Local Pinch Point Fund Application Form

Department for Transport

Guidance on the Application Process is available at:
https://www.gov.uk/government/organisations/department-for-transport/series/local-pinch-point-fund

Please include the Checklist with your completed application form.

The level of information provided should be proportionate to the size and complexity of the scheme proposed. As a guide, for a small scheme we would suggest around 25-35 pages including annexes would be appropriate.

One application form should be completed per project.

Applicant Information

Local authority name(s)*: Darlington Borough Council

**If the bid is a joint proposal, please enter the names of all participating local authorities and specify the lead authority*

Bid Manager Name and position: Steve Petch, Head of Place (Strategy & Commissioning)

Contact telephone number: *01325 388671* **Email address:** *steve.petch@darlington .gov.uk*

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When authorities submit a bid for funding to the Department, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within two working days of submitting the final bid to the Department. The Department reserves the right to deem the business case as non-compliant if this is not adhered to.

Please specify the weblink where this bid will be published: www.darlington.gov.uk

SECTION A - Project description and funding profile

A1. Project name: Bridging the Economy

A2. Headline description:

Please enter a brief description of the proposed scheme (in no more than 100 words)

Bridging the Economy is a strategically important project that underpins Darlington's ambitious plans to transform the economic, social and physical fabric of Darlington Town Centre and the "Town Centre Fringe".

The project is to accelerate a structural maintenance programme for a maximum of six key bridges within the town centre fringe, to ensure that they can continue to support the delivery of Darlington's Strategic Regeneration Delivery Plan. The bridges play an important role in connecting the economic heart of the town centre with a number of important regeneration sites that will deliver new jobs (and safeguard others); deliver new housing and commercial space, along with improvements to the public realm and the quality of life of residents.

A3. Geographical area:

Please provide a short description of area covered by the bid (in no more than 100 words)

The bridges are located within the centre of Darlington and act as strategic links between the main distributor route of the inner ring road, A167 St Cuthberts Way, and various parts of the town centre. This dual carriageway distributes traffic coming into the town centre via a number of radial links and allows traffic to either go further round the inner ring road and on to another radial link or in to the commercial centre of the town. The bridges are a vital link for all vehicles and pedestrians to enable them to enter the town centre.

(Schematic map enclosed)
OS Grid Reference: NZ298147
Postcode: DL1 1PB
Obstacle: The structures all bridge the River Skerne

Please append a map showing the location (and route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.

A4. Type of bid (please tick relevant box):

Small project bids (requiring DfT funding of between £1m and £5m)
Scheme Bid ☐
Structure Maintenance Bid ☑

Large project bids (requiring DfT funding of between £5m and £20m)
Scheme Bid ☐
Structure Maintenance Bid ☐

Note: Scheme and Structure Maintenance bids will be assessed using the same criteria.

A5. Equality Analysis

Has any Equality Analysis been undertaken in line with the Equality Duty? ☒ Yes ☐ No

Note: an equality impact assessment (EIA) has been carried out in support of the wider regeneration projects which this project would underpin. The EIA is not directly related to the bridge maintenance, however it assumes for Darlington's regeneration plans that the bridges are in place and would be undermined if those key links were removed. Can be provided as necessary.

A6. Partnership bodies

Please provide details of the partnership bodies (if any) you plan to work within the design and delivery of the proposed scheme. This should include a short description of the role and responsibilities of the partnership bodies (which may include Development Corporations, National Parks Authorities, private sector bodies and transport operators) with confirmatory evidence of their willingness to participate in delivering the bid proposals.

Tees Valley Unlimited (TVU) local enterprise partnership have provided support to the bid and will assist during the planning of works where possible. Assistance will primarily come in the form of modelling traffic management proposals in order to phase the works programme. This will minimise disruption caused by the implementation of works in conjunction with the Inner Ring Road improvements.

TVU will provide support and assistance in other areas where necessary – particularly in the joint delivery of the Inner Ring Road and bridge maintenance works. TVU have committed their backing at a high level and the full scope of their support will be determined at an early stage in the project.

Work has been on-going with the Homes and Communities Agency to build on previous successful investments. This partnership approach has included the identification of strategic property assets, which will culminate in a major leisure development in the town centre and £30m private sector investment, and provide strategic investment into the Town Centre Fringe regeneration project.

The Council is working with JBA Consulting and the Environment Agency to develop a strategic flood management scheme for the River Skerne between the Skerne Bridge and Victoria Embankment. Once implemented it will significantly reduce the risk to people, existing properties, businesses, emergency services, transport infrastructure and those that will live and work in any future development. The partnership is developing a business case for government flood defence funding to help deliver the scheme.

A7. Local Enterprise Partnership / Local Transport Body Involvement

It would be beneficial (though not essential) if the relevant LEP or LTB (or shadow(s)) have considered the bid and, if necessary, prioritised it against other bids from the same area. If possible, please include a letter from the LEP / LTB confirming their support and, if more than one bid is being submitted from the area, the priority ranking in order of growth significance.

Have you appended a letter from the LEP / LTB to support this case? ☑ Yes ☐ No

SECTION B – The Business Case

You may find the following DfT tools useful in preparing your business case:

- Transport Business Cases
- Behavioural Insights Toolkit
- Logic Mapping Hints and Tips

B1. The Scheme - Summary

Please select what the scheme is trying to achieve (this will need to be supported by evidence in the Business Case). Please select all categories that apply.

☑ Improve access to a development site that has the potential to create housing
☑ Improve access to a development site that has the potential to create jobs
☑Improve access to urban employment centres
☑ Improve access to Enterprise Zones
☑ Maintain accessibility by addressing the condition of structures
☑Ease congestion / bottlenecks
☐ Other(s), Please specify -

B2. The Strategic Case

This section should set out the rationale for making the investment and evidence on the strategic fit of the proposal. It should also contain an analysis of the existing transport problems, identify the barriers that are preventing growth, explain how the preferred scheme was selected and explain what the predicted impacts will be. The impact of the scheme on releasing growth potential in Enterprise Zones, key development sites and urban employment centres will be an important factor in the assessment process.

In particular please provide evidence on the following questions (where applicable):

a) What is the problem that is being addressed, making specific reference to barriers to growth and why this has not been addressed previously?

DBC welcomes local pinch point being opened to structural maintenance bids. The DfT will be aware that DBC has a £45.3m backlog in maintenance, which is on a declining trend. The current Local Transport Plan funding is prioritised on structural maintenance activity, yet the prioritisation between significant road, street lighting and other maintenance priorities has resulted in insufficient resources to maintain pace with the rate of decline of key structural assets. The Local Pinch Point provides the opportunity to prevent further decline, stem the decline of key strategic assets and reduce the significant risk and impact on regeneration and the existing town centres viability.

The backlog of high priority maintenance works which already exists means that without funding for bridge maintenance works, these works will have to be carried out over a considerably extended period. This will lead to restrictions on bridges which will strangle growth and regeneration in Darlington for the foreseeable future. Restrictions on bridges would be likely to be in place for a significant length of time.

Along with the issue of existing planned maintenance which has funding allocation, DBC's existing funding arrangements are likely to be stretched by the recent Carlbury Landslip. The

landslip has already meant one lane of the A67 between High Coniscliffe and Piercebridge has had to be closed until a permanent solution is put in place. The extent of these remedial works are going to be major and could require all of DBC's currently allocated LTP maintenance funding to be diverted.

The key points which Bridging the Economy would address are as follows:-

- Maintains the viability of the town centre as a commercial area.
- Ensures that key public transport links are maintained.
- Avoid severance between large geographic and economic areas in particular the town centre and regeneration sites which already have around £16m of funding allocated.
- Provides a link between the key growth areas for Darlington and developments in the town centre which already have around £30m of committed private sector investment.
- Freeman's place carries the A167 which provides a strategic link between the A66 and the A1

Darlington is a compact town with an existing pattern of sustainable travel behaviour, a good safety record, a suite of existing demand management measures, yet with increasing traffic congestion.

For Darlington's "core" to remain healthy and thriving, the town centre needs to grow and extend into the Town Centre Fringe and Central Park to the East. The Town Centre Fringe and Central Park Enterprise Zone are identified in the adopted Core Strategy as sustainable strategic locations, where development and regeneration activity will be concentrated over the next 15 years.

The Town Centre Fringe will provide approximately 650 new homes and around 23,000 sqm of commercial space, and approximately 1,200 new jobs. The Central Park Enterprise Zone is a 32 hectare mixed use regeneration scheme that includes further and higher education sites; 26,000 sqm commercial floor space including a business incubator unit, 500 homes and a hotel. It is anticipated that some 2500 jobs will be created through this development.

Darlington's town centre road network could be described as a "hub and spoke" system; the hub being the A167 (inner ring road) and the spokes being the main arterial routes leading out to other employment and housing centres, as well as connecting the borough to the wider transport network (A66, A1M). The bridges over the Skerne which this project focuses on provide a key part of these linkages. If restrictions are imposed on the bridges, this will lead to an east-west severance between the town centre and Darlington's key economic regeneration sites.

Via the Local Transport Board (Tees Valley LEP), Darlington Borough Council has submitted a number of proposals for major strategic transport infrastructure schemes over the timescale 2015 – 2019 which will support and facilitate the development of the two major regeneration schemes outlined above. However these proposals do not include the structural maintenance of the seven bridges, which now need to be delivered as a matter of urgency if they are not to firstly compound already existing problems e.g. increasing traffic volumes on main routes are already causing congestion at peak times, both within the town and from outside the borough, and secondly to significantly limit economic regeneration activity due to the capacity of the existing local road network and supporting infrastructure (bridges).

This project, which is to undertake structural maintenance to seven key bridges within the town centre fringe, will ensure that they are fit for purpose with respect to meeting future demand capacity brought about via the delivery of Darlington's Strategic Regeneration Delivery Plan. The bridges, which are described further below, play an important role in connecting the

economic heart of the town centre with our important regeneration sites that will deliver new jobs (and safeguard others); deliver new housing and commercial space, along with improvements to the public realm and the quality of life of residents.

Below the detail relating to specific bridges is expanded. The following provides essentially a programme of works in priority order which would be delivered within the programme and budgetary envelope required. Throughout the programme the costs would be closely monitored and governance arrangements would be in place to ensure each bridge project as part of the programme would be carried out only if sufficient funding is in place. The bid is therefore scalable depending on the amount of funding which is available. The works programme is skewed to ensure the elements which are strategically most important with the largest benefits are carried out first. Stonebridge along with Freeman's Place 1& 2 and Russell Street are seen as vital to the local economy and provide wide ranging benefits. The other schemes also provide significant benefits but could be removed from the scope if necessary. This would allow DfT to manage their own risk and choose to fund more or less depending on their spend profile requirements.

Stonebridge:- is a strategically important bridge, as it is the primary bus route out of the town centre. Recent inspections of the structure revealed rapid deterioration of key structural elements. Severe corrosion and section loss to the main structural members has meant the bridge will have to be tested and re-assessed due to the significant worsening in condition. It is believed that widespread repairs will be required if a weight restriction is to be averted within the next year. The extent of any likely restriction is currently unknown until further testing and assessment reports back. This work is being carried out urgently to expedite repairs which will need to be carried out to avert the risk of a weight restriction, which may be as low as 7.5t thereby restricting most large commercial vehicles. This would affect most if not all bus services which use the route to the severe detriment of the town's public transport network. Currently around 90 busses use Stonebridge on an hourly basis. The bridge in addition also carried 9,760 vehicles for the PM peak travel in 2010. It's use is also predicted to grow significantly over the next 15 years as shown by DBC's Darlington LDF Transport Area Action Plan and associated modelling.

The bridge's paint system has failed and corrosion is now spreading rapidly. The 2012 inspection of the bridge revealed a Bridge Condition Index (BCI) of 64/100 with 100 representing a bridge in perfect condition. To give an idea of the rapid decline in the condition of the bridge, the 2010 bridge inspection show a BCI of 78/100 – an 18% reduction over two years, with relatively mild winters. The strategic location of this bridge gives it the highest priority for required bridge works.

Stonebridge remaining in place with full load carrying capacity is also crucial to realising the maximum benefits from the Tees Valley Bus Network Improvement programme. The Inner Ring Road scheme which will enhance the sustainable transport links in the area is operationally very closely linked to Stonebridge. Through the bridging the economy project, this will reinforce the existing DfT investment in the area.

Freemans Place 1 & 2:- Freemans Place carries Darlington's Inner Ring Road over the River Skerne as part of the A167. The bridge's piled foundations have been found to be in poor condition with the pile caps suffering particularly chronic concrete spalling, corrosion of reinforcement and section loss. The most recent 2012 inspection showed the bridge to have a BCI of 72 and a BCI (critical) of just 54. The bridge structure in general is fair, but the localised degradation of the pile caps is likely to lead to the bridge having to be restricted in the medium term. Further testing will need to be carried out to determine the rate of deterioration and the extent as much of the pile cap is buried.

The particularly bad condition of the pile caps has meant during prioritisation of DBC's forward bridges work programme Freemans Place has come out as the number two priority. Critical works could be carried out to the pile caps in the river which would crucially have limited impact on the wider Inner Ring Road works which will be ongoing at the same time. Carrying out both works concurrently will minimise disruption to the travelling public while ensuring that there is no negative publicity from having to carry out major works to the structure shortly after the Inner Ring Road works are complete. Repairs would involve extensive hydro demolition of the pile cap in situ with temporary propping if necessary while allowing traffic to continue to use the bridge and then repairs and reinstatement of the reinforced concrete pile cap and piles. This would vastly extend the residual life of the bridge as a whole, meaning no further major maintenance would be required for a considerable period. The strategic location of this bridge gives it the second highest priority for required bridge works.

Russell Street Bridge:- is currently restricted by a 3t weight limit and reduced to a single lane of traffic in order to allow any traffic over the bridge at all. The structure is in poor condition and is beginning to suffer section loss and corrosion to all key structural members. If unabated, the deterioration of the structure would be likely to result in the closure of the road over the structure within ten years. DBC have earmarked the bridge as a key part of the town centre fringe regeneration project. The bridge would have to be capable of carrying 40t loading to make the regeneration scheme possible. To future proof the structure and enable the fast tracking of elements of the regeneration the proposal for this structure is to carry out strengthening and repair work to enable its later development into a key route in the town centre. In its present condition, the structure needs large scale maintenance to sustain its serviceability. Carrying out strengthening of the bridge as part of those works would generate considerable efficiency savings while laying the foundations for the town centre fringe regeneration. All restrictions over the bridge could be lifted to allow 40t two way traffic. The strategic location and opportunity for improvement of this bridge gives it the third highest priority for required bridge works.

East Street Bridge:- East Street Bridge is in generally acceptable condition, however the parapets are not suitable for pedestrian or vehicle restraint in places and are a high priority maintenance item to ensure public safety. In order to replace the parapets, the parapet edge beam will have to be re-cast in order to bring the parapets up to standard. This would provide an opportunity to potentially widen the bridge and allow an additional traffic lane to be accommodated for buses and taxis. The strategic location of this bridge gives it the fourth highest priority for required bridge works.

Priestgate Bridge:- the existing structure is in fair condition although requiring significant maintenance. The structure is beginning to suffer heavy corrosion to key structural members which will lead to a significant decrease in the bridge's load carrying capacity. This bridge has in the past carried vehicle loading although of an order less onerous than present day requirements. The existing structure of the bridge would provide a solid basis for strengthening to meet modern day requires if the existing fabric is maintained. The existing bridge has spare capacity as a footbridge but would quickly lose the remnant capacity which would enable strengthening and opening to road traffic. In the longer term this route has been identified as having the potential to be re-opened to vehicular traffic to provide greater access into the town centre for public transport especially. In order to facilitate these long term aims, the existing structure needs significant maintenance to prevent more significant structural repairs becoming required in the medium term. Protecting the existing structure to ensure this option remains open will help to provide flexibility for future growth planning.

Victoria Road Bridge:- the existing structure is generally in fair condition but to maximise the efficiency of the works in the area, these issues could be addressed as part of the River Skerne Bridges work. The issues are public safety issues with parapets which are in several

areas in need of local replacement and more generally simply require capital maintenance to rectify defects. These works would be programmed and coordinated to fit with the wider Inner Ring Road Programme and would ensure the public perception of the works is positive by preventing the need for additional maintenance following the works in the area.

General

These works have not previously been addressed in part because the opportunity has not arisen. An improved inspection and prioritisation regime for bridges has been developed by Darlington to ensure bridges works are effectively planned and programmed. This has identified the package of bridge works above as very high on the forward work programme. This in combination with the significant benefits to the recently developed town centre fringe regeneration project, forming part of Darlington's core strategy means the maintenance has never been of such acute economic importance to Darlington. Another major reason the works have been identified now and not sooner is the rate of deterioration of the structures. This is due to long-term under-investment in the asset and may have been accelerated by the highest river level ever recorded on the Skerne by the EA during the last year causing flooding and damage to bridges. As illustrated above, if the bridges continue to deteriorate as they are, then not one but several key routes into the town centre will be affected.

The programme included in this bid is a high level programme of works. Consents and time constraints have been taken into account in the programming of works to include for planning constraints, statutory undertaker's diversionary works and EA consent for works in and around watercourses.

DBC has significant experience of successfully delivering capital projects within challenging time constraints and would have sufficient skill and resource to be able to effectively manage this range of work. Our strong relationships with the Environment agency, statutory undertakers and the planning authority would help to enable smooth delivery.

b) What options have been considered and why have alternatives have been rejected?

Much of the above bridge maintenance work will constitute like for like maintenance which will help to speed the delivery of works by removing constraints and minimising any permissions required.

All of the bridges are of high importance to Darlington's strategic transport network being in and around the Inner Ring Road. They all need urgent works to be carried out to avoid the need for restrictions to be applied. This means there is no other option but to carry out these works as the highest priority. In addition, the cost of not carrying out the works will be high, not just in terms of the potential loss of economic output from the town centre and its hinterland, but also the vastly increasing costs associated with the need to replace bridges in full once they have gone beyond economic repair.

c) What are the expected benefits / outcomes? For example, job creation, housing numbers and GVA and the basis on which these have been estimated.

The successful and sustainable regeneration of Central Park and the Town Centre Fringe is dependent upon providing direct, efficient and high quality connections to Darlington Town Centre. One of the key challenges that DBC will face over the next few years is from the competing pressures of accommodating the amount of growth that is aspired to and the traffic associated with this growth whilst allowing regeneration and development to continue without creating congestion and adversely impacting on the quality of life in Darlington. This project "bridges the economy" in the fullest sense by providing the supporting infrastructure to enable

real economic growth in the borough. In total the regeneration of Central Park and the Town Centre Fringe is expected to create:-

3,700 jobs
1,125 new homes
The creation of (at least) 40,000 sqm commercial space
Safeguard 11,200 jobs (already in the town centre)

d) What is the project's scope and is there potential to reduce costs and still achieve the desired outcomes? For example, using value engineering.

The scope of the project includes three main aspects :

1. Maintenance of the bridges to ensure they retain their existing capacity as a minimum
2. Development of bridges to ensure Darlington's infrastructure can keep pace with growth and allow flexibility to further future development.
3. Prevent significant reduction in the capacity of the local transport network developing as a result of the bottlenecks which would have to be introduced through restrictions.

There are potentially elements of the bridge maintenance works which can be looked at in more detail to ensure the solutions are value engineered and optimised to produce the greatest cost:benefit outcome. This would be undertaken during design development. Being that the majority of works involve the minimum work necessary to maintain the existing capacity, there is likely to be limited scope for reduction of costs.

e) Are there are any related activities, that if not successfully concluded would mean the full economic benefits of the scheme may not be realised. For example, this could relate to land acquisition, other transport interventions being required or a need for additional consents?

No

f) What will happen if funding for this scheme is not secured - would an alternative (lower cost) solution be implemented (if yes, please describe this alternative and how it differs from the proposed scheme)?

If this scheme is not implemented, then the works would have to be carried out over a much longer period of time. Over this period of time, it is likely that restrictions would need to be imposed on the bridges which would limit either the lanes used (i.e. capacity), the weight of vehicles which could use the bridges or both. The cost of works over this period of time would be likely to increase significantly above inflation due to the high rate of construction inflation and the greatly increased magnitude of repairs required which may include re-decking or replacement of bridges.

If funding is not granted, highly desirable but not absolutely essential works to strengthen and provide additional capacity could not be carried out. This would lead to additional congestion due to background traffic growth and would mean the town centre fringe regeneration would be significantly more challenging to deliver.

g) What is the impact of the scheme – and any associated mitigation works – on any statutory environmental constraints? For example, Local Air Quality Management Zones.

The works will all require EA consent for works affecting a watercourse. There are no other environmental constraints or consents affecting the works. An initial ecological assessment of the works by DBC's in house team has not identified any major issues with the key works.

B3. The Financial Case – Project Costs

Before preparing a scheme proposal for submission, bid promoters should ensure they understand the financial implications of developing the scheme (including any implications for future resource spend and ongoing costs relating to maintaining and operating the asset), and the need to secure and underwrite any necessary funding outside the Department's maximum contribution.

Please complete the following tables. **Figures should be entered in £000s** (i.e. £10,000 = 10).

Table A: Funding profile (Nominal terms)

£000s	2013-14	2014-15	2015-16	Total
DfT funding sought	1212	220.2	[redacted]	1432.2
Local Authority contribution	196	305.8	112	613.8
Third Party contribution	0	0	0	0
TOTAL	**1408**	**526**	**112**	**2046**

Table B: Cost estimates (Nominal terms)

Cost heading	Cost (£000s)	Date estimated	Status (e.g. target price)
Stonebridge - Design and Development	124	Dec 2012	Scheme Estimate
Stonebridge Construction	727	Mar 2013	Scheme Estimate
Freeman's Place 1&2 - Design and Development	77	Mar 2014	Scheme Estimate
Freeman's Place 1&2 Construction	284	Jun 2014	Scheme Estimate
Russell Street - Design and Development	69	Nov 2013	Scheme Estimate
Russell Street Construction	312	Jan 2014	Scheme Estimate
East Street - Design and Development	53	Nov 2014	Scheme Estimate
East Street Construction	270	Feb 2015	Scheme Estimate
Priestgate - Design and Development	25	Sept 2015	Scheme Estimate
Priestgate Construction	90	Nov 2015	Scheme Estimate
Victoria Road - Design and Development	4	June 2015	Scheme Estimate
Victoria Road Construction	11	Aug 2015	Scheme Estimate
TOTAL	2046		

Notes:
1) Department for Transport funding must not go beyond 2014-15 financial year.
2) A minimum local contribution of 30% (local authority and/or third party) of the project costs is required.
3) Costs in Table B should be presented in outturn prices and must match the total amount of funding indicated in Table A.

B4. The Financial Case - Local Contribution / Third Party Funding

Please provide information on the following points (where applicable):

a) The non-DfT contribution may include funding from organisations other than the scheme promoter. If the scheme improves transport links to a new development, we would expect to see a significant contribution from the developer. Please provide details of all non-DfT funding contributions to the scheme costs. This should include evidence to show how any third party contributions are being secured, the level of commitment and when they will become available.
Not Applicable.

b) Where the contribution is from external sources, please provide a letter confirming the body's commitment to contribute to the cost of the scheme. The Department is unlikely to fund any scheme where significant financial contributions from other sources have not been secured or appear to be at risk.

Have you appended a letter(s) to support this case? ☐ Yes ☐ No ☑ N/A

c) The Department may accept the provision of land in the local contribution towards scheme costs. Please provide evidence in the form of a letter from an independent valuer to verify the true market value of the land.

Have you appended a letter to support this case? ☐ Yes ☐ No ☑ N/A

d) Please list any other funding applications you have made for this scheme or variants thereof and the outcome of these applications, including any reasons for rejection.
Not Applicable.

B5. The Financial Case – Affordability and Financial Risk

This section should provide a narrative setting out how you will mitigate any financial risks associated with the scheme (you should refer to the Risk Register / QRA – see Section B11).

Please ensure that in the risk / QRA cost that you have not included any risks associated with ongoing operational costs and have used the P50 value.

Please provide evidence on the following points (where applicable):

a) What risk allowance has been applied to the project cost?

20% contingency has been allowed for in the cost build up.

b) How will cost overruns be dealt with?

Costs will closely managed and where necessary value engineering will be used to tailor the works to suit the budget. Due to the cost estimates for the works being at an early stage, DBC would reserve the right to carry out only the works which could be delivered within the cost and programme envelope. A structure which has successfully delivered recent programme of TVBNI major highway schemes would be used to track costs, manage risks and make key decisions on whether projects for individual bridges would progress. This scalability would avoid any potential cost overruns.

c) What are the main risks to project delivery timescales and what impact this will have on cost?

See attached risk register detailing major risks to timescales. The financial risks relate to the ability to deliver the construction works to the estimated budgets. The works can be adjusted to some extent in order to manage costs if necessary as noted above. Significant milestone judgements would be made by the project board to sanction spending. This could be adjusted as necessary to help meet DfT spend profile targets.

The programme of works has been planned to skew funding requirements to the first year. This allows there to be some scope for the overall delivery timescales to slip into 2015/16 when the local authority contribution can still be used.

d) How will cost overruns be shared between non-DfT funding partners (DfT funding will be capped and will not be able to fund any overruns)?

N/A – all DBC match funding.

B6. The Economic Case – Value for Money

This section should set out the full range of impacts – both beneficial and adverse – of the scheme. The scope of information requested (and in the supporting annexes) will vary according to whether the application is for a small or large project.

<u>Small project bids (i.e. DfT contribution of less than £5m)</u>

a) Please provide a description of your assessment of the impact of the scheme to include:

- Significant positive and negative impacts (quantified where possible);
- A description of the key risks and uncertainties;
- A short description of the modelling approach used to forecast the impact of the scheme and the checks that have been undertaken to determine that it is fit-for-purpose.
    - Significant positive and negative impacts (quantified where possible);
    - o Increased access to employment opportunities
    - o Reduced severance between different parts of the town
    - o Supports sustainable travel options
    - o Increases attractiveness of Darlington to inward investors and the indigenous business base as a great location
    - o New affordable homes close to the economic/retail/leisure and cultural centre of the borough
    - o Improved access to the cultural, retail and leisure offer for residents and visitors alike
    - A description of the key risks and uncertainties;
    - Inability to secure support for delivering the project
    - Timing of construction may clash with other major developments creating negative publicity
    - Funding decision delayed which would put pressure on ability to spend to timescale

- A short description of the modelling approach used to forecast the impact of the scheme and the checks that have been undertaken to determine that it is fit-for-purpose.

This note briefly describes the methodology behind the analysis for the Scheme Impact Pro Forma for Small Project Bids.

Because of the nature of the project, to maintain the bridges and ensure no weight restrictions have to be applied to the bridges means that effectively the 'Do Something Option' will maintain the status quo.

The 'Do minimum option' would result in weight restrictions being applied and therefore the figures included are based on the HGVs only having to take an additional diverted route into the town centre avoiding the key bridges which may have weight restrictions applied, in particular Stonebridge.

The modelling has been verified according to the attached verification report.

** Small projects bids are not required to produce a Benefit Cost Ratio (BCR) but may want to include this here if they have estimated this.*

b) Small project bidders should provide the following as annexes as supporting material:

- A completed Scheme Impacts Pro Forma which summarises the impact of proposals against a number of metrics relevant to the scheme objectives. It is important that bidders complete as much of this table as possible as this will be used by DfT – along with other centrally sourced data – to form an estimate of the BCR of the scheme. Not all sections of the pro forma are relevant for all types of scheme (this is indicated in the pro forma).

- A description of the sources of data and forecasts used to complete the Scheme Impacts Pro Forma. This should include descriptions of the checks that have been undertaken to verify the accuracy of data or forecasts relied upon. Further details on the minimum supporting information required are presented against each entry within the pro forma.

  Has a Scheme Impacts Pro Forma been appended? ☒ Yes ☐ No ☐ N/A

  Has a description of data sources / forecasts been appended? ☒ Yes ☐ No ☐ N/A

- A completed Appraisal Summary Table. Bidders are required to provide their assessment of all the impacts included within the table and highlight any significant Social or Distributional Impacts (SDIs). Quantitative and monetary estimates should be provided where available but are not mandatory. The level of detail provided in the table should be proportionate to the scale of expected impact with particular emphasis placed on the assessment of carbon, air quality, bus usage, sustainable modes, accessibility and road safety. The source of evidence used to assess impacts should be clearly stated within the table and (where appropriate) further details on the methods or data used to inform the assessment should be attached as notes to the table.

  Has an Appraisal Summary Table been appended? ☒ Yes ☐ No ☐ N/A

- Other material supporting the assessment of the scheme described in this section should be appended to your bid.

** This list is not necessarily exhaustive and it is the responsibility of bidders to provide sufficient information to demonstrate the analysis supporting the economic case is fit-for-purpose.*

Large project bids (i.e. DfT contribution of more than £5m)

c) Please provide a short description of your assessment of the value for money of the scheme including your estimate of the BCR. This should include:

- Significant monetised and non-monetised costs and benefits;
- A description of the key risks and uncertainties and the impact these have on the BCR;
- Key assumptions including (but not limited to): appraisal period, forecast years, level of optimism bias applied; and
- A description of the modelling approach used to forecast the impact of the scheme and the checks that have been undertaken to determine that it is fit-for-purpose.

d) Detailed evidence supporting your assessment – including a completed Appraisal Summary Table – should be attached as annexes to this bid. **A checklist of material to be submitted in support of large project bids has been provided.**

Has an Appraisal Summary Table been appended? ☐ Yes ☐ No ☐ N/A

- Please append any additional supporting information (as set out in the Checklist).

**It is the responsibility of bidders to provide sufficient information for DfT to undertake a full review of the analysis.*

B7. The Commercial Case

This section should set out the procurement strategy that will be used to select a contractor and, importantly for this fund, set out the timescales involved in the procurement process to show that delivery can proceed quickly.

a) Please provide evidence to show the risk allocation and transfer between the promoter and contractor, contract timescales and implementation timescales (this can be cross-referenced to your Risk Management Strategy).

Cost estimates provided in this bid have been based on similar work delivered to the New Engineering Contract (NEC) 3rd Edition Option A which is a fixed price contract transferring the majority of the risk to the contractor.

The contracts for the various bridge works would be split up by bridge to allow greater flexibility in the delivery of works and to allow the development of the design of works which will be phased according to the work plan. Letting the work as a number of contracts will ensure there is enough interest from various contractor to maintain a competitive market for the works over the course of the works programme. This would also allow further flexibility to adjust works to fit budgetary constraints depending on the outturn of schemes.

The overall scheme programme is shown in the attached work plan. This shows basic estimates of procurement timescales which have been considered in the programming. Tenders would be run by Darlington borough Council's capital projects team which specialises in such work and would be optimised to fit the overall programme. This would be done with the input and advise of DBC's dedicated procurement team.

Risk to DBC would be further managed by the programme's scalability delivering as many individual bridge projects within the cost and time envelope as possible allowing spending to be

stopped as necessary. This will follow the model of the TVBNI programme which has been successful in delivering projects funded by the DfT.

b) What is the preferred procurement route for the scheme and how and why was this identified as the preferred procurement route? For example, if it is proposed to use existing framework agreements or contracts, the contract must be appropriate in terms of scale and scope.

As noted above the works are generally well defined separate schemes, albeit all focused around the Skerne corridor through Darlington town centre. This and the need to deliver to tight timescales lends itself to the work being broken down into several projects to allow work to be phased over the programme which will fit DBC's resource to deliver the projects. Procurement will be either through existing frameworks for consultancy work in particular or tendered on an individual basis depending on the scale of each works package in order to achieve best value. Legal compliance with procurement rules will be ensured through close work with the DBC's procurement team, carrying out all tenders in line with DBC's Procurement Contract Procedure Rules and policies.

c) A procurement strategy will not need to form part of the bid documentation submitted to DfT. Instead, the Department will require the bid to include a joint letter from the local authority's Section 151 Officer and Head of Procurement confirming that a strategy is in place that is legally compliant and is likely to achieve the best value for money outcome.

Has a joint letter been appended to your bid? ☒ Yes ☐ No

**It is the promoting authority's responsibility to decide whether or not their scheme proposal is lawful; and the extent of any new legal powers that need to be sought. Scheme promoters should ensure that any project complies with the Public Contracts Regulations as well as European Union State Aid rules, and should be prepared to provide the Department with confirmation of this, if required.*

B8. Management Case - Delivery

Deliverability is one of the essential criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.

a) A detailed project plan (typically in Gantt chart form) with milestones should be included, covering the period from submission of the bid to scheme completion. The definition of the key milestones should be clear and explained. The critical path should be identifiable and any key dependencies (internal or external) should be explained. Resource requirements, task durations, contingency and float should be detailed and easily identifiable. Dependencies and interfaces should be clearly outlined and plans for management detailed.

Has a project plan been appended to your bid? ☒ Yes ☐ No

b) If delivery of the project is dependent on land acquisition, please include a letter from the respective land owner(s) to demonstrate that arrangements are in place in order to secure the land to enable the authority to meet its construction milestones.

Has a letter relating to land acquisition been appended? ☐ Yes ☐ No ☒ N/A

c) Please provide summary details of your construction milestones (at least one but no more than 5 or 6) between start and completion of works:

Table C: Construction milestones

Programme is not suited to the below milestones. Please see attached Works Plan. A gated review process at key milestones would be used as part of the governance arrangements (See Section B10).

Estimated Date

Start of works

Opening date

Completion of works (if different)

d) Please list any major transport schemes costing over £5m in the last 5 years which the authority has delivered, including details of whether these were completed to time and budget (and if not, whether there were any mitigating circumstances)

A recent scheme completed as part of the Tees Valley Bus Network Improvement Project (TVBNI) was the North Road Bus Priority scheme. The TVBNI scheme's main objectives were to reduce bus journey times and improve bus journey reliability. Additionally, the scheme also provided benefits to non-motorised users which included improved pedestrian crossing facilities and the provision of new cycleways. The scheme was designed in house by Darlington Borough Council and then externally tendered through a restricted tender process. The works involved constructing a whole new junction on the A167, which is one of the main arterial routes into Darlington, taking around 24,500 vehicles per day on a single carriageway road. The scheme was project managed by DBC and was completed on time and budget.

B9. Management Case – Statutory Powers and Consents

a) Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.
None

b) Please list separately any outstanding statutory powers / consents etc, including the timetable for obtaining them.

The time required for consents will fit into the programme delivery timescales. For all the bridges, EA consent will be required which can take up to 8 weeks to attain, however from past experience, our excellent working relationship with the EA has generally ensured a turn around of 2-3 weeks. 8 weeks has been allowed for the programming of works planning.

Listed building consent will be required for Russell Street bridge works. This would normally be obtained from the planning authority but as this is DBC, the request would have to be referred to the secretary of state for a decision which can increase timescales. Russell Street has been programmed early to ensure that any slippage can again be accommodated

comfortably within the overall programme. If the works to Russell street are delayed this would not have a significant impact on the deliverability since it is effectively offline from the Inner Ring Road with its current weight restrictions meaning it does not have a significant impact on traffic

B10. Management Case – Governance

Please name who is responsible for delivering the scheme, the roles (Project Manager, SRO etc.) and responsibilities of those involved, and how key decisions are/will be made. An organogram may be useful here. Details around the organisation of the project including Board accountabilities, contract management arrangements, tolerances, and decision making authorities should be clearly documented and fully agreed.

Project Governance Arrangements	
PROJECT BOARD	Dave Winstanley - Assistant Director: Highways, Design and Projects John Anderson - Assistant Director - Policy and Regeneration Brian Robson - Head of Capital Projects Alan Glew - Head of Place (Programmes and Projects)
PROJECT SPONSOR	Steve Brannan – Head of Highway Asset Management
PROJECT MANAGER	Jonathan Gall - Project Manager - Capital Projects
PROJECT TEAM	Jo Wood - Capital Project Officer Richard Adamson - Head of Estates Sarah Hutchinson - Lawyer (Contracts) Susan White - Head of procurement Phil Roxby - DBC Ecologist

The project decision making process will be based on DBC's Project management handbook and project management systems which have recently had their ISO 9001 certification renewed. This involves a gated review process based on PRINCE systems which will ensure the project is subject to sufficient scrutiny at each stage.

The responsibilitie's of the main roles are as follow's:

<u>Project Board</u>

The Project Board are responsible for ensuring that the elements of the Project required to be delivered by are progressed and delivered in accordance with required cost, time and quality

requirements. The board will be made up of key individuals to provide challenge and support to the appointed Project Sponsor and Project Manager

Project Sponsor – Steve Brannan – Head of Highway Asset Management

The Project Sponsor will own the Business Case for the project and is responsible for ensuring the project is managed through it's lifecycle and achieves it'

The Project Sponsor will own the Business Case for the project and is responsible for the DBC elements of the Major Scheme Business ensuring that the Project is focused throughout its life cycle on achieving its objectives and delivering a product that will achieve the projected benefits.
The Project Sponsor will be responsible for;

- Sanctioning the release of the project stage funding, upon review and acceptance of completed control point documentation and a detailed stage plan for the subsequent stage;
- Ensuring appropriate resources are available for the project;
- Challenging the Project Manager on exceptions to plan;
- Monitoring and controlling the progress of the project at a strategic level;
- Ensuring that project risks are being tracked and effectively mitigated;
- Briefing corporate or programme management about project progress;
- Organising and chairing Project Board meetings;
- Understanding which potential changes may impact upon the delivery of other projects within the overall programme, and communicating these as appropriate;
- Informing the Project Manager of any external changes that may affect the project (e.g. realisation of a risk in another project which may have an impact on the project);
- Owning and managing business level risks;
- Supporting the Project Manager in resolving resource conflicts;
- Overall responsibility for authorising changes within the prescribed project tolerance levels. (The responsibility for authorising changes within stage tolerance levels is held by the Project Manager; The authorisation of change outside project tolerance levels should be escalated to the Capital Programme Review Board);
- Releasing contingency funding assigned to a specific risk upon approval of an appropriate exception report.

Project Manager – Jonathan Gall – Capital Projects Manager

The Project Manager is responsible for the management, co-ordination and control of all aspects of the project from initiation to completion. The Project Manager is required at all times to keep the Project Board or Project Sponsor informed on all matters in connection with the

Project. Throughout the project the Project Manager will carry out his/her duties in accordance with the Darlington Borough Council Project Management Handbook.

The Project Manager's roles and responsibilities include (for details see specific scope of service), but are not limited to the following:

- Delivering the project, its objectives and products to the desired quality criteria;

- Preparation of all high level process documentation (excluding CP1 – Project Brief);

- Maintaining the DBC project documentation e.g. project plan, risk log, stakeholder map, highlight reports, change control etc;

- Identifying and implementing a strategy for managing DBC risks which includes regular reviews, identification of appropriate mitigating actions and assigning appropriate risk owners;

- Providing regular reports and updates to the DBC Project Board/DBC Project Sponsor on physical and financial progress;

- Providing appropriate exception reports where deviation from financial or physical plan exceeds or is forecast to exceed prescribed stage tolerance levels, or an amendment to the scope or quality criteria is considered necessary;

- Ensuring that an accurate record is maintained of all key issues, actions and changes affecting the project using the project Issues, Actions and Changes log;

- Developing and seeking approval of the project plan;

- Negotiating resource agreements;

- Communicating the project plan;

- Delegating or assigning work packages to the appropriate resources (these may be internal or external resources);

- Managing any external contracts in place to support the delivery of the project, ensuring that the appointed contractors have an adequate specification detailing, scope, budget, quality and time constraints, and that they adhere to the contract terms and conditions;

- Monitoring the progress of contracts and taking appropriate action as necessary;

- Motivating the project team;

- Holding regular formal project team meetings (at least monthly) which include risk log reviews at appropriate intervals, and informal team meetings on a more frequent basis if required.

The Project Management process will follow the requirements of the DBC Project Management Handbook and follow a Control Point (Gateway) process as set out below:

(i) Control Point 1 (CP1) – Project Brief – To enable business opportunities to be captured through a structured framework.

(ii) Control Point 2 (CP2) – Project Initiation Document – Produced to help define the project appraisal. The proposed governance arrangements are expected to be defined. CP2 only approves the expenditure and work required to develop the project to the next stage, Control Point 3.

(iii) Control Point 3 (CP3) – Design Approval – The purpose of this phase is two fold. Firstly, to ensure that the quality checks against the products being delivered within the Project have been applied and sanctioned and secondly, to provide an opportunity to update the estimated costs and plan of the project prior to the commencement of the main construction works.

(iv) Control Point 4 (CP4) – Construction Stage – To ensure that projects are formally closed following completion and to capture key lessons learned. The CP4 provides a clear point in time that the financial, planning and quality aspects of the project can be assessed against the initial estimates.

(v) Control Point 5 (CP5) – Post Project Review – This CP provides the opportunity to review how the project was delivered, the problems and issues experienced during the delivery of the project that can help inform the delivery of future projects.

These governance arrangements have proven successful during the recent delivery of the £3m TVBNI North Road Bus Improvement Scheme and the same procedures would be put in place.

B11. Management Case - Risk Management

All schemes will be expected to undertake a thorough Quantified Risk Assessment (QRA) and a detailed risk register should be included in the bid. The QRA should be proportionate to the nature and complexity of the scheme. A Risk Management Strategy should be developed and should outline on how risks will be managed.

Please ensure that in the risk / QRA cost that you have not included any risks associated with ongoing operational costs and have used the P50 value.

Has a QRA been appended to your bid?	☐ Yes	☒ No
Has a Risk Management Strategy been appended to your bid?	☒ Yes	☐ No

B12. Management Case - Stakeholder Management

The bid should demonstrate that the key stakeholders and their interests have been identified and considered as appropriate. These could include other local authorities, the Highways Agency, statutory consultees, landowners, transport operators, local residents, utilities companies etc. This is particularly important in respect of any bids related to structures that may require support of Network Rail and, possibly, train operating company(ies).

a) Please provide a summary of your strategy for managing stakeholders, with details of the key stakeholders together with a brief analysis of their influences and interests.
Please find attached Communications Plan.

b) Can the scheme be considered as controversial in any way? ☐ Yes ☒ No
If yes, please provide a brief summary (in no more than 100 words)

c) Have there been any external campaigns either supporting or opposing the scheme?

☐ Yes ☒ No

If yes, please provide a brief summary (in no more than 100 words)

d) For large schemes please also provide a Stakeholder Analysis and append this to your application.

Has a Stakeholder Analysis been appended? ☐ Yes ☐ No ☐ N/A

e) For large schemes please provide a Communications Plan with details of the level of engagement required (depending on their interests and influence), and a description of how and by what means they will be engaged with.

Has a Communications Plan been appended? ☐ Yes ☐ No ☐ N/A

B13. Management Case - Assurance

We will require Section 151 Officer confirmation (Section D) that adequate assurance systems are in place.

For large schemes please provide evidence of an integrated assurance and approval plan. This should include details around planned health checks or gateway reviews.

SECTION C – Monitoring, Evaluation and Benefits Realisation

C1. Benefits Realisation

Please provide details on the profile and baseline benefits and their ownership. This should be proportionate to the size of the proposed scheme.

DBC recognises that the project will deliver a number of benefits which link to corporate and national policy. As noted in Section B2, the Strategic Case, the project is to undertake structural maintenance to six key bridges within the borough to ensure that they are fit for purpose with respect to meeting future demand capacity brought about through the development of a number of major regeneration schemes within the Town Centre, Town Centre Fringe and the Central Park Enterprise Zone. Specifically the project will support the economy. The problems expressed by these challenges have been used to generate operational objectives, which have been used to structure the monitoring and impact/benefit evaluation strategy:

1. Maintenance of the bridges to ensure they retain their existing capacity as a minimum
2. Development of bridges to ensure Darlington's infrastructure can keep pace with growth and allow flexibility to further future development.
3. Prevent significant reduction in the capacity of the local transport network developing as a result of the bottlenecks which would have to be introduced through restrictions.

It is however important to note that this project will be delivered much sooner than the Town Centre Fringe and Central Park Enterprise Zone Regeneration Schemes and therefore it will be difficult, over a shorter report back period, to fully capture all the economic benefits that this project will ultimately deliver (such as a reduction in the number of JSA claimants, increase in the employment rate etc). As such it is very difficult to quantify the benefits further

C2. Monitoring and Evaluation

Evaluation is an essential part of scheme development and should be considered and built into the planning of a scheme from the earliest stages. Evaluating the outcomes and impacts of schemes is important to show if a scheme has been successful.

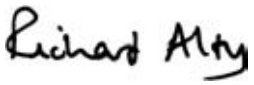
Please set out how you plan to measure and report on the benefits identified in Section C1, alongside any other outcomes and impacts of the scheme

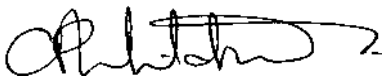
Evaluation of the scheme will be carried out as to whether it has achieved its key objectives:-

- All bridges are maintained without any weight or other traffic restrictions having to be imposed.
- The BCI values at the next round of general inspections for bridges indicating the critical and average condition of the bridges will be significantly improved to at or close to 100.

A fuller evaluation for large schemes may also be required depending on their size and type.

SECTION D: Declarations

D1. Senior Responsible Owner Declaration	
As Senior Responsible Owner for [*scheme name*] I hereby submit this request for approval to DfT on behalf of [*name of authority*] and confirm that I have the necessary authority to do so. I confirm that [*name of authority*] will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.	
Name: RICHARD ALTY Position: DIRECTOR OF PLACE	Signed: 

D2. Section 151 Officer Declaration	
As Section 151 Officer for [*name of authority*] I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that [*name of authority*] - has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution - accepts responsibility for meeting any costs over and above the DfT contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties - accepts responsibility for meeting any ongoing revenue requirements in relation to the scheme - accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested and that no DfT funding will be provided after 2014/15 - confirms that the authority has the necessary governance / assurance arrangements in place and, for smaller scheme bids, the authority can provide, if required, evidence of a stakeholder analysis and communications plan in place	
Name: PAUL WILDSMITH	Signed: 

Submission of bids:

For both small bids and large bids the deadline is 5pm, **21 February 2013**

One hard copy and a CD version of each bid and supporting material should be submitted to:

Steve Berry
Local Transport Funding, Growth & Delivery Division
Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

An electronic copy should also be submitted to steve.berry@dft.gsi.gov.uk