

Large Local Major Schemes

Bid for construction funding – December 2017

All bids for construction funding within DfT's Large Local Major Schemes programme must be supported by

- (a) A completed bid template (Part One)
- (b) A checklist to highlight where key information can be found in the OBC (Part Two)
- (c) an Outline Business Case (OBC) as defined in the Department's [Transport Business Case](#) Guidance and any Annexes as necessary

The pro-forma (b) details some key items we would expect to be included within the OBC in a large majors bid. In summary the OBC should be submitted when a preferred option with a defined scope has been identified, detailed costings and appraisal have been undertaken, and a firm delivery plan is in place for construction.

Once business cases are received in each round we will decide which will receive funding for construction. It is a competitive process and we are looking for the schemes that will offer the best returns, will meet our key objectives and can be delivered quickly.

We will be assessing schemes across the five cases and will be considering the following questions in particular.

Strategic

- How clear, robust and well evidenced is the strategic case?
 - How clearly are the objectives set out?
 - How robust was the options assessment process
- To what extent will the scheme address key national strategic priorities, for example access to international gateways, HS2 connections, and the following objectives
 - to ease congestion and provide upgrades on important national, regional or local routes
 - to unlock economic and job creation opportunities
 - to enable the delivery of new housing developments

Value for Money

- What is the scheme's overall value for money taking into account monetised and non-monetised benefits
- How strongly do the benefits align with the scheme's stated objectives?

Financial

- How robust are the cost estimates?
- What is the promoter's contribution to scheme costs?
- What is the private sector or other third party contribution to overall scheme costs and how firm is that guarantee?
- To what extent is the scheme genuinely unaffordable via other funding streams?

Management

- How soon will the project be delivered?
- How robust and realistic is the plan for delivery?

Commercial

- How robust is the commercial and procurement strategy?

Large Local Major Schemes: Bid for construction funding

(December 2017 round)

Part One: Bid Template

Scheme Name	A164 and Jocks Lodge Junction Improvement Scheme
Lead LEP	Humber LEP
Promoting Authority	East Riding of Yorkshire Council
Contact Please provide a contact name for enquiries relating to this bid	Name: Claire Hoskins Email: Claire.hoskins@eastriding.gov.uk Phone: 01482 391747

1. Introduction

Description

Please provide a clear narrative to describe the scheme and its objectives (max 100 words)

Jocks Lodge forms the junction between the A164 and the A1079 to the south of Beverley in the East Riding of Yorkshire.

To address congestion issues and ensure the network can accommodate future growth and development traffic, it is proposed to upgrade Jocks Lodge junction to a standard grade separated roundabout and widen the single carriageway sections of the A164 to dual carriageway standard between Lincoln Way and Castle Hill roundabouts.

The scheme objectives are to:

- Reduce congestion and delays;
- Improve journey time reliability;
- Provide improved facilities for pedestrians and cyclists;
- Provide safety benefits at Jocks Lodge Junction and along the A164; and
- Support the economy of Beverley and East Yorkshire.

2. Scheme cost (£000s)				
	Preparation costs (between OBC and start of construction)	Land purchase	Construction costs	TOTAL
Base cost	£3,309	£150	£31,891	£35,350
Risk	£3,889	£150	£4,038	£8,077
Inflation	£496	£20	£7,042	£7,558
TOTAL	£7,694	£320	£42,971	£50,985

Notes

1. Please note the risk cost should be as generated by a QRA and should **not** include optimism bias
2. Please do **not** include
 - a. any costs prior to completion of the OBC
 - b. Part 1 claims
 - c. Evaluation and monitoring

3. Funding request and profiling (£000s)								
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total	% total
Requested funding from DfT	£2,963	£3,449	£11,753	£17,336	£5,288	£0	£40,788	80%
LA contribution <i>(separate line for each LA)</i>	£741	£862	£2,938	£4,334	£1,322	£0	£10,197	20%
Third Party contribution <i>(separate line for each body)</i>	£0	£0	£0	£0	£0	£0	£0	0%
Total	£3,703	£4,311	£14,691	£21,669	£6,610	£0	£50,985	100%

4. Affordability

Please provide a brief summary of why the scheme would be unaffordable other than via this bid to the large majors fund, with particular reference to your LEP's guideline threshold.

It is understood that below a certain level, major transport schemes should be funded through regular Growth Deal funding, and that the large majors fund is for schemes that are not reasonably affordable for LEPs or any other funding route.

The Humber LEP covers a relatively small geographic area and its LGF allocation is lower than many other LEP areas as a result. When the DfT's new Large Local Major Transport Schemes fund was announced it included a scheme affordability threshold for each LEP, based on their existing LGF allocation. All potential schemes should be above this

threshold value in order to demonstrate that they were unaffordable for the local LEP and should be considered for funding by the DfT.

The Humber LEP's scheme threshold is £36m, well below the anticipated scheme cost of £51m. This means that the A164 and Jocks Lodge scheme is unaffordable through the Humber LEP's LGF allocation, or for consideration of funding through any other route.

5. Value for Money

Please provide a short description of your assessment of the value for money of the scheme including your estimate of the Benefit Cost Ratio.

This should cover both monetised and non-monetised costs and benefits. The full assessment, as set out in the Value for Money Guidance should be provided in the OBC. Valuation of any dependent development, should be reported here, separately from the central value for money evidence and supporting evidence, and a full description of the approach taken should be included in the OBC.

The Value for Money (VfM) assessment has been completed using TUBA and COBALT software in order to determine monetised values for travel time, Vehicle Operating Costs (VOC), safety, greenhouse gases and indirect taxation. Air quality and noise assessments have also been undertaken to calculate monetised values in accordance with WebTAG guidance.

In terms of non-monetised costs and benefits, the assessment has provided both a qualitative and quantitative appraisal of the scheme where appropriate within the OBC. This includes consideration of Landscape, Townscape, Historic Environment, Biodiversity, Water Environment, Physical Activity, Journey Quality, Security, Access to Services, Affordability and Severance.

Benefit to Cost Ratio	4.63
Value for money category	Very High

6. Delivery

Please state the estimated delivery milestones as below, assuming DfT Programme Entry is granted in May 2018. Please amend/add to milestones as necessary.

Submission of planning application	November 2018
Determination of planning decision	February 2019
Publication of scheme orders/CPOs (see section 7 below)	April 2019
Completion of Public Inquiry	April 2020
Confirmation of all statutory orders and consents	April 2020
Completion of procurement	June 2020
Full Business Case submitted to DfT	May 2020
Start of Construction <i>(assume 2 months from FBC to funding commitment)</i>	July 2020
Scheme open to public	July 2022

Note: If planning consent, scheme orders, CPOs or a public inquiry are not required please insert 'n/a' and provide an explanation in Section 7 below

7. Orders and consents	
Do you envisage that CPOs will be necessary?	(Y)
<p>Are other statutory/highways orders required that would normally require a Public Inquiry (e.g. Side Roads Orders, Transport and Works Act Order). Please specify:</p> <ul style="list-style-type: none"> • Side Roads Orders; • Various Traffic Regulation Orders to be determined as the scheme progresses. 	(Y)
<p>What other statutory orders/consents are required? (e.g. heritage, environmental consents)</p> <ul style="list-style-type: none"> • Planning permission; • Scheduled Monument Consent (SMC); • Various Environmental Consents to be determined as the scheme progresses; and • Various Highways Stopping Up Orders to be determined as the scheme progresses. 	(Y)
<p>If CPO and other orders are required does your timetable assume that there will be a public enquiry?</p> <p><i>If not please explain here or insert appropriate reference to OBC document</i></p>	(Y)

8. Declarations

Lead LEP officer

I confirm that this bid has the full support of the Humber LEP and hereby submit it to the DfT on the LEP's behalf for consideration.

Name: Richard Kendall
Position: Executive Director
Phone: 01482 485261
Email: R.Kendall@humberlep.org

Signed:



Section 151 Officer declaration

As Section 151 Officer for East Riding of Yorkshire Council I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that East Riding of Yorkshire Council

- has allocated sufficient budget to deliver the scheme on the basis of its proposed funding contribution
- accepts responsibility for meeting any costs of delivering the scheme over and above the DfT contribution requested, including potential cost overruns, and the underwriting of any third party contributions
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested

Name:
Julian Neilson

Signed:



Please email this completed form to:

LT.plans@dft.gsi.gov.uk

by **midday 22nd December 2017**

Please note that the size limit for attachments to a single incoming email to DfT is 20MB. If your bid is larger than this please submit separate emails, use a zip folder, or convert large files to an alternative format.

We would prefer it if annexes are separated out into individual pdf documents.

Large Local Major Schemes: Bid for construction funding

Part Two: Checklist

Please complete this checklist by referencing locations where the relevant material can be found in the OBC document

Strategic Case

Item		Section/Page
A detailed description of the physical scope of the scheme		Section 2.9, page 40
The objectives of the scheme		Section 2.7, page 38
A description of the process by which the scheme came to be identified as the preferred option for meeting those objectives including why alternative options were discarded		Section 2.13, page 49
How the objectives of the scheme align with national transport objectives <i>We do not expect all schemes to meet <u>all</u> of these objectives so please mark n/a if necessary.</i>	1. to ease congestion and provide upgrades on important national, regional or local routes	Section 2.2, page 13
	2. to unlock economic and job creation opportunities	Section 2.2, page 13
	3. to enable the delivery of new housing developments	Section 2.2, page 13
For schemes that directly aim to facilitate commercial or housing development on specific sites, details of the sites, current planning status, status of developer commitment and the expected impact of the scheme		N/A
The impact the scheme would have on	The Strategic Road Network	Section 2.2.7, page 14
	Access to planned HS2 stations or sites	N/A
	Access to International Gateways	Sections 1.2.2 to 1.2.4, page 7
Details of public consultation activities on the scheme to date, and key findings including how any key questions/concerns have been addressed.		Section 2.12, page 42 and 2.13, page 49

Economic Case

As well as referencing the location of these within the OBC, please supply each of the following documents and refer to Annex A for the checklist of appraisal and modelling supporting material.

Item	Section/Page
Option Assessment Report (OAR)	Appendix D
Data Collection Report	Appendix H
Local Model Validation Report (LMVR)	Appendix H
Present Year Validation Report (if required)	Not Required
Forecasting Report	Appendix I
Economic Appraisal Report	Appendix I
Social and Distributional Impacts Assessment	Appendix S

Management Case

Item	Section/Page	
Governance structure <i>including SRO, Project Board, Project Manager, and other key roles, and resourcing levels</i>	Section 6.4, page 97	
Detailed Project Plan	Section 6.5, page 101 (Appendix X)	
Risk Management	Detailed Risk Register	Section 6.11, page 106 (Appendix V)
	Narrative to explain the most significant risks, how they are being managed and their potential impact on time and budget	Section 6.11, page 106 (Appendix V / Z)
	Risk management strategy	Section 6.11, page 106 (Appendix Z)
Project Assurance <i>e.g. Gateway Reviews</i>	Section 6.6, page 103	
Evaluation <i>Outline evaluation plan including a statement of core evaluation objectives</i>	Section 6.13, page 99	

Commercial Case

Item	Section/Page
Description of the preferred procurement strategy	Section 5.3, page 87

Rational for the selection of preferred procurement route against possible alternatives	Section 5.3, page 87
Explanation of how costs and risks will be shared throughout the contract	Section 5.7, page 92

Financial Case

Item	Section/Page
Detailed cost breakdown	Appendix T
Independent surveyor's report verifying cost estimates	Appendix U
Details of and justification for inflation assumption used.	Section 4.1.13, page 80
Quantified Risk Assessment <i>All scheme costings should include an amount for risk, based on the results of a Quantified Risk Assessment (QRA) which should be proportionate to the nature and complexity of the project.</i>	Section 4.2.3, page 81 (Appendix V)
Evidence of commitment for any third party contributions	N/A

Annex A: Checklist of appraisal and modelling supporting material

Option Assessment

Item	Section/Page
An Option Assessment Report to include steps 1 to 8 set out in WebTAG – the transport appraisal process.	Appendix D

Modelling

Item	Section/Page
An Existing Data and Traffic Surveys Report to include:	
Details of the sources, locations (illustrated on a map), methods of collection, dates, days of week, durations, sample factors, estimation of accuracy, etc.	Section 3, page 10 and Section 4, page 17
Details of any specialist surveys (e.g. stated preference).	N/A
Traffic and passenger flows; including daily, hourly and seasonal profiles, including details by vehicle class where appropriate.	Section 5, page 26
Journey times by mode, including variability if appropriate.	Section 5.5, page 30
Details of the pattern and scale of traffic delays and queues.	Section 5, page 26
Desire line diagrams for important parts of the network.	Section 4.6, page 24
Diagrams of existing traffic flows, both in the immediate corridor and other relevant corridors.	Section 5, page 26
An Assignment Model Validation Report to include:	
Description of the road traffic and public transport passenger assignment model development, including model network and zone plans, details of treatment of congestion on the road system and crowding on the public transport system.	Section 2, page 6
Description of the data used in model building and validation with a clear distinction made for any independent validation data.	Section 3, page 11
Evidence of the validity of the networks employed, including range checks, link length checks, and route choice evidence.	Section 4, page 32
Details of the segmentation used, including the rationale for that chosen.	Section 4.10, page 46
Validation of the trip matrices, including estimation of measurement and sample errors.	Section 7, page 79
Details of any 'matrix estimation' techniques used and evidence of the effect of the estimation process on the scale and pattern of the base travel matrices.	Section 5.2, page 64
Validation of the trip assignment, including comparisons of flows (on links and across screenlines/cordons) and, for road traffic models, turning movements at key junctions.	Section 4.17, page 58
Journey time validation, including, for road traffic models, checks on queue pattern and magnitudes of delays/queues.	Section 7.4, page 83
Detail of the assignment convergence.	Section 8, page 86
Present year validation if the model is more than 5 years old.	N/A
A diagram of modelled traffic flows, both in the immediate corridor and other relevant corridors.	

A Demand Model Report to include:		
	Where no Variable Demand Model has been developed evidence should be provided to support this decision (e.g. follow guidance in WebTAG M2 Variable Demand Modelling – section 2.2).	
	Description of the demand model.	
	Description of the data used in the model building and validation.	
	Details of the segmentation used, including the rationale for that chosen. This should include justification for any segments remaining fixed.	
	Evidence of model calibration and validation and details of any sensitivity tests.	
	Details of any imported model components and rationale for their use.	
	Validation of the supply model sensitivity in cases where the detailed assignment models do not iterate directly with the demand model.	
	Details of the realism testing, including outturn elasticities of demand with respect to fuel cost and public transport fares.	
	Details of the demand/supply convergence.	
A Forecasting Report to include:		
	Description of the methods used in forecasting future traffic demand.	Section 2, page 10
	Description of the future year demand assumptions (e.g. land use and economic growth - for the do minimum, core and variant scenarios).	Section 2.5, page 12 and Section 2.6, page 13
	An uncertainty log providing a clear description of the planning status of local developments	Section 2.7, page 14 (Appendix A)
	Description of the future year transport supply assumptions (i.e. networks examined for the do minimum, core scenario and variant scenarios).	Section 2.2, page 10
	Description of the travel cost assumptions (e.g. fuel costs, PT fares, parking).	Section 2, page 10
	Comparison of the local forecast results to national forecasts, at an overall and sectoral level.	Section 2.4, page 12
	Presentation of the forecast travel demand and conditions for the core scenario and variant scenarios including a diagram of forecast flows for the do-minimum and the scheme options for affected corridors.	Section 4, page 28
	If the model includes very slow speeds or high junction delays evidence of their plausibility.	N/A
	An explanation of any forecasts of flows above capacity, especially for the do-minimum, and an explanation of how these are accounted for in the modelling/appraisal.	N/A
	Presentation of the sensitivity tests carried out (to include high and low demand tests).	Section 4, page 28

Cost Benefit Analysis

Item	Section/Page
A clear explanation of the underlying assumptions used in the Cost Benefit Analysis.	Section 3.3, page 58

Information on local factors used. For example the derivation of growth factors and annualisation factors in TUBA (to include full details of any calculations).	Section 3.3.9, page 60
A diagram of the network (if COBALT used).	Section 3.5.61, page 71
Information on the number of junctions modelled (if COBALT used), for both the do-minimum and the do-something.	Section 3.5.61, page 71
Details of assumptions about operating costs and commercial viability (e.g. public transport, park and ride, etc.).	N/A
Full appraisal inputs/outputs (when used, COBALT and/or TUBA input and output files in text format should be supplied).	Appendix K & L
Evidence that TUBA/COBALT warning messages have been checked and found to be acceptable.	Section 3.5.4, page 61
Spatial (sectoral) analysis of TEE benefits.	Section 3, page 57
Details of the maintenance delay costs/savings.	Section 3, page 57
Details of the delays during construction.	Section 3, page 57
Appraisal tables (AMCB, PA, TEE) in excel format .	Appendix J

Economic Case Assessment

Item	Section/Page
A comprehensive Appraisal Summary Table in excel format .	Appendix J
Assessment of Economic impacts.	Section 3.5, page 60
Economic impacts worksheets.	Appendix I
Assessment of Environmental impacts, to include an environmental constraints map.	Section 3.5, page 60
Environmental impacts worksheets.	Appendix M & N
Assessment of Safety impacts and the assumed accident rates presented (when used, COBALT output should be provided).	Appendix L
Assessment of Social impacts.	Section 3.5, page 60
Assessment of Distributional impacts.	Appendix S
Social and distributional impacts worksheets (including DI screening pro forma).	Appendix S
Cost pro forma	Appendix T