continue to be along this corridor [M65 Gateway], including at …Whitebirk (Junction 6)…”* It is envisaged that providing a new link between Junction 6 of the M65 motorway and the A678 Furthergate will unlock the new areas for development.  **Local Policy**  ***Local Plan Part 2 (2015)***  BwDBC recognises the need for future investment in transport infrastructure to accommodate pressure from new development, and to unlock areas for development to take place. Where this takes the form of new or improved road links, there is a need to ensure that new development does not affect the proposed route of the road.  The proposed Furthergate Link Road has been identified within the adopted Local Plan (December 2015), with Policy 45 Major Road Schemes stating:  *“1. The lines of major road schemes at East Darwen, Freckleton Street Blackburn, Ewood, Furthergate/Burnley Road Blackburn, and Blackamoor Road Blackburn, as shown on the Adopted Policies Map, will be protected from development…”*  The line of the scheme has therefore been protected and a number of new development plots have been identified (as shown on the Adopted Policies Map), as the scheme aims to unlock the economic potential of the sites and encourage the provision of new quality buildings and spaces.  Furthermore, the scheme has been identified as one of the Pennine Lancashire’s key projects affecting Blackburn with Darwen: *“Furthergate – where investment has been provided to unlock opportunities for redevelopment and improvement of road links”* (Local Plan Part 2, p. 23).  ***Blackburn with Darwen Core Strategy (2011)***  The Blackburn with Darwen (BwD) Core Strategy sets out the priorities for the future planning and development of the Borough for the next 15 to 20 years: how much and what types of development there should be, where it should be focused, when it is likely to take place, and how it will be delivered.  The Core Strategy forms part of the statutory Local Development Plan.  The Core Strategy presents 11 Strategic Objectives. While the proposed Furthergate Link Road will indirectly influence a number of these, the effects will be most pronounced when considering the following objectives:   * *D) Improve the quality of the local environment and the Borough’s physical setting* * *E) Increase levels of demand both for existing housing stock and for new development in inner urban area*   The Core Strategy highlights that commuter traffic into and through Blackburn town centre has historically presented a congestion problem for the Borough, particularly at major junctions and along key corridors. It is envisaged that the proposed new link road would improve journey times, providing an alternative route for through traffic between Blackburn and Junction 6 of the M65 motorway.  ***Policy CS2 Typology of Employment Land*** states that the emphasis will be given to providing the employment development in urban hub and gateway sites, with broad locations included within Furthergate/Burnley Road area of Blackburn. The Furthergate Link Road would therefore directly contribute to achievement of Policy CS2 by improving connection for the future gateway sites.  ***Policy CS22 Accessibility Strategy*** states that new development should be located to minimise the need for travel, and in that regard should be focused on either the borough’s transport hubs or along the accessibility corridors, such as the A678 and Furthergate/Burnley Road (part of the Pennine Reach public transport route. The development enabled through the implementation of the Furthergate Link Road scheme will therefore be well located to take advantage of this accessibility corridor and the potential for sustainable travel it offers.  ***Blackburn with Darwen Local Transport Plan 3 (2011-2021)***  Blackburn with Darwen Borough Council’s Third Local Transport Plan (LTP3) is a long term strategic document covering the period 2011-2021, and is the key mechanism for articulating and delivering transport policy at a local level. The plan highlights a number of key issues within the borough to be addressed over the lifespan of the plan, including:   * *The borough’s young population and its relationship to the growth of car use and road accidents;* * *Peak time congestion and traffic levels;* * *The impact on and the effects of the changing climate;* * *Chronic health issues;* * *Poor localised air quality and intrusive noise;* * *Car dependence;* * *The effects of long standing deprivation;* * *The ongoing requirement to generate jobs, improve wage and skill levels; and* * *The need to create sustainable communities through economic restructuring and regeneration.*   The proposed Furthergate Link Road will meet four goals described within the LTP3:   * *Support the Economy;* * *Tackle Climate Change;* * *Promote Equality of Opportunity; and* * *Promote quality of life, health and the natural environment.*   In *‘supporting the economy’*, the scheme will achieve all the associated objectives: reducing congestion and delay; improving the condition and attractiveness of the transport infrastructure; ensuring good accessibility for the new developments; working with partners to develop economic growth and bring forward new development, and increasing accessibility to employment.  The LTP3 priority is to *“Improve access to areas of regeneration and economic growth”*. Part of achieving this comes through the *“greater coordination of transport and land use planning”*, ensuring that the transport infrastructure is capable of fully supporting the expected growth in Darwen both in the current year and the future.  The Furthergate Link Road scheme supports the LTP’s goal to *‘tackle climate change’* by helping to develop and maintain an efficient and sustainable transport system.  The LTP3 Priority is to: *“Reduce carbon emissions; reduced delay and fuel consumption should improve emissions from vehicles, which should result in a corresponding improvement in air quality. Improved air quality brings better health; an improved environment and encourages physical activity by creating more walkable, enjoyable public space.”*  The new link road would improve journey times between Blackburn and a major transport gateway Junction 6 of the M65, whilst opening land for new employment, leisure, residential or mix-use development along the route of the new link road. In doing so, the scheme is aligned with the LTP3 Priority to *‘Improve access to education and employment’*.  Through this analysis of key documents and policy, it is clear that there is a strong evidence base for the implementation of the Furthergate Link Road; the proposed scheme is aligned with all the relevant local, regional and national policy, and will further the strategic aims for the Borough, County and Country. |
| Challenge or Opportunity to be addressed *Please describe the key characteristics of the challenge to be addressed and the opportunity presented. Provide an overview of the evidence supporting this and the impact of not progressing the proposed scheme.* | **The Main Challenge and Opportunity**  The main challenge, which the Furthergate Link Road scheme aims to address is to reduce the existing congestion issues along the A678 Burnley Road corridor, resulting in travel time savings and aiding optimisation of the highway network as a whole.  In addition, investment in the Furthergate Link Road scheme would contribute to economic growth by releasing the potential for a number of strategic sites along the route of the new link road that would help to attract new developers and accelerate projects that are already planned. Bringing forward new commercial/employment development and possibly housing would also help the borough to meet its Local Plan and Prosperity Plan targets for new business, jobs and homes.  Not only would the project encourage development of adjacent sites, but would also help improve air quality for residents who live on both sides of the A678 Burnley Road, promote sustainable transport, reduce severance and improve road safety.  **Overview of Evidence**  A Transport Assessment submitted in support of the planning application for the proposed new link road identified that the existing highway network within the study area experiences congestion at existing junctions, which are approaching and in some places exceeding capacity in future year scenarios. The results of the junction modelling undertaken showed that the existing highway network would struggle to accommodate the increased levels of traffic forecasted in the future years.  The value of travel time savings is one of the most important parameters of transport planning and cost benefit analysis. With reference to “Valuation of Time Savings” report prepared by University of Leeds, within developed countries travel time savings can often account for up to 80% of overall benefits arising from investment in transport infrastructure.  Current journey times have been measured along the A678 Burnley Road between the Red Lion Roundabout and the A678 Furthergate using the route’s distance and average speed by time period from the speed survey undertaken. Delays at junctions and the A678 Burnley Road zebra crossing have been taken into account. The existing journey times have then been compared with the journey times on the new link road between the Red Lion Roundabout and the A678 Furthergate, using the distance of the link and a speed limit, taking into account delay at junctions. The evidence of journey time savings therefore supports the opportunity to tackle the main challenge to reduce the existing congestion issues.  With regards to economic growth and regeneration, a number of new plots have already been identified within the Local Plan (Furthergate Phase 1 and Phase 2) for future development along the new link road. Further opportunities are currently being investigated for suitability of land fronting the Leeds/Liverpool Canal for a variety of land uses.  **Impact of Not Progressing**  The impact of not progressing would be detrimental on both local and strategic highway network, particularly accessibility to and from the main gateway of East Lancashire (i.e. M65) and Blackburn town centre.  The existing highway network currently operates close to capacity and the situation is likely to deteriorate in the nearest future. The modelling exercise undertaken (junction modelling outputs are provided in Appendix E of the BCR Technical Note report included as Appendix J of this document) supports this, demonstrating that the existing Red Lion Roundabout will reach 102% of its capacity by the 2034. The existing A678 Burnley Road/Gorse Street priority junction is forecasted to operate over capacity in the 2019 (at 101% in the PM peak hour) and 2034 (at 148% in the AP peak hour and at 140% in the PM peak hour) future years.  On the one hand, a number of development sites may suffer from not progressing the scheme, as having no direct access onto the highway network and as a result becoming unattractive for development. On the other hand, if the sites are to be delivered, the impact on the local highway network is envisaged to be significant, with junctions forecasted to operate over capacity. This in turn would result in increased air quality issues along the A678 Burnley Road and exacerbation of severance.  The potential issues are sufficiently severe, as to make mitigation essential to enable the required new link road. |
| Strategic Objectives *Please present the SMART (specific, measurable, achievable, realistic and time-bound) objectives that will resolve the challenge or opportunity identified in Section 1.2 and explain how these contribute towards achieving the wider context set out in Section 1.1.* | In considering the local policy context and the issues the scheme is intended to address, it is considered that the following objectives will sufficiently address these issues:   * ***Connect to the SRN to Aid Optimisation of the Network as a Whole***   Specific: The proposed new link road would connect to the strategic road network (i.e. trunk road network, key principal route) to cater for the future traffic flows. Optimisation relates to ensuring the transport network operates as smoothly as possible, in terms of average traffic speeds and minimum delays.  Measurable: How well the transport network is operating can be measured by the average speed of vehicles on the network and junction delays.  Achievable: In terms of optimisation, modelling of the average speed of vehicles on the network and junction delay will determine if this objective is achievable.  Relevant: The concern is that no delivery of an alternative route for through traffic between the A678 Furthergate and the Red Lion Roundabout will have a negative impact on accessibility of both the M65 motorway and Blackburn town centre.  Time Related: This objective is anticipated to be realised within five years after scheme opening, by 2023. The objective is related to the 60 years appraisal period.   * ***Improve the Reliability of Journey Times***   Specific: This objective seeks to reduce delays and congestion along the A678 Burnley Road by transferring through traffic only the new link road. This objective seeks to result in a reduction of journey time values for both buses and vehicles.  Measurable: As reliability is closely related to the levels of congestion, the number of hours lost due to travel being slower than speed achieved along the A678 Burnley Road (particularly at the Red Lion Roundabout, the A678 Burnley Road/Gorse Street priority junction, the A678 Burnley Road/A667 Furthergate signal junction), when traffic is flowing freely, would therefore provide an appropriate measure of congestion.  Achievable: The detailed modelling of the existing and proposed junctions within the Transport Assessment for the scheme have determined that this objective is achievable.  Relevant: The concern is that without creating a viable alternative to the congested A678 Burnley Road, further severe delays are envisaged in the future years along the existing corridor, which exacerbates the existing issues with accessing the M65 motorway, the main gateway of the East Lancashire.  Time Related: This objective is anticipated to be realised within five years after scheme opening, by 2023. The objective is related to the 60 years appraisal period.   * ***Support Economic Growth and Regeneration***   Specific: Local policies seek to promote economic development within the area and improve strategic access to key economic hubs. Provision of a new link road creates an opportunity to unlock new areas of land for potential development with strong connections to SRN, boosting the region’s economy.  Measurable: The ‘impact’ sites along the route of the link road would be defined and monitored by BwDBC. The delivery of new developments would be monitored through the planning application submissions and compared with the actual number of new developments built (i.e. housing units per sqm, new floor space for employment developments).  Achievable: Two sites have been already identified within the Local Plan Part 2, which are likely to benefit from their proximity to the Pennine Reach transport scheme, and therefore from the Furthergate Link Road. The developments identified (Furthergate Phase 1 and Phase 2) could potentially include offices, light industry or general industry. Further opportunities are currently being investigated for suitability of land fronting the Leeds/Liverpool Canal for a variety of uses.  Relevant: Through the achievement of this objective, the scheme will facilitate the wider aims of the LEP and the BwD Local Development Plan by unlocking land for future developments, and therefore improving access to local existing and future employment, leisure, education and health opportunities.  Time Related: This objective is anticipated to be realised by 2027. The objective is related to the 60 years appraisal period.   * ***Reduce Carbon Emissions and Promote Sustainable Transport***   Specific: With greenhouse gas emissions from transport representing 21 per cent of total UK domestic emissions, the proposed scheme would form part of wider local and national means of tackling the issue. Transferring through traffic from the A678 Burnley Road onto the new link could tackle the existing congestion issues along the A678 Burnley Road resulting in improvements in fuel efficiency, which in turn could lead to reduced emissions. The reduced emissions envisaged along the A678 Burnley Road would be particularly vital, as the route is running through a residential area. As a result of reduced congestion along the A678 Burnley Road, the road would become more attractive to public transport and non-motorised users, such as pedestrians and cyclists.  Measurable: the Council’s Carbon Tool can be used based on distance travelled, vehicle speed and vehicle mix.  Achievable: The proposed new link road would be supported by Intelligent Transport Systems technologies. Traffic lights at the proposed and upgraded junctions would potentially operate SCOOT system, which means that the adjacent signals would be coordinated along the route. SCOOT has proved to be an effective and efficient tool for managing traffic on signalised road networks, using data from vehicle detectors and optimising traffic signal settings to reduce vehicle delays and stops. There is also a potential to implement variable message signs and displays along the new road link.  Relevant: Implementation of the Furthergate Link Road scheme would contribute to the following overall DfT’s aims to cut greenhouse gas emissions and to make public transport an accessible, attractive and low carbon option.  Time Related: This objective is anticipated to be realised within five years after scheme opening, by 2023. The objective is related to the 60 years appraisal period.   * ***Improve Road Safety and Reduce Severance***   Specific: The main aim of the scheme to reduce the existing delay along the A678 Burnley Road, would have a positive impact on the ability to respond to the road accidents, as well as actually reducing the number of accidents through reduced congestion. Provision of the new link road and the associated junctions according to current design standards, with clear road markings and signs, would ensure the potential for road accidents is brought to a minimum.  Reduced traffic volumes would in turn reduce severance along the A678 Burnley Road for vulnerable groups. Reduced traffic volumes would reduce potential for conflict between vehicles and vulnerable users, and would consequently attract more cyclists, pedestrians and public transport users along the road. Provision of a new link road would also have a positive impact on future severance, as the unlocked land for future development would benefit from immediate connection to a wider highway network.  Measurable: Accident and severance appraisal processes are undertaken following the guidance in WebTAG Unit A4.1 and the COBALT manual.  Achievable: Accident appraisal has been undertaken using the, whilst the outputs are presented in Appendix C Social and Distributional Impacts Appraisal Report. Severance has been appraised as part of the Social Impact Appraisal within the aforementioned report.  Relevant: The concern is that no implementation of the scheme would result in no change in the existing accident rates along the A678 Burnley Road and at the corresponding junctions within the study area. The existing severance issues would remain.  Time Related: This objective is anticipated to be realised within five years after scheme opening, by 2023. The objective is related to the 60 years appraisal period. |
| Achieving Success *Please describe how the success of the proposed scheme will be assessed and/or quantified.* | The outcomes from the scheme will be assessed and monitored as detailed in the monitoring and evaluation report provided as Appendix D. This will assess the performance of the scheme against the scheme objectives outlined above. |
| Delivery Constraints *Please describe any high level internal/external constraints or other factors that present a material risk to the delivery of this scheme.* | A full Risk Register is available in Appendix E. The key delivery constraints for the scheme are highlighted below:   * Delays to gaining funding approval from the LEP. The scheme has been designed ready for construction and as a result any delays to the release of funding will delay the realisation of the economic benefits to the corridor; * Delivery of the scheme within timeframe allocated however this has been mitigated through the development of a strong Management and Commercial case, presented within this document; * There is a risk of ground conditions contamination or ground gasses which would result in remediation or removal of ground contamination and potential gas monitoring leading to prolongation. This risk has however been taken account of in the cost allowances and in the programme; * A risk of Side Road Orders being not progressed has a potential for delaying the programme by two months. An appropriate mitigation measure would be undertaken in this case, to inform legal Side Road Orders are of high priority for processing; and * Capacity of existing drainage network to cope with additional surface water discharge. To avoid localised flooding, drainage survey would be carried out and United Utilities, Environmental Agency would be consulted. Findings and necessary design solutions will be incorporated into the design.   All land ownership issues associated with the scheme have been successfully resolved prior to development of the final design option of the scheme. Land acquisition details are provided in Appendix M. |
| Stakeholders *Please outline the main stakeholder groups/organisations and their relevance or involvement in the development of the scheme. Identify any specific requirements, constraints or conflicts between stakeholders.* | **Residents in the Burnley Road/Furthergate area**  An information event (public consultation) for residents and business took place at Blackburn Enterprise Centre, Furthergate, Blackburn on Thursday 19th April 2018, 4pm to 7pm. Sixty people attended the event to speak to representatives from the Council. A summary of the comments made is provided in Appendix G.  Two issues have been raised by the local residents, which are summarised below, inclusing the Council’s response:   * If the scheme would bring any benefits for local residents?   The Council’s response was that the existing Burnley Road will effectively be “downgraded”, with through traffic being signed to go along the new link road, linking Red Lion Roundabout with Gorse Street. Traffic conditions will therefore change on Burnley Road and conditions will be quieter for residents, with associated improvements for road safety, congestion and air quality. Access will not be restricted to Burnley Road for residents or businesses.   * Will buses continue to use Burnley Road?   The Council’s response was that routeing of buses is determined by the bus operators and not the Council.   * What is Council doing to mitigate the effects of traffic which would be running in close proximity to residential houses?   Road end of Burnley Road (Hole House side) will have additional landscaping and small bunding introduced as part of the scheme. Additional landscaping will also be introduced at the junctions of new roads and stubs, which will be in keeping with what is currently present.   * Can residents parking be introduced?   The Council will consider this in parallel with the project. However, any residents parking scheme will require further consultation with residents and enforcement.  The Council will ensure that residents are kept informed at every stage of the development and will prepare a newsletter which will be published at key stages as the project is delivered. Information can currently be found on the Council’s website at <http://www.blackburn.gov.uk/Pages/growthdeal.aspx>.  **Business in the Burnley Road/Furthergate area**   * Local business is concerned about the lack of through traffic following implementation of the scheme.   The Council appreciates the position businesses are in in terms of passing trade and are therefore not considering any physical restrictions or weight limits on Burnley Road at this time. Traffic to businesses will therefore not be restricted in any way. Thornley Avenue will be opened up at the junction with the new road, which will assist access for local businesses in area. General highways signage will direct traffic to local businesses and in addition, tailored signage will also be sited at both ends of Burnley Road to advertise the location of individual businesses.  The Council’s intention is to regenerate the area and bring additional employment and employees into the area. There are therefore future opportunities for existing businesses to grow and expand with a new customer base.   * Will the Council relocate any business as a result of the scheme?   The Council has responded that Land and property has already been acquired to enable the full completion of the Link Road. There will be future processes for the release of development parcels in the area. The end users of the development parcels have neither been agreed nor determined at the present time. However, the Council is happy to speak to businesses about the likely processes and this will be facilitated throughout the delivery phase of the project.  A letter of support has been received from the East Lancashire Chamber of Commerce (provided within Appendix F), which supports the Growth Deal 3 Pennine Gateways and the proposed Furthergate Link Road scheme.  **Other Organisations and Groups**  A letter of support has been received from Blackburn College (provided within Appendix F), which expresses a strong support for the scheme as the proposal would create better access opportunities to the College for its students, visitors and external stakeholders and businesses. Furthermore, the letter recognises an importance to create an environment for business to grow leading to improved prospects for the borough and its residents.  **Initial Public Consultations as Part of the Pennine Reach**  Residents and local businesses were previously consulted extensively on the scheme as part of the Pennine Reach project, where full consultation took place in the summer of 2008. The Pennine Reach Major Transport Scheme was submitted to the DfT for full approval in April 2013 and the original consultation report was appended to the major scheme submission documents.  The original Burnley Road flyer is provided in Appendix G, together with the stakeholder management document, which provides the details of all public meetings and exhibitions, leaflets and questionnaires.  It can be seen from the stakeholder management document (Appendix G, p.166), that overall, the public response on the scheme is very positive, with the majority of local residents and businesses stating that the scheme would affect them in a positive way.  Appendix G also contains the Pennine Reach consultation report.  **Communications Strategy**  A communications strategy has been prepared by BwDBC, provided in Appendix G, which is targeted towards general public, residents and businesses in the Burnley Road/Furthergate area. The communications strategy states that the internal and external stakeholders will be regularly updated through a quarterly online newsletter which would provide updates on project delivery, disruption and timescales for completion. An e-newsletter will be also prepared for circulation to local residents to explain the main issues raised, the scope for these to be addressed and set out new stages for delivery of the project. A notification letter would be dropped to adjacent properties of works commencing. Ongoing information will be provided to MPs and Local Councillors. All interested parties will be able to access the information on the project via the Council’s website. |

## Strategic Assessment of Alternative Option(s) (Number of options can be amended as required)

| *The DfT’s Early Assessment and Sifting Tool (EAST) can aid this process. EAST and guidance on using it can be found on the* [***DfT website***](https://www.gov.uk/government/publications/transport-business-case)*.* | | Option 0 | Option 1 | Option 2 | Option 3 | Option 4 | Option 5 |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Option Name  *Please insert the name by which the option is known* | | Alternative to the Link Road | Signalised Junction Arrangement  (Tesco Land) | Staggered Priority Junction (Tesco Land) | Priority Arrangement (Segregated Junctions) | Staggered Priority Junction  (Residential Land) | Preferred Option |
| Infrastructure Type  *Please provide if different from the proposed scheme.* | | Improvements to the existing A678 Burnley Road in form of widening the A678 Burnley Road approach arm of the Red Lion Roundabout and restricting on-street parking. | The New Link Road/A678 Burnley Street junction is proposed to be signalised. | The New Link Road/Gorse Street junction is proposed to be a priority junction. | The existing layout of Gorse Street and the A678 Burnley Road would remain unaffected, with slight alteration to the main carriageway of Burnley Road to create a dedicated right turn lane. Gorse Street would form a minor arm of the priority junction with the A678 Burnley Road. | The alignment of the new link road is slightly offset to avoid land currently occupied by the Tesco car park and running through land currently occupied by a number of residential properties. The New Link Road/Gorse Street junction is proposed to be a priority junction. | This option is a combination of Option 1 and Option 2, with the New Link Road/A678 Burnley Street junction being a priority junction and the New Link Road/Gorse Street being a signal junction. The New Link Road/A678 Burnley Street junction is proposed to have a priority arrangement to avoid ‘rat running’ and encourage motorists to drive along the new link road. |
| Variation from Proposed Scheme  *What are the key differences (characteristics) between the proposed scheme and this option? How is it different?* | | This option provides an alternative to a new offline link. | Option 1 provides a staggered junction arrangement, with the A678 Burnley Road and Gorse Street forming signalised junctions with the new link road. | Option 2 provides a staggered junction arrangement, with the A678 Burnley Road and Gorse Street forming priority junctions with the new link road. | This option would have the new link road terminating at Gorse Street, forming the minor arm on a priority junction arrangement, located behind existing residential properties on the north side of the A678 Burnley Road. This arrangement does not require additional land in order to link the proposed link road between the A678 Furthergate and Red Lion Roundabout. | Option 4 proposes a broadly similar option to that put forward for Option 2, with both the A678 Burnley Road and Gorse Street forming minor arms in a priority junction arrangement with the proposed new link road. The only significant difference from Option 2 is the alignment of the link road, which is slightly offset. | N/A as this is the proposed and preferred scheme. |
| Technical Assessment & Appraisal  *Please describe the level of technical appraisal or assessment undertaken – including previous studies and relevant data – to assess this option, including application of the Early Assessment and Sifting Tool.* | | This option has been eliminated at the initial stage of the sifting process and no detailed technical assessments or appraisals have been carried out. | In developing these options a number of junction capacity assessments have been undertaken, as provided in Appendix H Options Appraisal Report.The assessment of each option presented here has been undertaken utilising Junctions 8 modelling software for priority junctions and LinSig modelling software for signalised junctions. | | | | |
| Consultation  *Please explain the extent of any stakeholder or wider consultation on the option and summarise the key findings.* | | During initial discussions with the key stakeholders from BwDBC this option has been eliminated due to: missing the opportunity to open land for potential development; unsuitability of this option to the character of the A678 Burnley Road being a residential street (as traffic volumes would remain at current levels),  land restrictions, potential objections from local residents and businesses on parking restrictions and severance remaining along the corridor. | Each option has been developed in consultation with key stakeholders from BwDBC as well as representatives of relevant industry organisations. Throughout the consultation it was clear the need for intervention was required and a do nothing approach was not appropriate. | | | | |
| Indicative Cost (£M) & Economic Appraisal  *Please provide indicative costs if known or provide information on the likely affordability against the headings ‘high’ ‘medium’ or ‘low.’ Also explain any economic appraisal undertaken, including benefit/cost analysis* | | High cost option, as additional land is required to widen the A678 Burnley Road approach arm of the Red Lion Roundabout (to improve capacity), additional land required to provide off-street parking for residents of the A678 Burnley Road, who currently park on-street, missed opportunity to open land for potential development between the A678 Burnley Road and the Canal, as well as missed opportunity to accelerate the future developments in the area. | Medium cost option, as additional Tesco land is required. | Medium cost option, as additional Tesco land is required. | Low cost option, as no additional land is required and the existing layout of the A678 Burnley Road/Gorse Street would remain unchanged. | Option 4 has been developed due to political complications with acquisition of Tesco land, requiring the new link road being offset to run through land currently occupied by a number of residential properties. The indicative cost of this option is therefore high, due to requirements to purchase additional land. | £3,457,510 (in 2010 prices) and Economic Appraisal as presented within this SOBC. |
| Impact against Strategic Objectives  *Please describe how this option delivers against the strategic objectives set out in Section 1.3. Make reference to the outputs of the Early Assessment and Sifting Tool process* | Connect to the SRN to Aid Optimisation of the Network as a Whole | No detailed assessments have been carried out, however due to traffic volumes remaining the same (no redistribution of traffic would occur) and land restrictions, it is likely that the Red Lion Rounndabout and Gorse Street junctions would continue to operate over capacity. | This option will provide additional infrastructure to facilitate connection to SRN. Minimal delay is forecasted between the Red Lion Roundabout and the A678 Furthergate. | This option will provide additional infrastructure to facilitate connection to SRN. Minimal delay is forecasted between the Red Lion Roundabout and the A678 Furthergate during the morning peak hour in the future year scenarios. A higher junction delay is however forecasted during the evening park hour in the future year scenarios. | This option will provide additional infrastructure to facilitate connection to SRN. Junction assessments undertaken within the Options Appraisal Report (Appendix H), however demonstrate that Option 3 would generate unacceptable levels of congestion with high delays. | This option will provide additional infrastructure to facilitate connection to SRN. Junction performance would not differ significantly from that modelled for Option 2. | This option will provide additional infrastructure to facilitate connection to SRN.  This option should ensure minimal delay between the Red Lion Roundabout and the A678 Furthergate. |
| Improve the Reliability of Journey Times | No detailed assessments have been carried out, however due to unacceptable levels of congestion, it is likely that the reliability of journey times would remain poor. | This option mitigates the existing issues with journey time reliability. | Potential journey time reliability issues during the evening peak hour. | Due to unacceptable levels of congestion, the reliability of journey times is poor. | Same as Option 2. | This option mitigates the existing issues with journey time reliability. |
| Support Economic Growth and Regeneration | This option does not support economic growth and regeneration. | Provision of new infrastructure would unlock land for potential development, which would benefit from reliable journey times. | Provision of new infrastructure would unlock land for potential development. Additional traffic generated by the potential new developments would however have further detrimental impact on the evening peak hour junction delay. | Provision of new infrastructure would unlock land for potential development. Additional traffic generated by the potential new developments would however have further detrimental impact on already congested highway network. | Same as Option 2. | Provision of new infrastructure would unlock land for potential development, which would benefit from reliable journey times. |
| Reduce Carbon Emissions and Promote Sustainable Transport | No detailed assessments have been carried out. It is however likely that due to remaining capacity and delay issues, this option is considered not to provide any measures to reduce carbon emissions and promote sustainable transport. | Through provision of a new link road and junction improvements, traffic currently travelling along the A678 Burnley Road would have an attractive alternative route, which would therefore help to prevent any worsening of air quality conditions. Due to reduced levels of traffic, the A678 Burnley Road would become a more attractive route for sustainable transport users. | Due to forecasted capacity and delay issues during the evening peak hour, this option is therefore considered not to provide any measures to reduce carbon emissions and promote sustainable transport during the aforementioned evening peak hour period. | Due to forecasted capacity and delay issues, this option is therefore considered not to provide any measures to reduce carbon emissions and promote sustainable transport. | Same as Option 2. | Through provision of a new link road and junction improvements, traffic currently travelling along the A678 Burnley Road would have an attractive alternative route, which would therefore help to prevent any worsening of air quality conditions. Due to reduced levels of traffic, the A678 Burnley Road would become a more attractive route for sustainable transport users. |
| Improve Road Safety and Reduce Severance | This option would not improve road safety or reduce severance. | No road safety assessment has been undertaken for this option.  Severance along the A678 (runs through a residential area) would be reduced by shifting traffic onto the new link road. | No road safety assessment has been undertaken for this option.  Due to congestion and delay issues during the evening peak hour, severance is therefore considered to remain unchanged during the aforementioned period. | No road safety assessment has been undertaken for this option.  Due to forecasted capacity and delay issues, this option is therefore considered not to provide any measures to address severance. | As Option 2. | The preferred interventions have been shown through a COBALT assessment to deliver accident benefits through a reduction in the number of accidents.  Severance along the A678 (runs through a residential area) would be reduced by shifting traffic onto the new link road. |
| Key Risks  *Please identify the key technical, funding and delivery risks associated with this option.* | | Potential land acquisition issues; objections of local residents and businesses; missed opportunity to open land for future developments; significant risk of already congested network becoming more congested. | While it is expected that this option will provide adequate capacity to support background growth, the option runs the risk of economic growth not matching expectations, leading to unforeseen changes in traffic growth. | This option incorporates a measure of mitigation required, but only to address capacity issues during the morning peak hour. | This option presents a significant risk of an already congested network becoming more congested and resulting in peak spreading, which would result in wider delays along SRN.  It would also impact on the environment, potentially increasing emissions. | Potential land acquisition issues and the new link road for this option would run through land currently occupied by a number of residential properties. In addition, similar to Option 2, this option incorporates a measure of mitigation required, but only to address capacity issues during the morning peak hour. | Same as Option 1. |
| Rationale for Rejection  *Please explain why this specific option has been rejected in favour of the proposed scheme.* | | During initial discussions with the key stakeholders from BwDBC this option has been eliminated due to: missing the opportunity to open land for potential development and accelerate new developments in the area; unsuitability of this option to the character of the A678 Burnley Road being a residential street (as traffic volumes would remain at current levels),  land restrictions, potential objections from local residents and businesses on parking restrictions and severance remaining along the corridor | Signalisation of the New Link Road/A678 Burnley Street junction would allow for ‘rat running’, when some motorists could continue travelling along the A678 Burnley Road as currently. It has therefore been rejected. | This option does not provide the required capacity during the evening peak hour.  It has therefore been rejected. | This option could potentially have a significant detrimental effect on the economy and environment of Darwen and the surrounding region. It has therefore been rejected. | This option does not provide the required capacity during the evening peak hour. The potential costs involved are high due to required land to be purchase, currently occupied by residential dwellings.  It has therefore been rejected. | This is the proposed scheme. |

Strategic Case Summary

The proposed Furthergate Link Road scheme is one of three infrastructure packages, which altogether comprise the Growth Deal 3 “Pennine Gateways” project, aimed to support the sustainable delivery of new homes, new business and jobs in the three growth area of the Borough whilst contributing to alleviating congestion.

The “Pennine Gateways” project has been approved in principle by the Lancashire Enterprise Partnership (LEP) for funding and was given “Programme Entry” in spring 2017 as part of Central Government’s Growth Deal 3 announcement. Majority funding for delivery comes via the LEP with physical and financial completion required by March 2021.

Under the scheme proposals, the link road would be completed between the Red Lion Roundabout and Gorse Street, running parallel to the A678 Burnley Road. At its north-eastern end, the new link road would tie into the existing section of the carriageway, which currently forms a fifth arm of the Red Lion Roundabout. At its south-western end, the proposed link road would tie into the A678 Burnley Road, approximately 130m to the north of the signalised junction with the A678 Furthergate. A new signalised junction would be provided where the link road intersects Gorse Street and a priority junction would be provided where the link road intersects the A678 Burnley Road.

The proposals are strongly aligned to various National, Regional and Local policies, helping to achieve both their immediate goals and contribute to longer-term aims.

The main challenge, which the Furthergate Link Road scheme aims to address is to reduce the existing congestion issues along the A678 Burnley Road corridor, resulting in travel time savings and aiding optimisation of the highway network as a whole. In addition, investment in the Furthergate Link Road scheme would contribute to economic growth by releasing the potential for a number of strategic sites along the route of the new link road that would help to attract new developers and accelerate projects that are already planned. Bringing forward new commercial/employment development and possibly housing would also help the borough to meet its Local Plan and Prosperity Plan targets for new business, jobs and homes. Not only would the project encourage development of adjacent sites, but would also help improve air quality for residents who live on both sides of the A678 Burnley Road, promote sustainable transport, reduce severance and improve road safety.

The following key strategic objectives have been identified for the scheme:

* Connect to the SRN to Aid Optimisation of the Network as a Whole
* Improve the Reliability of Journey Times
* Support Economic Growth and Regeneration
* Reduce Carbon Emissions and Promote Sustainable Transport
* Improve Road Safety and Reduce Severance

The impact of not progressing would be detrimental on both local and strategic highway network, particularly accessibility to and from the main gateway of East Lancashire (i.e. M65) and Blackburn town centre. In addition, a number of development sites may suffer from not progressing the scheme, as having no direct access onto the highway network and as a result becoming unattractive for development. If the sites are however delivered, the impact on the local highway network is envisaged to be significant, with junctions forecasted to operate over capacity. This in turn would result in increased air quality issues along the A678 Burnley Road and exacerbation of existing severance issues.

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| Economic Case *The Economic Case assesses options to identify all their impacts and the resulting value for money. This is a key requirement in fulfilment with HM Treasury’s requirement for appraisal. In line with HM Treasury’s appraisal requirements, the impacts considered are not limited to those directly impacting on the measured economy, nor to those which can be monetised. The economic, environmental, social and distributional impacts of a proposal are all examined, using qualitative, quantitative and monetised information. In assessing value for money, all of these are consolidated to determine the extent to which a proposal’s benefits outweigh its costs.* | |
| Value for Money *Please describe to what extent the proposed scheme has been assessed in terms of value for money. Also explain how this will be developed through the Outline Business Case to provide accurate benefit-cost ratio information.*  *Where applicable, please include details of all options that have been appraised.*  *VfM should also include reference to the proposed scheme’s economic, social, environmental and public accounts impact. (in line with the DfT’s Transport Appraisal Framework)*  [The Transport Appraisal Process](https://www.gov.uk/government/publications/webtag-transport-appraisal-process) | **Introduction**  A Benefit Cost Appraisal (BCA) and Gross Value Added (GVA) analysis have been undertaken to assess the economic benefits of the Furthergate Link Road scheme. The BCA and formulation of a Benefit-Cost Ratio (BCR) will form the main focus of economic appraisal of the scheme in line with WebTAG guidance.  Whilst the calculation of BCR is the traditional approach to assessing the merit of transport schemes, GVA analysis seeks to complement standard transport appraisals where these have already been produced. GVA measures the total value of goods and services; i.e. economic activity. In its simplest terms, it is therefore GDP at a local/regional level, minus indirect taxation. The wider economic impacts of the proposed transport schemes are particularly important to understand in terms of the potential benefits for the locality, and in the context of supporting the funding bid for the scheme as well as the Government’s economic growth agenda and the Lancashire SEP objectives.  In line with the LEP’s Accountability Framework a proportionate approach has been adopted for the assessment of the economic benefits of the scheme. The modelling and economic appraisal methodology is detailed in the Value for Money (VfM) Methodology report which can be found in Appendix I.  **Value for Money (VfM) Overview**  Figure 2.1.1 shows the diagram which details the methodology for the VfM assessment of the Furthergate Link Road scheme.    Figure 2.1.1. VfM Assessment Process    The VfM assessment is a staged process, which includes appraisal of the scheme’s economic, environmental, social, distributional and fiscal impacts using qualitative, quantitative and monetised information.  It starts with analysis of monetised costs and benefits and calculation of the Benefit Cost Ratio (BCR) of the scheme. The next stage is to capture and analyse those impacts which cannot be monetised but can be presented as qualitative information. Finally, it looks at how the impacts of the scheme are distributed across different social groups – the Distributional Impacts Analysis. The monetised impacts are summed to construct an Initial BCR – that is the amount of benefit being bought for every £1.00 of cost,  **Analysis of Monetised Impacts and Costs**  The summary of the monetised information, along with the BCR, is presented in the standard Analysis of Monetised Costs and Benefits (AMCB) Table, part of the Furthergate Link Road BCR Technical Note Appendix F.  The details of scheme cost estimates are provided in Appendix L.  Prior to preparation of the BCR Technical Note, the appraisal methodology has been established based on the Department for Transport (DfT)’s Transport Appraisal Guidance (WebTAG) and has been agreed with Jacobs, acting on behalf of Lancashire Enterprise Partnership.  All costs and benefits that are monetised in CBA have been considered following the principles outlined in TAG Unit A1.1 Cost-Benefit Analysis, which can be summarised as follows:   * The impacts of the scheme have been based on the difference between forecasts of the without-scheme (Do-Minimum) and with-scheme (Do-Something) cases; * The impacts have been assessed over a 60 years appraisal period; * The magnitude of impacts has been interpolated and extrapolated over the appraisal period drawing on forecasts for two future years of 2019 opening year and 2034 future year; * The values placed on impacts are in the perceived costs, factor costs and market prices unit of account, converted as appropriate from factor costs using the indirect tax correction factor; * The values are in real prices, in the Department’s base year, accounting for the effects of inflation; * The streams of costs and benefits are in present values, discounted to the Department’s base year; * The results have been presented in the appropriate cost-benefit analysis metrics, a Benefit-Cost Ratio (BCR); and * Sensitivity testing has been undertaken to reflect uncertainty.   Scheme cost estimates have been provided by Capita in May 2018 as a result of contractor tender submissions. Three contractors (EWCE, Casey’s and I&H Brown) have submitted their proposals, although one did not include a quality submission, so was dismissed. Based on the cost and quality of the submissions, EWCW is to be appointed imminently.  A split of costs provided by EWCW is shown below:   |  |  | | --- | --- | | **Series** | **Cost** | | Series 100 - Preliminaries | £228,321.85 | | Series 200 - Site Clearance | £28,428.69 | | Series 300 - Fencing | £19,850.00 | | Series 400 - Road Restraint Systems | £6,967.58 | | Series 500 - Drainage and Service Ducts | £331,722.80 | | Series 600 - Earthworks | £154,826.37 | | Series 700 - Pavements | £577,697.03 | | Series 1100 - Kerbs, Footways and Paved Areas | £227,253.34 | | Series 1200 - Traffic Signs and Road Markings | £219,402.48 | | Series 1300 - Road Lighting Columns and Brackets | £65,844.03 | | Series 1400 - Electrical Work for Road Lighting and Traffic Signs | £7,803.43 | | Series 2400 - Brickwork, Blockwork and Stonework | £101,000.51 | | Series 3000 - Landscape and Ecology | £38,113.51 | | GRAND TOTAL | £2,007,231.62 |   Capita has carried out an analysis of costs provided by EWCE. It has been noted that the cost of one item (Series 1200 - Traffic signs and road markings) varied by greater than 15% over the highest price from another tenderer. This cost has therefore been substituted with an average value from the other tenderers. The amended grand total construction estimate is £2,007,231.62, which is still the lowest tender cost submitted. The base cost estimates are provided below.   |  |  | | --- | --- | | **Item** | **Value** | | **Construction Costs** | | | Construction Estimate | £2,007,231.62 | | Statutory Undertakers’ Diversions | £663,405.00 | | **Construction Total** | **£2,670,636.62** | | Risk (as per Risk Register) | £778,320.00 | | **Fees (as agreed)** | | | Design Fee Agreed | £197,131.00 | | Commissioning 0.5% (of Construction Total) | £133,531.83 | | Works Management 4% (of Construction Total) | £106,825.46 | | Business case + planning refresh | £22,077 | | **Fee Total** | **£459,565** | | **Estimated Surveys and 3rd Party Costs** | | | Topographic surveys | £2,000.00 | | Drainage surveys | £7,800.00 | | Additional Trial Holes | £9,850.00 | | Geotechnical Assessment | £18,000.00 | | Advertisement costs for amendments to Traffic Regulation Orders | £2,700.00 | | Dilapidation survey/Noise assessment | £12,500.00 | | **Sub Total** | **£52,850.00** | | **Project Total** | **£3,961,371.92** |   The scheme costs are expected to occur in two construction years of 2018 and 2019, in accordance with the Delivery Programme included in Appendix N.  As the Furthergate Link Road scheme is a minor scheme, the SOBC is essentially considered as a Full Business Case, as the BCR is calculated based on tendered costs. In line with TAG Unit A1.2 Scheme Costs, an optimism bias of 3% has been applied.  The maintenance costs (including treatment and traffic management costs) have been derived from the QUADRO 2017 Manual Part 2 Table 4/1 Typical Maintenance Profiles, Costs and Durations for New Road, based on the length of the proposed link road (approximately 770m).  Preparation and supervision costs for maintenance have been calculated at 9% and 4% respectively to ensure consistency with the construction costs.  The effects of inflations have been taken into account by applying a Gross Domestic Product (GDP) deflator, which reflects the prices of all domestically produced goods and services in the economy.  In line with the WebTAG Unit A1.1 section 2.7 ‘Present values and discounting’, the scheme’s costs have been discounted to reflect people’s preferences for current consumption over future consumption. A discount rate of 3.5% has been applied from the A1.1.1: Green Book Discount Rates, applied from the current year 2018. A discount rate of 3.5% has been also applied for the years between the current year of 2018 and the base year of 2010.  Summing up the stream of discounted costs results in the ‘present value of costs’ (PVC), the value of a cost in the base year equivalent to the stream of estimated costs. PVC for the scheme has been calculated as £3,573,424. As stated above, the details of scheme cost estimates are provided in Appendix L.  The scheme’s benefits have been calculated based upon the journey time savings associated with the re-distribution of traffic from the A678 Burnley Road onto the new link road. The journey time savings have been derived by comparing the total travel time for the Do-Minimum (DM) and the Do-Something (DS) scenarios. Each scenario has been compared for the 2019 opening year and the 2034 future year for the AM peak, PM peak and Inter Peak (IP) hours.  The DM scenario considers journey time along the existing route of the A678 Burnley Road, between the Red Lion Roundabout and the Furthergate signal junction, via the Gorse Street priority junction. The journey time has been calculated based on the length of the existing route and the surveyed speeds for each peak hour. The delays associated with the Red Lion Roundabout, the A678 Burnley Road/Gorse Street priority junction and the existing pedestrian zebra crossing located to the west of the A678 Burnley Road/Gorse Street priority junction have been taken account of in the total travel time savings (see Section 3.6 of the BCR TN).  The DS scenario considers the journey time along both the proposed new link road and the existing A678 Burnley Road route, reflecting future re-distribution of traffic (see Section 3.4 of the BCR TN).  It has been assumed that the vast majority of traffic would shift from the A678 Burnley Road onto the new link road as it has been designed to cater for through traffic. Based on CAPITA traffic counts along the A678 Burnley Road and adjacent minor roads, it has been observed that in excess of 90 per cent of traffic travelling along the corridor is through traffic. It is logical to assume that the vast majority of through traffic will transfer onto the higher standard road. The 2019 and 2034 re-distributed traffic flows for the AM peak, PM peak and IP hours are shown in Figure 10 to 15 of Appendix D, which represent that 2019 DS and 2034 DS scenarios respectively.  To ensure no overestimation occurs, a sensitivity test (ST3) has been carried out (which is detailed in Section 4.1 of the BCR TN), assuming a 70 per cent re-distribution of traffic from the A678 Burnley Road onto the new link road.  The journey times has been calculated based on the lengths of the existing and proposed routes. The following delays have been included in the DS scenario:   * Via the New Link Road: the Red Lion Roundabout, the Link Road/Gorse Street signal junction, the Link Road/Burnley Road priority junction; and * Via the existing A678 Burnley Road: the Red Lion Roundabout, the Link Road/Burnley Road priority junction, the existing pedestrian zebra crossing   In addition to travel times, total junction delays have been quantified by the 2019 and 2034 DM and DS scenarios, in the AM peak, PM peak and IP hours. The priority junction assessments have been undertaken using the industry standard software Junctions 8. LinSig has been used to assess the operational capacity of the signal junctions, which is a current recognised industry standard software for assessing signal junctions. Junction modelling outputs are provided in Appendix E of the BCR Technical Note report included as Appendix J of this document.  Journey time savings have been derived for the calculated demand in the 2019 opening year and the 2034 future year and then monetised.  The derived journey time savings have been monetised by splitting them by each user class and journey purpose (sourced from the WebTAG Databook, December 2017) and applying expansion factors to annualise the scheme derived benefits. Although it is recognised that expansion factors are typically used to growth traffic totals for analysis rather than benefits, the methodology applied is consistent with other BCR TNs prepared in support of business cases for similar sized schemes in Lancashire and elsewhere. Furthermore, there are currently no permanent monitoring sites in BwD that could be used to derive robust annualisation factors.  Annual transport benefits have been calculated (based on a 12-hour weekday only) and forecasted over a 60-year appraisal period in line with the WebTAG recommendations and standard values.  Finally, sensitivity testing has been undertaken around the core scenario.  The appraisal results for the core scenario demonstrate a BCR of 9.97 and NPV of £32,048,483, which means a ‘very high’ VfM (see Table 2.1.1).  **Table 2.1.1. BCR Core Scenario**   |  |  | | --- | --- | | **Item** | **Core Scenario** | | **Present Value of Costs (PVC)** | £3,573,424 | | **Present Value of Benefits (PVB)** | £35,621,906 | | **Benefit-Cost Ratio (BCR)** | 9.97 | | **Net Present Value (NPV)** | £32,048,483 |   WebTAG worksheets for the core scenario and sensitivity tests are provided in Appendix K.  **Analysis of Non-Monetised Impacts and Costs**  The second stage of a Value for Money assessment builds on the initial monetised costs and benefits and considers qualitative and quantitative information on those impacts which cannot be monetised and how these contribute to the Value for Money of the scheme.  Although a detailed appraisal of non-monetised impacts has been scoped out, using qualitative information a qualitative assessment score has been given to each of the impacts listed below:   * Impacts on Landscape; * Impacts on Townscape; * Impacts on Historic Environment; * Impacts on Physical Activity; * Impacts on Journey Quality; * Impacts on Severance; and * Dependent Development Impacts.   The results of non-monetised impacts are summarised within the AST.  **Analysis of Distributional Impacts**  Finally to understand the impacts of the scheme on different social groups, including those which are potentially more vulnerable to the effects of transport the Distributional Impacts (DI) appraisal has been undertaken. The DI analysis is mandatory in the scheme appraisal process and as a minimum is required for the following five impacts: User Benefits, Noise, Air Quality, Accidents, and Personal Affordability.  Full details of the methodology and results for each DI impact are given within the Social and Distributional Impacts Appraisal Report and included as Appendix C. The results of the DI Appraisal are also reported within the AST.  **GVA Assessment**  The GVA analysis seeks to complement standard transport appraisals. The wider economic impacts of the proposed transport schemes are particularly important to understand in terms of the potential benefits for the locality and the Government’s economic growth agenda.  The analysis of potential GVA benefits has been undertaken in the following stages, as summarised in Figure 2.1.2 below.    Figure 2.1.2. Theoretical GVA Framework    The GVA analysis seeks to complement standard transport appraisals. The wider economic impacts of the proposed transport schemes are particularly important to understand in terms of the potential benefits for the locality and the Government’s economic growth agenda.  GVA measures the total value of goods and services, i.e. economic activity. In its simplest terms, it is therefore GDP at a local/regional level minus indirect taxation.  Unlike standard transport appraisals, there is not a single methodology for estimating the impacts of a scheme on GVA, employment or similar measures of the performance of the real economy. Methodologies often vary considerably across studies.  Different methods have particular strengths and weaknesses, and thus there is no single definition of what GVA is or how it should be quantified in the context of transport appraisal.  In this context, a bespoke methodology has been developed to provide a consistent theoretical framework for assessing additional economic benefits. This ensures that the scheme is subject to a standard process and quantification of benefits; albeit using local variations in GVA per job, and local transport capacity constraints overcome.  Not all elements of GVA benefits are applicable for every type of scheme. The change as a result of unlocked development has been considered appropriate for the Furthergate Link Road scheme and has subsequently been assessed.  There is currently a high level of uncertainty regarding the future number of jobs in the area, as no final master plan has yet been developed by BwDBC. The GVA assessment has been based on information provided by BwDBC, and assumes GVA benefits are derived from an acceleration of development in the with scheme scenario (i.e. development would be realised sooner with the link road in place than if this was to be funded/delivered by developers).  Given the industrial nature of the area through which the link road is proposed to run, only employment sites have been identified by BwDBC, which are shown in Appendix F of the BCR TN and summarized below:   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **Development** | **Area (sqm)** | **No. of Jobs** | **GVA per Employee** | **Base Case Year (without scheme)** | **Scheme Case Year (with scheme)** | | Greenbank Business Park Plot 1 | 19,000 | 238 | £4,830,750 | 2030 | 2026 | | Greenbank Business Park Plot 2 | 38,000 | 475 | £9,661,500 | 2030 | 2026 | | Greenbank Business Park Plot 3 | 16,000 | 200 | £4,068,000 | 2030 | 2027 | | Davis Road | 23,000 | 288 | £5,847,750 | 2030 | 2026 | | Bruce/Gladstone St | 8,000 | 100 | £2,034,000 | 2025 | 2021 | | Furthergate Plot 1 | 5,000 | 63 | £1,271,250 | 2045 | 2022 | | Furthergate Plot 2 | 16,000 | 200 | £4,068,000 | 2045 | 2024 | | Furthergate Plot 3a | 9,000 | 113 | £2,288,250 | 2045 | 2026 | | Furthergate Plot 3b | 5,000 | 63 | £1,271,250 | 2045 | 2026 | | Burnley Rd | 5,000 | 63 | £1,271,250 | 2030 | 2024 | | Cobbie Gate St | 11,000 | 138 | £2,796,750 | 2025 | 2022 | | Dock Street Higher Enam | 5,000 | 63 | £1,271,250 | 2025 | 2020 | | Intack Bus Depot Site reconfiguration | 10,000 | 125 | £2,542,500 | 2025 | 2020 |   It is anticipated that there would be no jobs directly connected to the scheme. It is however considered that following realisation of BwDBC’s aspirations for growth and further development of the Local Plan, it is considered that there is a potential for 2,125 additional jobs.  Benefits generated by unlocked employment are quantified by multiplying the number of jobs expected to be generated by GVA per employee, which is £20,340[[1]](#footnote-1) as shown in table above.  The benefits over the 25 year period have been discounted using a 3.5 per cent discount rate as defined in the WebTAG. This is in line with Treasury Green Book guidance and is applicable to years 1 to 30 where appropriate.  The following results have been obtained from the GVA analysis:   * Base Case ‘Without Scheme’ Discounted Total GVA 60 years (2010 prices) - £101,177,986 * Base Case ‘Without Scheme’ Discounted Total Adjusted (39%) GVA 60 years (2010 prices) - £39,459,414 * Scheme Case Discounted Total GVA 60 years (2010 prices) – £198,274,231 * Scheme Case Discounted Total Adjusted GVA 60 years (2010 prices) – £77,326,950 * ‘With Scheme’ minus ‘Without Scheme’ Discounted Total GVA 60 years (2010 prices) - £97,096,245 * ‘With Scheme’ minus ‘Without Scheme’ **Discounted Adjusted** Total GVA 60 years (2010 prices) - **£37,867,536** * Average GVA per annum (2010 prices discounted adjusted) - **£631,126**   Given an investment of £3,573,424, this would be returned within 6 years of the scheme opening. However, this figure represents an average over the appraisal period of the scheme and gives the profiling of benefits, may not be recouped for several years.  The GVA analysis is presented in the Furthergate Link Road BCR Technical Note provided in Appendix J.  A sensitivity test has been carried out to ensure the GVA benefits calculated are not overestimated and are in line in those initially submitted to the Local Enterprise Partnership (LEP). As the values submitted previously have not been discounted, Appendix G includes the undiscounted GVA benefits, which are in line with those previously submitted to LEP:   * ‘With Scheme’ minus ‘Without Scheme’ **Undiscounted** Total GVA 60 years (2010 prices) - **£235,626,188**   **AMCB Table**  The Analysis of Monetised Costs and Benefits (AMCB) table is an industry standard table published by the DfT for the presentation of all monetised impacts of a scheme considered sufficiently robust for inclusion in the NPV and BCR. Table 4.2 summarises the outputs of the BCA for the Furthergate Link Road scheme.  **Table 2.1.2. AMCB Table**   |  |  | | --- | --- | | Noise | **-** | | Air Quality | - | | Greenhouse Gases | - | | Journey Quality | - | | Physical Activity | - | | Accidents | - | | Economic Efficiency: Consumer Users (Commuting) | £9,804,372 | | Economic Efficiency: Consumer Users (Other) | £11,474,051 | | Economic Efficiency: Business Users and Providers | £14,343,483 | | Wider Public Finances (Indirect Taxation Revenues) | - | | Present Value of Benefits (PVB) | £35,621,906 | | Present Value of Costs (PVC) | £3,573,424 | | Net Present Value (NPV) | £32,048,483 | | Benefit to Cost Ratio (BCR) | 9.97 |   With a BCR of 9.97 and NPV of £32,048,483, the Furthergate Link Road scheme represents a ‘very high’ VfM meeting the threshold for approval for funding from LEP as per LEP Accountability Framework. |
| Economic Assumptions *Please describe any economic assumptions made or that will be made as part of future appraisal work and the development of the Outline Business Case.* | **Overview**  This section summarises the key assumptions supporting the Value for Money analysis. This includes the assumptions set out in WebTAG as well as further assumptions specific to the scheme.  The scheme’s benefits have been calculated based upon the journey time savings associated with the re-distribution of traffic from the A678 Burnley Road onto the new link road. The journey time savings have been derived by comparing the total travel time for the Do-Minimum (without scheme) and the Do-Something (with scheme) scenarios.  **Time Periods**   * From the Manual Classified Count survey, it was determined that the weekday AM peak hour of the highway network is 8am to 9am and the weekday PM peak hour is 4:30pm to 5:30pm and the weekday IP hour is an average hour between 10:00am and 16:00pm.   **Speeds**   * To quantify the journey time along the existing route of the A678 Burnley Road, a speed survey has been undertaken. The survey has initially commenced on Monday 19th March 2018. The loops were however damaged, after recording only 20 hours of the survey, between 1pm on Monday 19th March and 9am on Tuesday 20th March. The loops have been re-installed on Wednesday 28 March 2018 and the full seven-day period of the survey data has been recorded. * As the full seven-day survey period includes the Easter holiday weekend and school holidays, the average speeds for the AM and PM peak hours have been derived from the one-day survey, whilst the average speed for the IP hour has been derived from the seven-day survey. This ensures that the AM peak, PM peak and IP hour speeds represent typical traffic conditions. The AM peak, PM peak and IP hour speeds used in the DM scenario for the existing A678 Burnley Road route are summarised in Table 3.1.   Table 2.1.3. Average Speed at the A678 Burnley Road   |  |  |  |  | | --- | --- | --- | --- | |  | **AM Peak Hour** | **PM Peak Hour** | **IP Hour** | | **Average Speed** | 24.9mph | 24.5mph | 25.6mph |  * For the proposed new link road a 40mph speed limit has been considered.   **Traffic Growth**   * Two future years have been considered, the 2019 scheme opening year (based on current delivery programme) and the 2034 future forecast year (15 years following scheme implementation). * TEMPro version 7.2 has been used to establish traffic growth factors from 2018 to 2019 and from 2018 to 2034. * Traffic growth factors, adjusted by the National Trip End Model (NTEM) have been derived for BwD local authority area, as well as E02002621 BwD 007 and E02002622 BwD 008 areas through which the proposed new link road runs. * Traffic growth factors for BwD 008 are the highest, and have therefore been used to calculate the 2019 and 2034 ‘growthed’ traffic flows. Application of higher traffic growth factors ensures that the junction capacity assessments are robust and represent the worst case scenarios, as higher delays would be expected when more traffic is travelling through the junction.   **Traffic Redistribution**   * It has been assumed that the vast majority of traffic would shift from the A678 Burnley Road onto the new link road as it has been designed to cater for through traffic. Based on CAPITA traffic counts along the A678 Burnley Road and adjacent minor roads, it has been observed that in excess of 90 per cent of traffic travelling along the corridor is through traffic. It is logical to assume that the vast majority of through traffic will transfer onto the higher standard road.   **Junction Delay**   * The delay has been calculated for the following junctions:   ***DM:*** The Red Lion Roundabout, the existing A678 Burnley Road/Gorse Street priority junction, the existing zebra crossing Burnley Road  ***DS:*** the Red Lion Roundabout, the proposed Link Road/Gorse Street signalized junction, the proposed Link Road/A678 Burnley Road priority junction, the existing zebra crossing Burnley Road  **Appraisal Period**   * In line with WebTAG guidance, the annual transport benefits for each scheme have been interpolated and projected over a 60-year appraisal period after the scheme opens, capturing the planned period of scheme development and implementation. * Two future years have been considered, the 2019 scheme opening year (based on current delivery programme) and the 2034 future forecast year (15 years following scheme implementation).   **Benefits Capture and Annualisation**   * The derived journey time savings have been monetised by splitting them by each user class and journey purpose (sourced from the WebTAG Databook, December 2017) and applying expansion factors to annualise the scheme derived benefits. * Although it is recognised that expansion factors are typically used to growth traffic totals for analysis rather than benefits, the methodology applied is consistent with other BCR technical reports prepared in support of business cases for similar sized schemes in Lancashire and elsewhere. Furthermore, there are currently no permanent monitoring sites in BwD that could be used to derive robust annualisation factors. * The peak hour to peak period factors have been calculated based on the Automatic Traffic Count (ATC) survey and are summarised as follows:   AM Peak Hour to Peak Period – 2.58  PM Peak Hour to Peak Period – 2.70  IP Peak Hour to Peak Period - 6   * The working day to working year factor applied is 253. * The annual transport benefits shown have been interpolated and projected over a 60-year appraisal period. Appropriate growth in the value of time for each year of the appraisal has been sourced from the WebTAG Databook and applied to each year across the 60 year appraisal period. |
| Sensitivity & Risk Profile *If applicable, please describe how changes in economic, environmental and social factors could affect the impact of the proposed scheme in terms of its benefit and costs.* | In line with the TAG Unit A1.1, sensitivity testing should be undertaken to reflect uncertainty. The following sensitivity tests have therefore been conducted deviating from the core scenario to test the robustness of the economic forecast to potentially unrealised benefits:   * Sensitivity Test One (ST1)- A 30mph travel speed for the proposed new link road * Sensitivity Test Two (ST2) - A zero traffic growth following the 2019 opening year * Sensitivity Test Three (ST3) - A 70% re-distribution of traffic from the A678 Burnley Road onto the new link road * Sensitivity Test Four (ST4) – A 20mph speed limit along the A678 Burnley Road, between the Red Lion Roundabout and the priority junction with the link road. * Sensitivity Test Five (ST5) - A 30mph travel speed for the proposed new link road and a 20mph speed limit along the A678 Burnley Road, between the Red Lion Roundabout and the priority junction with the link road.   Sensitivity Test variations on the whole scheme PVC, PVB and BCR are shown in Table 2.1.4.  Table 2.1.4. Sensitivity Test Results   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | **PVC** | **PVB** | **BCR** | **NPV** | | Core Scenario | £3,573,424 | £35,621,906 | 9.97 | £32,048,483 | | ST1 | £3,573,424 | £30,168,068 | 8.44 | £26,594,644 | | ST2 | £3,573,424 | £11,777,751 | 3.30 | £8,204,327 | | ST3 | £3,573,424 | £54,247,058 | 15.18 | £50,673,634 | | ST4 | £3,573,424 | £34,569,498 | 9.67 | £30,996,075 | | ST5 | £3,573,424 | £29,115,660 | 8.15 | £25,542,236 |   It can be seen from Table 2.1.4 that for each of the sensitivity tests undertaken, the scheme is shown to offer VfM.  As a zero growth sensitivity test has been carried out, it is considered not necessary to undertake a ‘low growth’ sensitivity test. A higher growth rate is likely to yield greater benefits and as the core scheme appraisal and a range of sensitivity tests are indicating ‘high’ or ‘very high’ value for money a ‘high growth’ and ‘low growth’ sensitivity tests are not considered necessary. |
| Value for Money Statement *Using the Appraisal Summary Table (AST) (see section 2.5), please include a summary of the conclusions from the Value for Money assessment. The statement should provide a concise summary of the proposed scheme’s economic, environmental, social and public accounts impact.* | The appraisal results for the core scenario of the Furthergate Link Road scheme demonstrate a BCR of 9.97 and NPV of £32,048,483, which means a ‘very high’ VfM. Sensitivity testing has been carried out, for five scenarios, four of which still demonstrate a ‘very high’ VfM and one demonstrates a ‘high’ VfM.  In addition, a GVA analysis has been undertaken using an evidence-led, theoretically consistent framework approach, based on available studies and parameters (in absence of commonly recognised and adopted methodology).  It is anticipated that there would be no jobs directly connected to the scheme. It is however considered that following realisation of BwDBC’s aspirations for growth and further development of the Local Plan, it is considered that there is a potential for 2,125 additional jobs, amounting to additional £37,867,536 GVA benefits for the local economy. A net GVA over the appraisal period of £631,126 per annum averaged over a 60-year appraisal period has been calculated based on the locally adjusted GVA values (in 2010 discounted prices).  The scheme is expected to have a slight beneficial impact against the majority of social impacts. Although no formal quantification of journey time reliability has been undertaken, it is expected that the impact would be large beneficial, due to availability of an alternative new route, to an already congested A678 Burnley Road corridor, with an increased capacity, reduced junction delay, reduced total journey time and delays caused by accidents. The impact on severance is considered to be large beneficial as the level of relief would be up to 90% of through traffic. The impact on affordability is considered to be neutral.  The scheme is expected to have a neutral impact on the majority of environmental impacts. Although no detailed impact assessment on landscape has been carried out, it is envisaged that the impact would be slight beneficial.  In view of the positive findings, it has been concluded that the proposed Furthergate Link Road scheme should be taken forward.  Economic Output Comparison   |  |  |  | | --- | --- | --- | | **Economic Output** | **Furthergate** | **Pennine Gateway Forecast Total** | | Housing units | Nil | 870 | | Private sector investment | £71m | £125m | | Jobs | 438 | 3,750 | | Commercial floor space | 17,500 | 64,000 sq m | | GVA | £236m | £414.7m |   A yearly cumulative total for how these outputs will be achieved is provided below.   |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | **Year** | **Floorspace (sqm)** | | | **Jobs** | | | **GVA (£,000s)** | | **Scheme Dep.** | **Accel.** | **TOTAL** | **Scheme Dep.** | **Accel.** | **TOTAL** | | 2021 | - | 11,500 | 11,500 | - | 288 | 288 | £673.8 | | 2025 | 10,500 | 19,500 | 30,000 | 263 | 488 | 750 | £7,932.6 | | 2026 | 17,500 | 59,500 | 77,000 | 438 | 1,488 | 1,925 | £12,026.0 | | 2027 | 17,500 | 67,500 | 85,000 | 438 | 1,688 | 2,125 | £17,848.4 | |

## Appraisal Summary Table

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | |  | **Date produced:** | | 20/04/2018 | | | | | | |  | |  | | | | **Contact:** | | |
|  |  |  |  |  | | |  | |  | |  | |  | |  |  | | | |  | | |
| **Name of scheme:** | | Furthergate Link Road | | | | | | | | | | | | | | | **Name** | | Mike Cliffe | |
| **Description of scheme:** | | Under the scheme proposals, the link road would be completed between the Red Lion Roundabout and Gorse Street, running parallel to the A678 Burnley Road. In view of the existing congestion issues along the A678 Burnley Road corridor, the impact of not progressing would be detrimental on both local and strategic highway network, particularly accessibility to and from the main gateway of East Lancashire (i.e. M65) and Blackburn town centre. | | | | | | | | | | | | | | | **Organisation** | | BwDBC | |
| **Role** | | Project Sponsor | |
|  |  |  |  |  | | |  | |  | |  | |  | |  |  | | | |  | |  |
| **Impacts** | | **Summary of key impacts** | **Assessment** | | | | | | | | | | | | | | | | | |
|  |  |  | **Quantitative** | | | | | | | | | **Qualitative** | | | | | **Monetary** | | **Distributional** | |
|  |  |  |  | | | | | **£(NPV)** | | **7-pt scale/ vulnerable grp** | |
| **Economy** | Business users & transport providers | At present, there is a high volume of traffic passing through the residential area along the A678 Burnley Road. This is evidenced by the speed survey undertaken, which demonstrates that the average AM peak, PM peak and IP hour speeds are below a 30mph speed limit (24.9mph, 24.5mph and 25.6mph respectively). The existing highway network currently operates close to capacity and the situation is likely to deteriorate in the nearest future. The modelling exercise undertaken supports this, demonstrating that the existing Red Lion Roundabout would reach its capacity by the 2034 and the existing A678 Burnley Road/Gorse Street priority junction is forecasted to operate over capacity in the 2019 and 2034 future years.  With the new link road provided, it is envisaged that the majority of through traffic currently travelling along the A678 Burnley Road would be re-distributed onto the new link road, therefore re-balancing traffic flows and ensuring efficient operation of the highway network. The proposed scheme will provide journey time savings for all highway users, particularly by reducing delay at the associated junctions during the AM and PM peak hours, when the majority of people are going to and from work. | **Value of journey time changes(£)** | | | | | £14,343,483 | | | | N/A | | | | | £14,343,483 | | N/A | |
| **Net journey time changes (£)** | | | | | | | | |
| 0 to 2min | | | 2 to 5min | | | | > 5min | |
| N/A | | | N/A | | | | N/A | |
| Reliability impact on Business users | Reliability for business users is expected to be positive due to availability of an alternative new route to an already congested Burnley Road corridor, with an increased capacity, reduced junction delay, reduced total journey time and delays caused by accidents. No formal quantification of journey time reliability has however been undertaken. | N/A | | | | | | | | | Large Beneficial | | | | | N/A | |  | |
| Regeneration | Regeneration impact has been assessed as part of the GVA benefit analysis, which considered increase in the employment as a result of the scheme. An estimate of jobs is expected to be accelerated by the scheme, which demonstrated a positive impact of the scheme on regeneration. | 2,125 Jobs | | | | | | | | | Large Beneficial | | | | | N/A | |  | |
| Wider Impacts | The scheme is expected to generate over GVA benefits of £25,802,575 over 60 years (discounted total GVA in 2010 prices) through accelerated development and increase in productivity which shows that the Furthergate Link Road scheme will have wider impacts strongly supporting local economic activity. This represents an annual average benefit of £430,043 (in 2010 prices) to the Blackburn with Darwen economy. Approximately 2,125 jobs will be accelerated by the scheme, of which approximately 438 would be created only if the proposed link road is developed. | N/A | | | | | | | | | Large Beneficial | | | | | N/A | |  | |
| **Environmental** | Noise | Noise quality assessment has been carried out to support the planning application for the new link road. Comparing the results of the environmental noise survey with the threshold value set out in the BS5228, the site falls into Category A at all times (which is the lowest threshold). From this, appropriate construction noise limits have been set in line with the guidance in BS5228. The impact of the scheme is therefore considered as neutral. In view of the scale of the project no further assessments have been carried out. | N/A | | | | | | | | | Neutral | | | | | N/A | | N/A | |
| Air Quality | No air quality assessment has been required as part of planning application submission. The impact of the scheme on air quality is therefore considered as neutral and has not been assessed. | N/A | | | | | | | | | Neutral | | | | | N/A | | N/A | |
| Greenhouse gases | The scheme is likely to have a negligible impact on Greenhouse Gasses, and therefore further assessment has not been carried out. | Change in non-traded carbon over 60y (CO2e) | | | | | N/A | | | | Neutral | | | | | N/A | |  | |
| Change in traded carbon over 60y (CO2e) | | | | | N/A | | | |
| Landscape | The proposed link road would run through a derelict unused industrial area, which currently has a 'poor' sense of place. The proposed link road will therefore enable some sense of place and enhance the existing landscape character in the area, which is not a designated landscape, nor vulnerable to change. The scheme would have no conflict with government policy towards protection of the countryside, and would fit well within the scale, landform and pattern of the landscape. A detailed impact assessment on the landscape has however been scoped out. | N/A | | | | | | | | | Slight Beneficial | | | | | N/A | |  | |
| Townscape | The scheme is likely to have a neutral impact on the townscape, as it has been designed to complement the layout, mix, appearance, human interaction and cultural aspects of the townscape. The scheme has no conflict with government policy of enhancing urban environments and maintains existing townscape character in the area which is not designated for the quality of its townscape, nor vulnerable to change. | N/A | | | | | | | | | Neutral | | | | | N/A | |  | |
| Historic Environment | The scheme would have no impact on the historic environment, particularly buildings of architectural or historic significance, areas (such as parks, gardens, other designated landscapes or public spaces), remnant historic landscapes and archaeological complexes, and sites (e.g. ancient monuments, places with historical associations such as battlefields, preserved evidence of human effects on the landscape, archaeological sites and so on). A detailed impact assessment has therefore been scoped out. | N/A | | | | | | | | | N/A | | | | | N/A | |  | |
| Biodiversity | Biodiversity and Water Environment have been analysed within the Ecology Report submitted with the planning application for the new link road. The key receptors and vulnerable groups affected have been identified, and the appropriate mitigation measures have been proposed, if considered appropriate. | N/A | | | | | | | | | Neutral | | | | | N/A | |  | |
| Water Environment | N/A | | | | | | | | | N/A | | | | | N/A | |  | |
| **Social** | Commuting and Other users | At present, there is a high volume of traffic passing through the residential area along the A678 Burnley Road. This is evidenced by the speed survey undertaken, which demonstrates that the average AM peak, PM peak and IP hour speeds are below a 30mph speed limit (24.9mph, 24.5mph and 25.6mph respectively). The existing highway network currently operates close to capacity and the situation is likely to deteriorate in the nearest future. The modelling exercise undertaken supports this, demonstrating that the existing Red Lion Roundabout would reach its capacity by the 2034 and the existing A678 Burnley Road/Gorse Street priority junction is forecasted to operate over capacity in the 2019 and 2034 future years.  With the new link road provided, it is envisaged that the majority of through traffic currently travelling along the A678 Burnley Road would be re-distributed onto the new link road, therefore re-balancing traffic flows and ensuring efficient operation of the highway network. The proposed scheme will provide journey time savings for all highway users, particularly by reducing delay at the associated junctions during the AM and PM peak hours, when the majority of people are going to and from work. | **Value of journey time changes(£)** | | | | | £21,278,423 | | | | N/A | | | | | £21,278,423 | | N/A | |
| **Net journey time changes (£)** | | | | | | | | |
| 0 to 2min | | | 2 to 5min | | | | > 5min | |
| N/A | | | N/A | | | | N/A | |
| Reliability impact on Commuting and Other users | Reliability for business users is expected to be positive due to availability of an alternative new route to an already congested Burnley Road corridor, with an increased capacity, reduced junction delay, reduced total journey time and delays caused by accidents. No formal quantification of journey time reliability has however been undertaken. | N/A | | | | | | | | | Large Beneficial | | | | | N/A | |  | |
| Physical activity | Although cycle lanes and footways would be provided on both sides of the proposed new link road, the scheme is not designed to have any impact on physical activity, and is purely focussed on improving the journey times, providing an alternative route for through traffic between Blackburn and Junction 6 of the M65 motorway, as well as reducing congestion through the residential area along the A678 Burnley Road.  Reducing congestion along the A678 Burnley Road would in turn have a positive impact by changed environment along the route, which would be friendlier for cyclists and pedestrians. It is therefore envisaged, that there would be a slight benefit to physical activity. Any further analysis would however be disproportionate to the scale of the project. | N/A | | | | | | | | | Slight Benefits | | | | | N/A | |  | |
| Journey quality | Given the scale of the Furthergate Link Road scheme, it is considered that there will be a slight beneficial impact on journey quality by reduced travellers stress and frustration. By transferring traffic from congested A678 Burnley Road route onto the new link road, drivers would be able to make a good progress along both the new link road and the A678 Burnley Road, avoiding the delay previously experienced. Furthermore, additional benefits would be expected associated with reduced frustration of public transport users, due to improved journey times for buses running along the A678 Burnley Road corridor. | N/A | | | | | | | | | Slight Benefits | | | | | N/A | |  | |
| Accidents | A qualitative impact assessment has been undertaken as the number of casualties on the affected links within the study area is not more than 50 over a five-year period.  Slight benefits can be expected to road safety by transferring through traffic from the A678 Burnley Road, and as a result reducing congestion and a potential for conflict between traffic and vulnerable groups, particularly children, older people (both as pedestrians), young males and motorcyclists. The impact of the proposal on the road safety is considered as slightly beneficial as opposed to moderate or large beneficial, due to acknowledging that by providing a new infrastructure, the potential for new accidents arises. Absence of vulnerable groups of population in the immediate vicinity of the proposed link road and the proposed design being in line with current design standards and best practice however allows to support the statement that an overall impact on road safety would be slightly beneficial. | N/A | | | | | | | | | Slight Benefits | | | | | N/A | | Slight Benefits to vulnerable population groups. | |
| Security | The Furthergate Link Road scheme will have a minor beneficial impact on security, by reducing the need to stop vehicles or travel at low speeds, as a result of reduced congestion along the A678 Burnley Road. It is therefore considered that the scheme will have minor beneficial impact on security. Any further analysis would however be disproportionate to the scale of the project. | N/A | | | | | | | | | Slight Benefits | | | | | N/A | | N/A | |
| Access to services | The scheme is likely to have slight benefits on accessibility for unlocked land, by providing a direct link to a wider local and strategic highway network, as well as the existing cycle and pedestrian routes, by providing cycle lanes and footways along the new link road. Accessibility would also be improved along the existing A678 Burnley Road corridor, by reducing congestion (making the route more attractive for cycling and walking) and improving public transport journey times. | N/A | | | | | | | | | Slight Benefits | | | | | N/A | | N/A | |
| Affordability | Some benefits are also envisaged on car fuel costs, due to reduced congestions and as a result improved journey times along the A678 Burnley Road. Based on the scale of the project the overall impact is however considered to be neutral. | N/A | | | | | | | | | Neutral | | | | | N/A | | N/A | |
| Severance | The Furthergate Link Road scheme includes appropriate pedestrian infrastructure in form of footways provided on both sides of the new link road and pedestrian crossing facilities at the proposed junctions. Provision of a new link road would have a beneficial impact on future severance, as the unlocked land for future development would benefit from immediate connection to a wider highway, existing cycling and pedestrian networks. Reduced traffic volumes along the A678 Burnley Road would in turn reduce severance along the route for vulnerable groups. The impact is considered to be large beneficial as the level of relief would be up to 90% of through traffic. | N/A | | | | | | | | | Large Beneficial | | | | | N/A | | N/A | |
| Option and non-use values | No option and non-use assessment has been undertaken as part of this appraisal. | N/A | | | | | | | | | N/A | | | | | N/A | |  | |
| **Public Accounts** | Cost to Broad Transport Budget | The scheme is to be funded through a combination of Growth Deal and Local Transport Plan funds with a total cost of £3,457,510 (in 2010 prices). | N/A | | | | | | | | | N/A | | | | |  | |  | |
| Indirect Tax Revenues | N/A | N/A | | | | | | | | | N/A | | | | | N/A | | | |

**Economic Case Summary**

A Benefit Cost Appraisal and Gross Value Added analysis have been undertaken to assess the economic benefits of the Furthergate Link Road scheme.

The Value for Money assessment is a staged process which includes appraisal of the scheme’s economic, environmental, social, distributional and fiscal impacts using qualitative, quantitative and monetised information.

The scheme’s benefits have been calculated based upon the journey time savings associated with the re-distribution of traffic from the A678 Burnley Road onto the new link road. The journey time savings have been derived by comparing the total travel time for the ‘with-scheme’ and the ‘without-scheme’ scenarios.

The Furthergate Link Road scheme appraisal demonstrates ‘very high’ value for money—and meets the threshold for approval for funding from LEP as per the LEP Accountability Framework—based on a traditional transport BCR of 9.97 for the scheme.

Sensitivity testing has been carried out, for five scenarios, four of which still demonstrate a ‘very high’ VfM and one demonstrates a ‘high’ VfM.

In addition, a GVA analysis has been undertaken using an evidence-led, theoretically consistent framework approach, based on available studies and parameters (in absence of commonly recognised and adopted methodology).

The GVA benefits have been calculated based on the ‘without scheme’ GVA subtracted from the ‘with scheme’ GVA.

The scheme will generate additional £37,867,536 GVA benefits for the local economy. A net GVA over the appraisal period of £631,126 per annum averaged over a 60-year appraisal period has been calculated based on the locally adjusted GVA values (in 2010 discounted prices). The net GVA benefit has been calculated based upon the acceleration of 2,125 additional jobs, of which approximately 438 would be created only if the proposed link road is delivered.

Further qualitative analysis has been undertaken on those environmental impacts which cannot be monetised and how these contribute to the Value for Money of the scheme. A neutral impact is envisaged on the majority of environmental impacts, with a slight beneficial impact on landscape.

Finally, in order to understand the impacts of the scheme on different social groups (including those which are potentially more vulnerable to the effects of transport) a Distributional Impacts appraisal has been undertaken. The Distributional Impact analysis is mandatory in the scheme appraisal process and as a minimum is required for the following five impacts: User Benefits, Noise, Air Quality, Accidents, and Personal Affordability. The scheme is expected to have a slight beneficial impact against the majority of social impacts and a large beneficial impact on the journey time reliability and severance.

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| --- | --- | --- | --- | --- |
| Financial Case *The Financial Case concentrates on the affordability of the proposal and its funding arrangements.*  *It presents the financial profile of the proposed scheme and any associated risks. It determines the project costs per year and over its lifespan.* | | | | |
| Affordability Assessment *Please explain how the affordability of the proposed scheme has been assessed.* | The Lancashire Growth Deal aims to realise the growth potential of the whole of Lancashire. Improving transport connectivity through new roads, improved junctions and public transport to support growth in jobs and homes is a key component of the growth deal.  Scheme cost estimates have been provided by Capita in May 2018 as a result of contractor tender submissions. Three contractors (EWCE, Casey’s and I&H Brown) have submitted their proposals, although one did not include a quality submission, so was dismissed. Based on the cost and quality of the submissions, EWCW is to be appointed imminently.  The split of costs for the project is summarised as follows:   * Construction: £2,670,637 * Preparation fees: £405,590 * Supervision fees: £106,825 * Total confirmed cost: £3,183,052 * Risk adjusted base cost: £3,961,372   The total confirmed cost is to be funded as follows:   * Growth Deal 3 (LEP): £3,437,696 (87%) * BwDBC local contribution: £523,676 (13%) * Total funding: £3,961,372   Ongoing maintenance costs have been calculated using the DfT QUADRO manual and has been converted by BwDBC’s ongoing mainternance budgets.  Land cost for the project is nominal and therefore a value of this land has not been factored into the project, neither within the cost profile nor within the cost/benefit analysis. It is therefore a “benefit in kind” to the project. | | | |
| Financial Costs *Please provide details of the Whole Life Costs of the proposed scheme and a profile of the costs over the period shown.*  *See* [*Scheme Costs Guidance*](https://www.gov.uk/government/publications/webtag-tag-unit-a1-2-scheme-costs) | ***Whole Life Costs (£m)*** | | | |
| Year | 2017/2018 | 2018/2019 | 2019/2020 |
| Profile | 0.15 | 2.69 | 1.12 |
| Financial Cost Allocation *Please illustrate how the Whole Life Costs (WLC) will be allocated between the organisations involved in the delivery of the proposed scheme.*  *Also provide a cost profile of the costs allocated to each organisation over the period shown.* | ***Local Growth Fund (WLC £m)*** | | | |
| Profile | 0.00 | 2.37 | 1.06 |
| ***Private Sector (WLC £m)*** | | | |
| Profile | 0.00 | 0.00 | 0.00 |
| ***Other Public Sector (WLC £m)*** | | | |
| Profile | 0.15 | 0.32 | 0.06 |
| Financial Risk *Please provide details of any financial risks associated with the delivery of the proposed scheme. Explain how these have been assessed and quantified. Have funds been committed? Identify any known shortfall in funding and provide evidence of how this shortfall will be addressed.* | A detailed risk register is provided in Appendix E. A risk value of £778,320 has been allowed. Key financial risks are summarised below:   * Rejection of planning permission * Ground conditions contamination or ground gasses * Side road orders not processed * Signage design not confirmed, design not yet commissioned * Phasing and timing of site works and statutory undertakers works * Timeliness of surveys to inform the design and support planning application * Protected species * Protection to any statutory services during or in advance of the works * Capacity of the existing drainage to cope with additional surface water discharge   In line with the LEP’s Accountability Framework any budget overspends must be covered by BwDBC’s capital budget, and the financial case has been signed off by the Section 151 officer at the LCC on the above basis. Section 151 officer sign off letter is provided in Appendix L. | | | |
| Financial Risk Management *Please provide details of any risk allowance or contingency built into the Whole Life Costs of the project. Explain the rationale for the level of risk/contingency allocated and how this will be managed.* | Risk associated with this scheme has been estimated at £778,320, which is based on the Risk Register provided in Appendix E.  Scheme cost estimates have been provided by Capita in May 2018 as a result of contractor tender submissions. Three contractors (EWCE, Casey’s and I&H Brown) have submitted their proposals, although one did not include a quality submission, so was dismissed. Based on the cost and quality of the submissions, EWCW is to be appointed imminently.  Capita has carried out an analysis of costs provided by EWCE. It has been noted that the cost of one item (traffic signs and road markings) varied by greater than 15% over the highest price from another tenderer. This cost has therefore been substituted with an average value from the other tenderers. The amended grand total construction estimate is £2,007,231.62, which is still the lowest tender cost submitted.  A shortfall in funding is not expected but will be identified and addressed at the end of the tender stage if any shortfall exists. | | | |
| Financial Accountability *Please explain who will be responsible for managing the finances of the project. What arrangements are in place to ensure diligent financial management is in place?* | The overall scheme cost will be monitored by the Blackburn with Darwen / Capita Design Team and regularly reviewed in terms of finances by the Project Manager.  Regular liaison and cost reviews will take place with the scheme’s main contractor EWCE and the Council’s project team with technical input provided by the Council’s strategic partner, Capita. The overall cost of the works will be reviewed and confirmed, with the works costs assessed every 4 weeks. | | | |

Financial Case Summary

The Lancashire Growth Deal aims to realise the growth potential of the whole of Lancashire. Improving transport connectivity through new roads, improved junctions and public transport to support growth in jobs and homes is a key component of the growth deal.

The Furthergate Link Road scheme is looking for Growth Deal funding of £3,437,696, accounting for 87% of the total scheme cost. The remaining funding (13%) will be provided by BwDBC.

The overall scheme cost estimate is therefore £3,961,372 with an overall package BCR of 9.97.

In line with the LEP’s Accountability Framework any budget overspends must be covered by BwDBC’s capital budget, and the financial case has been signed off by the Section 151 officer on the above basis.

Risk associated with this scheme have been estimated at £778,320. This is based on an analysis of the project risks as set out in the Risk Register based on scheme specific contributory factors related to cost and programme risk.

The overall scheme cost will be monitored by the BwD / Capita Design Team and regularly reviewed in terms of finances by the Project Manager.

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| Commercial Case *The Commercial Case provides evidence on the commercial viability of the proposed scheme and the procurement strategy. It should clearly set out the financial implications of the procurement strategy. It presents evidence on risk allocation alongside implementation timescales and details of the capability and skills of the delivery team.* | |
| Commercial Viability *Please outline the approach taken to assess commercial viability.* | The commercial viability of the Furthergate Link Road scheme has been assessed under the headings:   * Procurement Strategy; * Identification of Risk; * Risk Allocation; and * Contract Management |
| Procurement Strategy *Please summarise potential procurement options available (e.g. partnership, framework, new competitive tender). Details of the intended procurement strategy and the rationale behind selecting it should be provided.* | Blackburn with Darwen Borough Council are mindful of the need to secure best quality and best value for money when developing the procurement strategy for the Furthergate scheme.  The works required to deliver the Furthergate scheme are largely contained within the footprint of the adopted highway with the exception of a small parcel of land which is currently utilised by Tesco as part of their car park. However, this land has been transferred to the Council under agreement to enable delivery of the scheme.  The overall package of works is estimated to cost £3,961,372.  The scheme has been procured through the Blackburn with Darwen Contractor & Development Framework. The framework has recently been tendered resulting in the appointment of 5 delivery partners comprising Barnfield Construction, Case’y, Eric Wright Group (EWCW), I&H Brown and Seddon to help deliver development, infrastructure projects and capital programmes across the borough.  The Framework includes all activities necessary to deliver completed developments, buildings and infrastructure, including acquisition or disposal of land for development, development or project finance; obtaining statutory permissions including planning permission; supply chain procurement and management, design services, construction works, marketing and sales.  The procurement exercise has now been concluded and there is a preferred main contractor to deliver the scheme (EWCW). The framework mini-competition yielded 3 tender returns which have been evaluated on a quality / price basis. One contractor has been however dismissed due to failure to include a quality submission. Formal approval for appointing the main contractor is delegated through the provisions contained within the Framework. Contract acceptance documentation will be issued on 27th June 2018 following confirmation of Full Approval from the LEP. |
| Identification of Risk *Please outline the main commercial risks associated with the scheme (e.g. at-risk funding (capital and revenue)) and what strategy is in place to monitor and review these risks.* | The risk management strategy is outlined in section 5.7. There is a detailed risk register (see Appendix E). Land acquisition details are provided as Appendix M. |
| Risk Allocation *Please describe how the risks identified in section 4.3 will be apportioned and shared to demonstrate that risks are allocated to the organisation / body best placed to manage them to ensure cost effective delivery.* | Blackburn with Darwen Borough Council has been identified as the body best placed to manage the risks and deliver the project, given their close involvement in the development and delivery of the schemes. As such it will carry most of the risk. Where appropriate risks will be allocated to its delivery partner Capita.  The Project Board has overall responsibility for governance and risk associated with the delivery of the scheme and will meet on a quarterly basis. The Project Executive is responsible for managing and overseeing the Risk Management Strategy and where appropriate agreeing and undertaking actions to mitigate key risks. The Project Manager is responsible for maintaining and updating a Quantified Risk Register and undertaking actions to mitigate the risks that do not require escalation to the Project Executive.  The project governance structure, as outlined in Section 5.1, includes arrangements for decision making and approvals, and information on roles and responsibilities such that responsibilities with regard to risk are well defined. In line with PRINCE2 principles a clear management, reporting and delivery structure is in place utilising the experienced design and operations teams within Blackburn with Darwen Borough Council. |
| Contract Management *Please explain the contractual arrangements for delivering the proposed scheme. A high level overview of the implementation timescales should be included (append MS Project Programme, if preferred).* | Projects to be undertaken through the Blackburn with Darwen Contractor & Development Framework are classified under three work categories as indicated below:-   |  |  |  | | --- | --- | --- | | Work Category Reference | Work Category  Title | Work Category Scope  (Brief description[[2]](#footnote-2)) | | 1. | Civil Engineering Projects  (using NEC3 Contract documents) | a) Delivery of **civil engineering schemes** including new roads/junctions, road/junction improvements, car parks, flood or drainage schemes, site remediation, site public realm/landscape schemes, traffic calming schemes, section 278 schemes and associated professional services.  b) Delivery of **planned and reactive highway maintenance works** supporting the Council’s Direct Service Organisation (DSO) and associated professional services. | | 2. | Construction Projects  (using JCT Contract documents) | 1. Delivery of **new build schemes** as part of the Council’s Capital, Growth and Education Programme and associated professional services. 2. Delivery of **refurbishment/remodelling** **schemes** as part of the Council’s Capital, Growth & Education Programme and associated professional services. | | 3. | Development Projects  (using Development Contract documents) | 1. Delivery of **speculative** commercial or residential developments including the disposal of Council owned land, either leasehold or freehold, as identified on the Council’s Growth Programme. 2. Delivery of **non-speculative** commercial or residential developments including the disposal of Council owned land, either leasehold or freehold, as identified on the Council’s Growth Programme. | | Reference the CPV codes identified in the OJEU for a full description of the scope of works and services. | | |   As this scope of works for this project falls within the ‘civil engineering project’ category the scheme has been procured under the terms of the ECC New Engineering Contract (NEC 3) Option B (Priced Contract with Bill of Quantities).  Close working between the scheme designer and the direct works supervisor will ensure value for money and will enable a flexible approach to implementation as well as managing the allocation of sufficient resources.  Performance against programme and cost will be monitored by the Project Manager and will be reported to the board at regular intervals. A provisional project programme is attached at Appendix N. |

**Commercial Case Summary**

BwDBC are mindful of the need to secure best quality and best value for money when developing the procurement strategy for the Furthergate scheme.

The scheme has been procured through the Blackburn with Darwen Contractor & Development Framework. The procurement exercise has now been concluded and there is a preferred main contractor to deliver the scheme. The framework mini-competition yielded three tender returns which have been evaluated on a quality / price basis. The Council's Executive Board report on the 14th June 2018 will approve the main contractor and a letter of intent will be issued. Contract acceptance documentation will be issued on 26th June 2018 following confirmation of Full Approval from the LEP.

Blackburn with Darwen Borough Council has been identified as the body best placed to manage the risks and deliver the project, given their close involvement in the development and delivery of the schemes. As such it will carry most of the risk. Where appropriate risks will be allocated to its delivery partner Capita.

Close working between the scheme designer and the direct works supervisor will ensure value for money and will enable a flexible approach to implementation as well as managing the allocation of sufficient resources.

Performance against programme and cost will be monitored by the Project Manager and will be reported to the board at regular intervals. A provisional project programme is attached at Appendix N.

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| Management Case *The Management Case assesses whether a proposal is deliverable by reviewing the project planning, governance structure, risk management plan, communication and stakeholder management. The Management Case should be clearly defined, concise and sufficiently robust to enable cost-effective delivery.* | |
| Governance *Please describe the Project Governance arrangements in relation to the Project Team; Project Sponsor/Project Manager; Project Board/Executive and their suitability to the role based on previous programmes of work.* | A project specific governance structure has been created based on established and operating governance arrangements for schemes currently being delivered by Blackburn with Darwen Borough Council, adapted to reflect the specific requirements of devolved Local Major Scheme governance.  The governance structure includes the following levels of management:  **Corporate / Programme Management**  The Lancashire Local Enterprise Partnership (LEP) will adopt the corporate / programme management role. The LEP is a creative collaboration of leaders from business, universities and local councils, who direct economic growth and drive job creation.  Lancashire’s LEP is led by a Board of 16 directors who contribute a wide range of expertise. The majority are from the private sector, representing major employers and small and medium enterprises, while the public sector is represented by experts from higher education and political leaders from local authorities.  **Project Board**  Blackburn with Darwen Borough Council has established a Project Board and Project Working Groups to support the delivery of schemes seeking Growth Deal funding. That Board will take ownership of this particular scheme, and also report progress to the LEP.  The Project Board consists of the Project Executive, Senior Users and Senior Supplier. Representatives for each role have been selected based upon their previous project experience. The makeup of the project board and their responsibilities are described below.   |  |  |  | | --- | --- | --- | | **Role** | **Representative** | **Responsibility** | | Project Executive (Senior Responsible Owner) | **Andrew Brown, Project Director Design Delivery, Capita** | Will have overall responsibility for delivering the scheme. Ensures that the project / programme meets its objectives, delivers the projected benefits, maintains its business focus and is well managed with clear authority, context and control of risk. | | Senior Users | **BwD Growth and Development (Mike Cliffe, Andrew Turner, Ghazala Sulaman-Butt)** | Work with the Project Executive and Project Board to ensure that the specification for the scheme will meet the needs of its users within the constraints of the business case. | | Senior Suppliers | **BwD Growth and Development. Transport Strategy / Programmes and Highways Sections.**  **(Mike Cliffe, Andrew Turner, Ghazala Sulaman-Butt, Timo Murphy, Alan Niemeyer, Dan Vipham)** | Agree a design and work programme with the Project Board which minimises environmental impact, inconvenience to residents and road user impacts. Accountable for the quality of products delivered by the supply chain and has the authority to commit or acquire the necessary supplier resources. |   An organogram detailing the individuals undertaking each role within the Project Board is provided as Appendix O.  **Blackburn with Darwen Borough Council have delivered a number of major transport projects costing over £5m in the last 5 years. A summary of these projects is provided below. Further details can be provided if required.**  **Pennine Reach – a £40m** DfT funded capital scheme to provide quality bus infrastructure, technology and improved bus services across Pennine Lancashire. Completed in Spring 2017 the project included new roads and junctions, two new bus stations, bus shelters and customer information systems. Some delays and cost overruns due to the Blackburn bus station main contractor going out of business mid-project and a new contractor having to be appointed. Delays were also experienced due to unidentified and unchartered utilities.  **Wainwright Way – an £11m** DfT and Council funded scheme to deliver a new stretch of the Town Centre Orbital Route and open up new employment sites. Completed in Spring 2016 the project was complex and involved demolition of a listed building, demolition and replacement of a church, demolition of an older people’s home and sensitive excavation and professional archaeology of a former Victorian churchyard with reburial of over 2000 sets of human remains. Estimating the numbers of remains within this unique project for the Borough proved difficult due to incomplete records and discovery of multiple burials in single plots. Archaeology and related costs increased and were borne by the Council.  **M65 Junction 5 / Haslingden Rd Growth Corridor Pinch Point – a £5m** joint project with DfT and Highways England (funded from LA and HE Pinch Point funding) the scheme enabled carriageway widening from M65 Junction 5 into Blackburn and also signalling and carriageway works on Junction 5 itself. The project involved land purchase and the use of sensitive traffic management techniques on a busy part of the Strategic Highway network. The scheme was completed on time and to budget. |
| Go/No-Go & Decision Milestones *Please describe any outstanding Go/No-Go processes and Decision Milestones in relation to the progression of the proposed scheme.* | The key go/no-go date for the scheme will follow the SOBC submission to the Transport for Lancashire committee on 24 May2018, and then to the LEP in 26 June 2018, when final approval will be sought. |
| Project Programme *Please set out an indicative delivery programme, including key milestones. Any programme / project dependencies should be referenced. If applicable, please explain how the programme is aligned to relevant delivery strategies and plans.* | An indicative programme for the delivery of the Furthergate Link Road scheme is appended at Appendix N.  Key dates are as follows:   * Procurement process for the works between 12 March 2018 and 08 May 2018 * Final Business Case submission on 09 May 2018 * Business case approval from TfL 05 June 2018 * Construction work begin on 28 June 2018 * Completion of works on 3 May 2019 |
| Assurance and Approvals Plan *Please document any key assurance and approval milestones (including any independent assurance).* | An overall framework has been adopted at the Corporate / Programme Management level, which defines an assurance role to oversee the governance and working arrangements of the LEP. The framework sets out that, as the accountable body for the LEP, LCC provide the overall assurance role. The purpose of this role is to ensure that:   * All decisions and activities comply with legal requirements; * The use of all funds is accounted for and reported; * Appropriate records of decisions and proceedings are published; and * The assurance framework is being adhered to.   Given that Blackburn with Darwen Borough Council are the promoter and applicant for the scheme, an independent local audit of the business case work which guides investment decisions is also being carried out, by independent consultants, prior to the approval decision by the LEP.  Blackburn with Darwen Borough Council and Capita have undertaken their own Gateway Review on 23rd March 2018.  The Gateway Review report undertaken is provided in Appendix P. |
| Communications & Stakeholder Management *Please explain how key stakeholders will be engaged throughout the delivery of the scheme, including details of proposed consultation events.* | The scheme’s stakeholder Communications Strategy including Action Plan and Activity Report to support the communication and engagement process required for the delivery of the Furthergate Link Road is included as a supporting document in Appendix G. The communications plan will broadly follow the timetable of the delivery of the scheme, specific action plans developed at each stage (planning through to construction), enabling key audiences to be engaged with in a timely and effective manner.  Key project milestones will be communicated more widely via the Council’s website and the dedicated project portal:  <http://www.blackburn.gov.uk/Pages/growthdeal.aspx> |
| Programme / Project Reporting *Please describe the proposed reporting and approvals process. This must cover technical, financial, commercial and management elements.* | The Project Executive will report to the Project Board according to a defined and regular programme of meetings. During these meetings, key highlights, risks, programme and the financial position of the project will be discussed. The Project Executive will be supported by the Project Manager at these meetings as appropriate. Any corrective actions or decisions will be agreed by the Project Board and cascaded to Team Leaders via the Project Manager.  Interdisciplinary Review (IDR) meetings have completed a preliminary, departure assessment and pre-tender stages. The IDR included a full cost, programme and risk review for the scheme to progress to the next stage.  A schedule of future meeting dates as well as historic meeting minutes will be developed in line with the Project’s Assurance Framework. Future meetings will include:   * Project Team Meeting - Weekly * Project Board Meeting – Every 2 Weeks * Onsite Project Progress Meetings – Every 4 Weeks * NEC Risk Review Meetings – Every 4 Weeks (and as and when required under the contract) |
| Risk Management Strategy *Please describe the scope of the Risk Management Strategy for the proposed scheme. Include details of the key risks including organisational accountabilities.* | Risks associated with the overall delivery of the LEP’s investment programme will be managed according to the overall monitoring responsibilities set out in the LEP’s Accountability Framework. This framework requires risk registers to be produced, maintained and updated each month for individual schemes, once approved.  The Project Board will have overall responsibility for governance and risk associated with the delivery of the scheme. The Project Executive will be responsible for managing and overseeing the Risk Management Strategy and, where appropriate, agreeing and undertaking actions to mitigate key risks. The Project Manager will be responsible for maintaining and updating a Quantified Risk Register and undertaking actions to mitigate the risks that do not require escalation to the Project Executive. The project governance structure, as outlined in Section 5.1, will include arrangements for decision making and approvals, and information on roles and responsibilities such that responsibilities with regard to risk will be well defined.  Risk management activities and risk registers are already in place as part of ongoing Blackburn with Darwen Borough Council’s scheme delivery work. These are informed by regular meetings and risk workshops which are aligned to key programme design and delivery phases. The membership of these meetings will vary and will be dependent upon the particular project phase. For example, engagement with statutory undertakers is already taking place to capture risks associated with potential disruption to their equipment at preliminary and detailed design stages.  These risk workshops would draw up and review risk registers to identify the range and extent of risks that could adversely affect the delivery of the scheme. These sessions would identify the likelihood of each risk occurring and the relative quantifiable impact in terms of cost and programme. The risk register(s) will be maintained throughout the project as a live document and reviewed on an ongoing basis. The most significant risks will have Risk Management Plans developed. Risks can also be identified at any time outside of these formal lines of communication and should be highlighted to the project manager if this occurs.  The latest scheme risk register is included as Appendix E. |
| Monitoring and Evaluation *Please summarise outline arrangements for monitoring and evaluating the performance of the proposed scheme.* | In line with current DfT standard detailed in the Monitoring and Evaluation Framework for Local Authority Major Schemes, the scheme promoters are required to monitor their scheme’s progress against a set of standard measures, which include the following:   |  |  |  |  | | --- | --- | --- | --- | | **Item** | **Stage** | **Data Collection Timing** | **Rationale** | | Scheme build | Input | During delivery | Knowledge | | Delivered scheme | Output | During delivery/post opening | Accountability | | Costs | Input | During delivery/post opening | Accountability | | Scheme Objectives | Output/  Outcome/Impact | During delivery/post opening (up to 5 years) | Accountability | | Travel Demand | Outcome | During delivery/post opening (up to 5 years) | Accountability/  Knowledge | | Travel Times and Reliability | Outcome | During delivery/post opening (up to 5 years) | Accountability/  Knowledge | | Impact on Economy | Impact | Pre or during delivery/  Post opening (up to 5 years) | Accountability/  Knowledge | | Carbon | Impact | Pre or during delivery/  Post opening (up to 5 years) | Accountability/  Knowledge |   A requirement of the LEP Accountability Framework, and for reporting back to Government (in line with DfT’s Monitoring and Evaluation Framework for Local Authority Major Schemes), is that each scheme will have a monitoring and evaluation plan produced prior to Full Approval being granted for a scheme.  The DfT will provide feedback on the monitoring and evaluation plan, giving advice on best practice and agreeing data collection, analysis and reporting. Agreed monitoring and evaluation plan will be published on the BwDBC’s website for the purposes of local accountability and transparency. The Department may also make reference to these in discussions with other promoters and on its own website. The timing for reporting will be agreed as part of the monitoring and evaluation plan, but in most cases, is expected to be as follows:   * An initial report based on data collected at least one year (but less than two years) after scheme opening; with a report published within two years of scheme opening; * A final report based on both ‘one year after’ data and further data collected approximately five years after scheme opening; with a report published within six years of scheme opening.   The success of the schemes will be measured by the Growth Deal monitoring and evaluation indicators which have been selected for the scheme and confirmed by the DfT.  Figure 5.8.1 shows the steps in the engagement process.  **Figure 5.8.1. Monitoring and Evaluation Engagement Process**    The following metrics (as stated within the LEP’s Monitoring and Evaluation Framework) will be assessed as part of the Monitoring and Evaluation of the Furthergate Link Road scheme (subject to DfT’s confirmation):   * ***Expenditure (quarterly):*** scheme expenditure will be collected from the Council’s CIVICA system, summarised and reported to the LEP quarterly. Expenditure will be split by the following categories: Construction (Main Contractor fees), Statutory Undertakers’ Diversions, Preparation fees, Supervision fees. * ***Funding breakdown (quarterly):*** identified through Council internal programme monitoring (LTP and capital projects) with split between the LEP and BwDBC contributions. Compared to SOBC split as shown in sections 3.2 and 3.3. * ***In-kind resources (quarterly):*** to be identified and reported to the LEP quarterly. * ***Jobs connected to the intervention (annual):*** none connected with Furthergate Link Road scheme. * ***Commercial floorspace constructed (annual):*** none connected with Furthergate Link Road scheme. * ***Housing unit starts (annual):*** none connected with Furthergate Link Road scheme. * ***Housing unit completed (annual):*** none connected with Furthergate Link Road scheme. * ***Total length of resurfaced roads (quarterly):*** none connected with Furthergate Link Road scheme. * ***Total length of newly built roads (quarterly):*** length of road for which works have been completed and now open for public use will be reported. * ***Total length of new cycle ways (quarterly):*** length of cycle way for which works have been completed and now open for public use will be reported. * ***Type of infrastructure delivered (biannual):*** the length of the new link road constructed will be measured. * ***Type of service improvement delivered (biannual):*** none connected with Furthergate Link Road scheme. * ***Follow on investment at site (annual):*** the “impact” sites will be defined and agreed by LEP, so as to maintain the credibility that outcomes can be attributed to the project. * ***Commercial floor space occupied (annual):*** the “impact” sites will be defined and agreed by LEP, so as to maintain the credibility that outcomes can be attributed to the project. * ***Commercial rental values (annual):*** the “impact” sites will be defined and agreed by LEP, so as to maintain the credibility that outcomes can be attributed to the project. * ***Average daily traffic and by peak/non-peak periods (biannual) / Average AM and PM peak journey time on key routes (journey time measurement) – (biannual) / Day-to-day travel time variability (biannual):*** data sources include Automatic Traffic Counters (ATCs) at the new link road and the A678 Burnley Road; Manual Classified Counts (MCCs) at the junctions within the study area, pedestrian counts at the pedestrian zebra crossing (across the eastern arm of the A678/Gorse Street junction), average speed along the new link road to be used to report traffic congestion statistics and average journey time. Statistics will be collated reported to LEP. * ***Average annual CO2 emissions (biannual):*** the Council’s Carbon Tool to be used based on distance travelled, vehicle speed and vehicle mix. * ***Accident rate (biannual) / Casualty rate (biannual):*** STATS19 or CrashMap collision data at the new link road and the A678 Burnley Road and the associated junctions. Statistics will be collated and reported to LEP. * ***Annual average daily and peak hour passenger boardings (biannual):*** none connected with Furthergate Link Road. * ***Pedestrian counts on new / existing routes:*** none connected with Furthergate Link Road.   The results of the monitoring and evaluation exercise will be published on the LEP’s website with development and air quality information being supplied by the relevant Council Departments. The Benefits Realisation, Monitoring and Evaluation Plan is included as a supporting document in Appendix D. |
| Project Management *Please summarise the overall approach for project management at this stage of the project.* | The project will be managed in line with the principles of PRINCE2, which has been used effectively on the Council’s recent major transport projects.  PRINCE2 is a de facto process-based method for effective project management. Used extensively by the UK Government, PRINCE2 is also widely recognised and used in the private sector, both in the UK and internationally.  To ensure consistency with the principles of PRINCE2, a defined organisation structure for the project management team has been agreed. In addition, the project has been divided into manageable and controllable stages.  A suite of project processes and delivery methodologies has been implemented to support in the successful management and delivery of Furthergate Link Road project. Robust tools and systems have been adopted to enable a proactive programme management to deliver the project on time and on budget.  Project Execution Plan has been developed to ensure that all project team members and stakeholders are aware of the project structure, requirements and processes. It sets a clear route through the project and provides a benchmark upon which the programme will be measured against. |

Management Case Summary

A project specific governance structure has been created based on established and operating governance arrangements for schemes currently being delivered by Blackburn with Darwen Borough Council, adapted to reflect the specific requirements of devolved Local Major Scheme governance.

The Lancashire Local Enterprise Partnership (LEP) will adopt the corporate / programme management role.

Blackburn with Darwen Borough Council has established a Project Board and Project Working Groups to support the delivery of schemes seeking Growth Deal funding. The Board will take ownership of the Furthergate Link Road scheme, and also report progress to the LEP. The Board will also have overall responsibility for governance and risk associated with the delivery of the scheme.

The Project Executive will be responsible for managing and overseeing the Risk Management Strategy and where appropriate agreeing and undertaking actions to mitigate key risks. The Project Manager will be responsible for maintaining and updating a Quantified Risk Register and undertaking actions to mitigate the risks that do not require escalation to the Project Executive.

The key go/no-go date for the scheme will be the 5th June 2018 for the TfL board meeting and the 26th June 2018 for the LEP meeting when the scheme will seek full approval for funding for the Furthergate Link Road.

As the accountable body for the LEP, LCC will provide the overall assurance role, in order to ensure that decisions and activities comply with legal requirements, the use of funds is accounted for and reported, that appropriate records of decisions and proceedings are published and that the assurance framework is being adhered to.

Risks associated with the overall delivery of the LEP’s investment programme will be managed according to the overall monitoring responsibilities set out in the LEP’s Accountability Framework. This framework requires risk registers to be produced, maintained and updated each month for individual schemes, once approved. A number of key risks (that could add significant cost or delay to the scheme) have already been identified as part of the appraisal process, along with possible mitigating measures.

Risk management activities and risk registers are already in place as part of ongoing Blackburn with Darwen Borough Council’s scheme delivery work.

A Benefits Realisation, Monitoring and Development Plan has been developed to provide a framework for monitoring and evaluation, fulfilling the requirements of the LEP Accountability Framework and necessary for reporting to central government.

The project will be managed in line with the principles of PRINCE2.

Appendix A –Proposed Link Road Layout

Appendix B – Noise Survey Report

Appendix C – Social and Distributional Impacts Appraisal Report

Appendix D – Monitoring and Evaluation Report

Appendix E – Risk Register

Appendix F – Letters of Support for the Scheme

Appendix G – Communications Strategy

Appendix H - Options Appraisal Report

Appendix I – Value for Money Methodology Report

Appendix J – BCR Technical Note

Appendix K – WebTAG Worksheets

Appendix L – Scheme Cost Estimates

Appendix M – Land Acquisition Details

Appendix N – Delivery Programme

Appendix O – Organogram

Appendix P – Gateway Review Report

1. <https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgrossvalueaddedincomeapproach> [↑](#footnote-ref-1)
2. [↑](#footnote-ref-2)