

# Heart of South West Local Transport Board

## Bridge Road Business Case *Draft v2*

*August 2014*

## STRATEGIC CASE

<b>Scheme Name</b>	Exeter Bridge Road	<b>Date</b>	August 2014
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### Case for Change

#### Strategic Fit

Bridge Road, carrying up to 30,000 vehicles each day, is a strategic route for travel from the south of the County / Peninsula into or out of the city centre and also performs as a ring road connecting major employment sites on the edge of the city with development sites. Maintaining operation of the route is therefore critical to the economy of the city.

The scheme will improve access to the existing Marsh Barton Industrial Estate and is critical to support planned development to the South West and East of the city of up to 20,000 homes and 25,000 new jobs. The scheme will complement other major transport infrastructure projects recently constructed or in progress, such as improvements to Junctions 29 and 30, Tithebarn Link Road and the Devon Metro project. Without intervention at Bridge Road additional traffic created by development would further compound congestion, delays and unreliability which would make Bridge Road the weakest link in Exeter's transport network.

#### Devon County Council Objectives

Better Together Devon 2014 – 2020 (Devon County Council Strategic Plan) sets out the priorities for the authority and describe the future vision for Devon. The content of the document reflects the changing expectations of Devon's citizens and communities in the significantly reduced financial landscape for local authorities. The plan sets out how Devon will be resilient, healthy, prosperous, well connected and safe. Relating to transport, this involves:

- Planning for growth and promoting investment in Devon;
- Maintaining essential roads and supporting a wide range of travel options;
- Working together to develop and maintain cycle paths and public rights of way; and,
- Maintaining key roads to a safe standard and promoting cycle ways and footpaths.

The vision for Exeter within Devon and Torbay's Local Transport Plan 3 2011 to 2026 (LTP) is that, 'Exeter will be a focus for economic growth, supporting prosperity throughout Devon and Torbay. It will offer new employment, new housing and maintain a high standard of living.'

The scheme contributes to the following transport priorities for Exeter:

- **Improve access to the city** by removing exit blocking at Countess Wear roundabout;
- **Enable and support smarter travel** by enhancing cycle facilities and reducing delays on bus services;
- **Deliver major development within Exeter** by delivering infrastructure required to support development; and
- **Protect Exeter as a gateway** by protecting the SRN by reducing the need for local trips to use the trunk roads.

The LTP also set out how in order to enable the delivery of major developments within the City the ring road would need to be improved to a four lane standard, along with improvements to the junctions at Alphington Cross and other locations between Marsh Barton and Sowton Industrial Estate.

#### Exeter City Objectives

The scheme contributes to the following Exeter City Core Strategy objectives and policies:

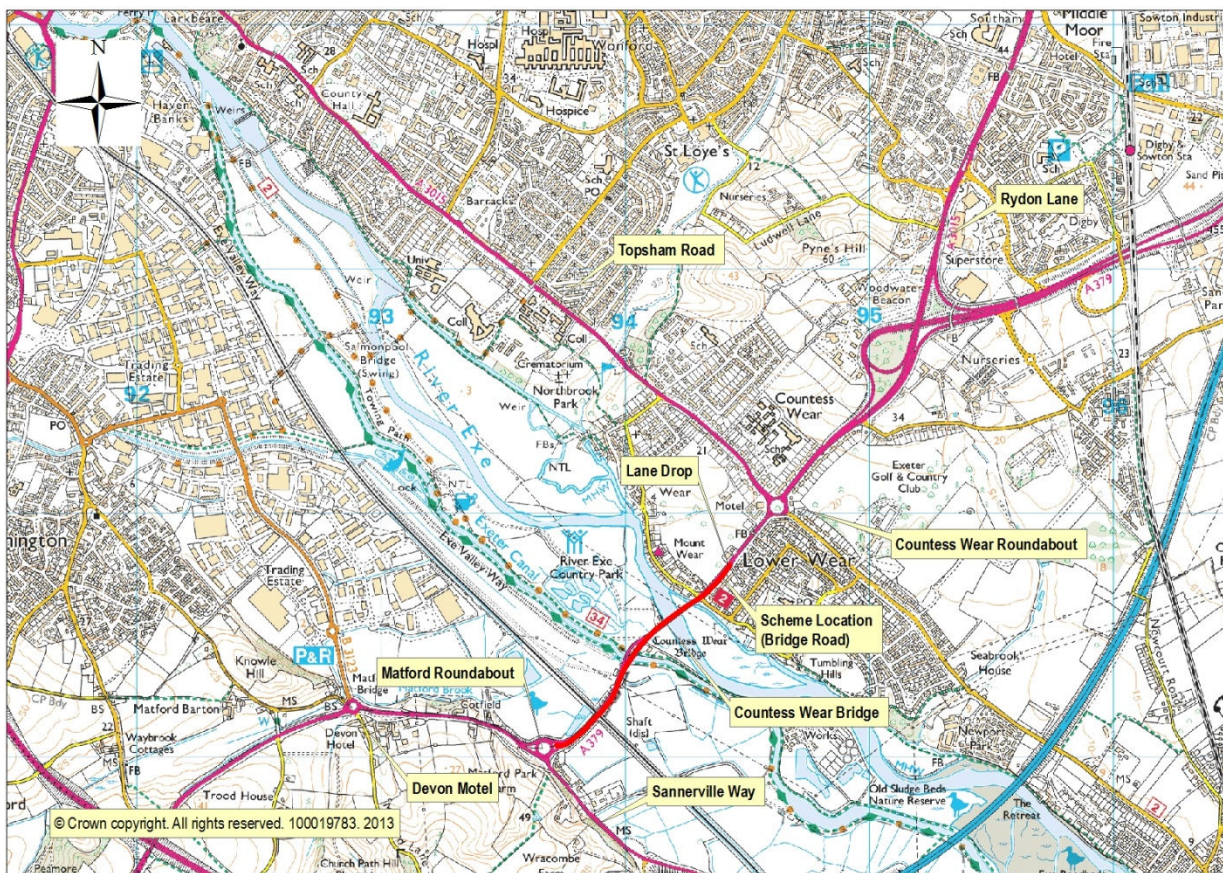
- **Objective 1: Mitigate and adapt to climate change** by increasing capacity and resilience thereby reducing delays and queuing on the outer bypass. Vehicle km will also be reduced as vehicles reassign back from the SRN.
- **Objective 5: Achieve a step change in the use of sustainable transport** by enhancing cycle facilities and reducing delays on bus services.

- **CP9:** Refers to the need for a comprehensive strategic transport measures to accommodate development within the city, including 'improvements to the strategic road infrastructure including key junctions on the M5, outer bypass (i.e. Bridge Road) and the Alphington Road corridor' and 'improvements to facilities for pedestrians and cyclists'.
- **CP19:** Refers to strategic allocations and required infrastructure, noting that Newcourt requires 'improvements to the strategic road network particularly at Countess Wear roundabout'.

### Wider Transport and Government Objectives

The scheme will protect the Strategic Road Network by minimising the need for local trips to use the SRN. This is in line with European and national policy.

### Problem Identification



Scheme Location Plan

Bridge Road is a key link on the outer bypass and Exeter's Strategic Cycle Network and is critical to the transport infrastructure of Exeter. It provides an important link across the River Exe on the Exeter bypass providing access to the city centre and Sowton and Marsh Barton industrial estates. Bridge Road provides two lanes inbound, however outbound this reduces from two lanes to one some 200 metres from Countess Wear roundabout until Matford roundabout. This is the only single lane section over 5.5km of the outer bypass between Middlemoor and the approach to Chudleigh Road near the A30. This merge creates a bottleneck on the strategic A379 corridor. Traffic flows on the ring road are such that significant southbound queuing occurs on Bridge Road in the PM peak, backing onto Countess Wear roundabout affecting operation of the roundabout, reducing capacity and causing exit blocking. This has further impacts on queuing along the heavily trafficked city centre radial route of Topsham Road causing significant delays throughout the network, particularly in the PM peak.

Bridge Road is a key route for bus services, with approximately 16 buses using this route in peak hours (two-

way). Buses, like all vehicles using Bridge Road, are already experiencing unreliability and this is set to stay the same or get worse with further development. Delays and further unreliability will discourage use and act as a barrier to encouraging increased bus patronage. It is important that bus use continues to provide an attractive alternative to the private car in order that the network is able to accommodate future demand.

There are over 21,000 new homes planned for the Exeter and East Devon Growth Point area and the South West Exeter Urban extension, and 125 hectares of employment land delivering in the region of 20,000 new jobs. The quantity and location of this development will lead to a significant growth in travel demand within the city and in particular around the ring road corridor. As set out above there is no capacity available on Bridge Road to accommodate the forecast substantial number of additional trips from the proposed new developments in the PM peak.

The current situation would deteriorate significantly without intervention; it is therefore critical that this scheme is delivered to ensure traffic is kept moving, delays are reduced and access to key employment centres is maintained. It is vital that Exeter's transport network supports growth and ensure confidence as the City attracts new businesses and jobs. Not improving congestion on Bridge Road will also further encourage use of the Strategic Road Network for local trips.

The route is constrained by the historic Countess Wear Bridge over the River Exe which is approximately 12 metres wide and by the current layout of the Swing Bridge over Exeter. These constraints mean that the current shared use pedestrian and cycle path on the north side of Countess Wear Bridge is, at 2 metres wide, below recommended standard for a shared use path, despite linking routes 34 and 2 of the National Cycle Network and being a designated Primary route in the Exeter Cycle Network. Vital to the success of this scheme is ensuring that short trips are made by sustainable modes thus ensuring road space is available for goods vehicles and business purposes. The current substandard shared use path is however unlikely to encourage greater uptake along this route; improvements will also therefore need to deliver improved pedestrian and cycle facilities.

Full details can be found in the Options Assessment Report attached as Appendix 1.

## Objectives

The objectives of the scheme are to:

1. Support development growth in the City
2. Maximise sustainable travel opportunities on the Ring Road corridor
3. Deliver reliable journey times on the Ring Road corridor

Major housing and employment growth is underway or planned within Exeter and East Devon. A transport network that continues to function effectively for all modes is vital to ensure maximum economic benefits are realised from the planned development. The scheme is therefore vital to maximise return on the significant capital already invested.

A continuous pedestrian and cycle path will be provided, improving the cycle link across the river and linking to key cycle routes in both directions towards Exeter City Centre and along the outer bypass. The new bridge will increase the available space and increase the degree of separation from road traffic further encouraging sustainable modes of travel. The scheme will also reduce delays experienced by bus services.

By providing two lanes, outbound queuing (from the existing merge), and the resulting exit blocking, will be eliminated. This will assist vehicles exiting the city and keep traffic moving on the outer bypass. By reducing delay on the outer bypass the number of vehicles using the SRN for local trips would be reduced. This is in accordance with the Exeter Transport Strategy which aims to keep traffic moving on the outer bypass and protect the Exeter Gateway.

## Local Transport Board

**Objective 1**

<b>Objective 1</b>	Support development growth in the City
<b>Measure of Success</b>	Housing and employment delivered as per strategic case
<b>Timescale</b>	1 and 5 years post completion
<b>Indicators</b>	Housing completions, employment floorspace completed, short business survey
<b>Dependencies, Risks, Constraints</b>	Development viability and external infrastructure requirements

<b>Objective 2</b>	Maximise sustainable travel opportunities on the Ring Road corridor
<b>Measure of Success</b>	Increased bus patronage on the Bridge Road corridor. Increased cycle trips along Exe Estuary Route and Bridge Road.
<b>Timescale</b>	Baseline and 1 and 5 years post completion
<b>Indicators</b>	Bus patronage, number of cycle trips
<b>Dependencies, Risks, Constraints</b>	Bus service changes affect public transport base

<b>Objective 3</b>	Deliver reliable journey times on the Ring Road corridor
<b>Measure of Success</b>	Journey time reliability
<b>Timescale</b>	Baseline and 1 and 5 years post completion
<b>Indicators</b>	Traffic flows, journey times, extent of peak spreading
<b>Dependencies, Risks, Constraints</b>	Unforeseen changes in traffic volume / patterns

**Summary**

Problems	Scheme Objective	Organisation's Objective	Contribution of Scheme Proposal
1 Unable to accommodate planned growth on the local transport network due to capacity constraints	Objective 1. Support growth development in the City	Exeter will offer new employment, new housing and maintain a high standard of living.  The five transport priorities for Exeter include: Deliver major development within Exeter.  (Devon and Torbay Local Transport Plan 3 2011-2026)	This scheme proposal provides the infrastructure to support the delivery of major strategic residential and employment sites in Exeter and Teignbridge.
1 Unable to accommodate planned growth on the local transport network due to capacity constraints	Objective 3. Deliver reliable journey times along Bridge Rd	Invest in infrastructure improvements that will offer positive outcomes for other modes of transport and free up the road network to improve journey time reliability including: - Ring road - Alphington Cross and Bridge Road  (Devon and Torbay Local Transport Plan 3 2011-2026)	The scheme proposal provides additional highway capacity and will contribute to reliable journeys.

2	The pedestrian / cycle environment would benefit from improvement and buses experience poor journey time reliability.	Objective 2. Maximise opportunities for sustainable travel	Making it easier and convenient for people living or working in the city to walk, cycle or use public transport will provide additional capacity and reduce congestion on the main routes.  (Devon and Torbay Local Transport Plan 3 2011-2026).	The scheme proposal provides an improved environment for pedestrians and cyclists. The scheme will also ensure journey time reliability of bus services to maintain an attractive service.
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### Scope

A general arrangement plan is included as Appendix 2. Detailed plans will be included with the full business case.

In summary the scheme will provide additional southbound capacity on Bridge Road by widening to two lanes from Countess Wear roundabout to Matford roundabout and pedestrian / cycle provision.

Starting at the north end this will be achieved by reallocating the highway space on the eastern side approaching Countess Wear Bridge. At Countess Wear Bridge the 2 metre wide footway / cycleway on the west (upstream) and the pavement on the east will be removed thus providing space to provide a second southbound lane. Footway cycle provision would be provided via a continuous cycleway footway including a 3 metre wide cantilevered extension on the west (upstream) side. The current southbound lane alignment will be altered on approach to the swing bridge to allow two lanes and minimise safety risks from conflicting traffic flows on the exit of the bridge. Widening would continue on the south side until the existing lane split at Matford roundabout.

### Constraints

No major constraints have been identified that would affect the delivery of the project and detailed design will be progressed by Engineering Design Group (EDG) within Devon County Council.

EDG has substantial experience in delivering major transport schemes, such as the east of Exeter access scheme which included improvements to M5 Junction 29, widening and bus lane provision to C832 (old A30); and contribution to new junction provision to the Intermodal Freight Terminal off Clyst Honiton Bypass.

### Inter-dependencies

Delivery of the scheme is dependent on developer contributions; however all the required funding is secured by legal agreements to ensure contributions come to fruition.

Third party land is required to implement the scheme, some of which will need to be obtained through CPO. There are therefore risks attached with obtaining this land. The intention is to publish the CPO in November 2014 and it is expected that this process should be completed by July 2015 at the latest, subject to no objections being received. The risk of objections is assessed as very low because the majority of the land is in the ownership of statutory bodies, and the small areas where owners cannot be traced do not appear to have an obvious likely owner or be valuable to anyone. The Risk Register and Quantified Risk Assessment (Appendix 15 and 16) assess the level of risk and cost implications to the scheme if this process were to be delayed.

Planning approval is not required to implement this scheme as it is permitted development (i.e. scheme is contiguous with the existing highway).

### Stakeholders

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Devon County Council will keep key stakeholders informed of the scheme's progress. These are:

- Exeter City Council
- Teignbridge District Council
- English Heritage
- Highways Agency
- Network Rail
- Developers
- Statutory Environmental Bodies (Natural England, Environment Agency, Marine Management Organisation)
- Local Businesses
- General Public
- Councillors

Although a Listed Building Consent (LBC) has previously been obtained for the works to Countess Wear Bridge, in order to secure a consistent 3m shared use path along the length of the NCN route adjacent to the scheme, amendments have been made to the design which requires a new application for LBC to be submitted. Early involvement and consultation with English Heritage has been favourable and there are not expected to be any major issues raised on this aspect, however the new LBC is needed to formalise this.

Devon County Council has entered into a Basic Asset Protection Agreement (BAPA) with Network Rail, this establishes the process whereby NR engineers check and approve the detail of works affecting the railway. Early discussions and site meetings have been held and no major issues have been raised to date.

The Environment Agency and Natural England have been consulted and the relevant consents required for the advance piling work were obtained with no problems. Further consultation will be ongoing, culminating in new consent applications for the main scheme in 2015. DCC has commissioned ecological advice and is carrying out surveys to check for protected species in spring/summer 2014. Vegetation clearance will be undertaken in autumn 2014 to further protect against potential ecological issues occurring in the main scheme.

The Marine Management Organisation (MMO) granted a Marine Licence for the advance piling work with no problems. For the main scheme, a scoping exercise has been carried out and the MMO advise that no Environmental Impact Assessment is required. DCC will apply for the Marine Licence for the main scheme later in 2014.

The Bridge Road scheme, when part of the Exeter PUA proposals, featured in public exhibitions in around 2009. The previous Listed Building Consent is in the public domain, as the new LBC will also be. The Devon and Torbay Local Transport Plan also identifies how the ring road would need works to bring it to a four lane standard therefore the principle of the scheme is established.

A press release was issued in December 2013 prior to the advance piling work starting. Letter drops to immediately adjacent residents were also undertaken at this time. A new webpage for the scheme has been set up on the Devon County Council website, this can be brought to the attention of any members of the public who ask questions about the scheme at [www.devon.gov.uk/bridgeroad](http://www.devon.gov.uk/bridgeroad).

Members will be consulted when the scheme goes to Cabinet for scheme design and estimate approval and this will also bring the scheme to the attention of the public including local residents. This business case application will also be in the public domain from 14<sup>th</sup> July 2014 on the Devon County Council and Heart of the South West LEP website.

**ECONOMICS CASE**

<b>Scheme Name</b>	Exeter Bridge Road	<b>Date</b>	August 2014
<b>Economic Summary</b>		<b>Value for Money Category</b>	
<b>PV Benefits (£m)</b>	63.286	See DfT guidance: <b>Very High</b>	
<b>PV Costs (£m)</b>	9.074		
<b>BCR</b>	6.97		

**Assessment Approach and Assumptions**

The Transport Economics are calculated using the TUBA software package, based on underlying SATURN modelling. A number of supporting documents have been produced to support the economics case. These documents are included as appendices and include the following:

- Appraisal Specification Report (Appendix 3)
- Data Collection Report (Appendix 4)
- Local Model Validation Report (Appendix 5)
- Forecasting Report (Appendix 6)
- Economics Report (Appendix 7)
- Appraisal Summary Table (Appendix 8)

A base year (2012) model has been produced which incorporates data inherited from the EMMM (Exeter Multi Modal Model) and two RSI's completed on Sannerville Way and the A379 in June/July 2013. The Bridge Road model has been developed using SATURN version 11.2.05 and has been calibrated in line with WebTAG guidance and is consistent with the methodology proposed in the Appraisal Specification Report.

The forecast travel demand for 2017 (anticipated opening year) and 2032 (anticipated design year) was determined using trip generation from planned developments in Exeter in combination with TEMPRO-based growth. TEMPRO (Trip End Model PResentation Programme) is a software package created by the DfT which provides forecast data on trips for transport planning purposes. NTEM (National Trip End Model) has been used to forecast the growth of good vehicles in both forecast years.

Travel economic efficiency benefits and vehicle operating costs have been calculated using TUBA (v1.9.3) for a 60 year appraisal period. Accidents have been calculated using COBA-LT software. The final calculated costs and benefits over the appraisal period (and discounted to 2010 values) are presented in the appended Transport Economic Efficiency Table (Appendix 11).

**Key Risks, Sensitivities and Uncertainties**

To account for uncertainty in planning data and uncertainty in economic and demographic changes in the study area, several alternative forecast scenarios have been derived. These comprise of a Core scenario (considered the most likely outcome), a Low scenario (a lower bound forecast of growth within the study area) and a High scenario (an upper bound forecast within the study area).

The outputs from these scenarios are presented below and demonstrate sensitivity of the model. The BCR values also include the accident benefits identified from COBA-LT.



## Local Transport Board

Scenario	TEE Benefits	Indirect Tax Benefits	Accident Benefits	Noise, Air Quality & Greenhouse Gases	Total	BCR
Core Scenario	60,644	223	2,640	-221	63,286	6.97
High Growth Scenario	159,803	1,645	2,640	301	164,389	18.12
Low Growth Scenario	38,811	524	2,640	-95	41,880	4.62

## Appraisal Summary Table

The Appraisal Summary Table is attached as Appendix 8.

Impacts	Positive Monetised and Non-Monetised Impacts not Included in BCR	Scale of Impact
Reliability	The scheme will improve end to end journey times, primarily at peak times. It will achieve this by reducing delay and queuing on Bridge Road and, consequently reducing exit blocking at Countess Wear roundabout.	Slight Beneficial
Regeneration	Widening of the road, leading to better accessibility and potential for business growth at either end of Bridge Road. It will help facilitate new housing at either end of the scheme facilitating 3,500 houses at Newcourt and 2,500 houses at South West Exeter.	Slight Beneficial
Wider Impacts	Allows employment development to come forward increasing labour supply.	Slight Beneficial
Physical Activity	Allows employment development to come forward increasing labour supply.	Slight Beneficial
Access to Services	Bridge Road will be the main bus corridor between Newcourt, Exeter South West Exeter and the City Centre so access will be improved, especially in peak times. The scheme will also reduce traffic at J30 so improving access to the Strategic Road Network.	Slight Beneficial

[further comments]: None.

Impacts	Negative Monetised and Non-Monetised Impacts not Included in BCR	Scale of Impact
Severance	In 2017 it is forecast that an extra 800 daily vehicles will use Bridge Road southbound with the scheme implemented and in 2032 an extra 2000 daily vehicles will utilise the scheme. Hence the traffic flows will form a barrier to pedestrians and cyclists wishing to cross the corridor to access employment and residential estates.	Slight Adverse

[further comments]: Despite the Countess Wear Bridge being a Grade II Listed Building, there are no predicted impacts on the cultural heritage resource and there is expected to be a neutral impact resulting from the construction and operation overall.

Change in Benefit or Cost required to change Value for Money category	Change in Benefit or Cost	New Value for Money Category	Likelihood of New Value for Money Category
A cost increase from £10.883m to £18.963m	Cost	High	Very Remote. Risk and optimism bias have been included.
Significant underperformance of the economy beyond that predicted in the low growth scenario	Benefit	High	Very Remote. The low growth scenario represents a very conservative estimate of future conditions.

## Value for Money Statement

The scheme is firmly within the very high value for money category and this categorisation is robust under all scenarios tested.

## Local Transport Board

**FINANCIAL CASE**

<b>Scheme Name</b>	Exeter Bridge Road			<b>Date</b>	August 2014			
<b>Summary Financials</b>								
<b>Overall Cost of Scheme</b>	£11.004m	<b>LTB Contribution</b>	£5.3m	<b>Available Budget</b>	<b>£5.704 m</b>	<b>Contingent Liabilities</b>	<b>£ 0m</b>	
<b>Scheme Costs</b>								
<b>Main Expenditure Items (include project income separately) (£m)</b>	<b>FY 11/12</b>	<b>FY 12/13</b>	<b>FY 13/14</b>	<b>FY 14/15</b>	<b>FY 15/16</b>	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>Total</b>
Modelling			0.037					0.037
Design/Project Management	0.017	0.134	0.394	0.813	0.148	0.017	0.012	1.535
Land		0.003	0.005	0.011	0.041			0.06
Works ( incl contingency and OB)		0.005	0.287	0.143	5.553	2.526	0.250	8.764
Supervision		0.001	0.001	0.010	0.290	0.060		0.361
Stats				0.100				0.100
Part 1 claims							0.050	0.050
Network Rail site supervision					0.088			0.088
<b>TOTAL COST</b>	<b>0.017</b>	<b>0.143</b>	<b>0.723</b>	<b>1.087</b>	<b>6.119</b>	<b>2.604</b>	<b>0.312</b>	<b>11.004</b>
<b>Budgetary Impact Summary</b>								
<b>Forecast Net Budget profile (£m)</b>	<b>FY 11/12</b>	<b>FY 12/13</b>	<b>FY 13/14</b>	<b>FY 14/15</b>	<b>FY 15/16</b>	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>Total</b>
Total Required Budget	0.017	0.143	0.723	1.087	6.119	2.604	0.312	11.004
Total Local Contribution (Secured)	0.017	0.143	0.223	1.087	3.019	0.404	0.312	5.204
Other Government Grants			0.5					0.5
Total LTB Requirement					3.1	2.2		5.3

### Anticipated Funding & Financing Arrangements

The scheme is proposed to be funded through a combination of LTB funding (subject to business case), secured S106 contributions from housing developments, LTP and RGF, as set out in the table below. RGF funds were secured and spent on design and advanced piling works during 2013/14. Devon County Council is committed to forward funding the S106 ahead of triggers to remove the risks associated with obtaining third party funds.

Source	Amount (£m)
LTB contribution	5.3
LTP	0.23
RGF	0.5
Secured S106	4.974
<b>Total</b>	<b>11.004</b>

### Financial Risks

A Quantitative Risk Assessment process has been undertaken to assess risk, associated value of risk, and propose suitable mitigation measures to manage them. It is proposed that the QRA will be frequently reviewed and re-evaluated. The key active funding risks that have been identified is:

Risk	Mitigation status	Calculated Risk Value
Lack of funding, delayed S106 payments	Apply for LTB funding, monitor S106 payments	£0 (40% likelihood)

A Risk Register and Quantified Risk Assessment are attached as Appendix 15 and 16.

### Accounting and Budgeting Issues

None identified.

### Additional Notes

Cost Estimate included as Appendix 17.

**COMMERCIAL CASE**

<b>Scheme Name</b>	Exeter Bridge Road	<b>Date</b>	August 2014
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**Introduction**

The successful delivery of the project objectives at an outturn cost within the allocated budget will be determined by a wide range of factors which go beyond the chosen approach to the procurement strategy for the delivery of the project. For example, the form of contract on its own will not determine whether the project is successful. Factors which will contribute to a successful outcome of delivery within budget include:

- Clarity of objectives and common understanding by all parties
- Robustness of Client's cost estimate
- Adequacy of the Client's risk pot including allowance for inflation
- Effectiveness of project control processes including Gateways
- Quality of the design, specification and contract documents
- Preparation of the supply chain and timing of the procurement processes
- Compliance with Procurement Regulations and avoidance of challenges
- Appropriateness of the selection process and selection criteria
- Robustness of the tender assessment process
- Adequacy of the tender sum to deliver requirements
- Allocation of contractual risks and risk management
- Effectiveness of partnership and team working during construction
- Quality of the project and contract management
- Appropriateness of contractual performance incentives
- Effectiveness of dispute avoidance and resolution procedures
- Availability of the necessary resources

**Capability and Skills**

Design, procurement and construction supervision will be managed through the Engineering Design Group of Devon County Council. The Group have experience in delivering major schemes, including J29 and Barnstaple Western Bypass, and an experienced member of the team will be assigned the project manager position.

Specialist resources relating to structures will be obtained through Devon Council Council's framework consultant, Jacobs.

Details of the required capabilities and assigned resources are detailed below:

<b>Organisation</b>	<b>Role</b>	<b>Responsibilities</b>	<b>Resourced</b>
Devon County Council	Project Sponsor	Accountable for project development and delivery (including business case, land, design approvals and timetabling)	Jamie Hulland
	Project Manager	Procurement, contract management and project delivery	Toni Jackson
	Engineering Manager	Technical design and construction assurance	Rob Richards
	Designers	Technical design	EDG / Jacobs
	CDM co-ordinator	As defined within CDM regulations (2007)	Chris Miller

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	Procurement Support	Procurement compliance and administration	Alan Palmer / Simon Richardson
	Legal Support	Conveyancing	Caroline Davey
	Financial Support	Finance administration and compliance	Finance Team
Contractor	Contractors Project Manager	Contractor will be appointed 2015	
	Contractor Delivery Team		

## Procurement Strategy & Sourcing Options

### Preferred Procurement Route

There are no other schemes of similar scope under development in the Devon area within or close to the timescale of the Exeter Bridge Road scheme and therefore no possibility of further linking of projects procurement.

The County Council's existing framework contracts only cover minor works for schemes up to £250k and are unsuitable in terms of scale, scope and price for use in the Exeter Bridge Road scheme. It is therefore necessary for project implementation to be procured through a scheme specific construction contract. The options for procurement of highway infrastructure projects are considered as:

- a. Design and Build (either target price or lump sum)
- b. Prime Contracting
- c. PFI
- d. Traditional Approach (modified)

It is not considered that Prime Contracting, PFI or Design and Build would add value or be appropriate for use on the Exeter Bridge Road scheme, leaving a modified Traditional Approach as preferred. There are a number of contract forms appropriate for this purpose and DCC has adopted the form recommended by the OGC that is the NEC3 under which there are 6 main options.

### Selected Form of Contract

Assessment of the alternative options has not identified any significant additional benefits that would justify using a contract other than the NEC3 and therefore NEC3 will be used for this project.

The most appropriate of NEC3 options for the particular constraints inherent in this well-defined and specified proposal would be Option A: Priced contract with Activity Schedule or Option B: Priced contract with bill of quantities. The decision on which of these options are most appropriate will be made in Autumn 2014.

Drafting of the Contract will take into account NEC3 risk allocation, the secondary risk options and any additional clauses that need to be included to cover allocation and mitigation of project specific risks and potential incentives for reward.

## Financing Arrangements and Payment Mechanisms

Further details on financial arrangements and payment mechanisms will be included in the full business case submission.

## Risk Allocation and Transfer

The proposed NEC forms of contract support effective project risk management. The project risk register allocates to the contractor the risks which he is in a position to effectively manage. With regard to the overall financial risk, the proposed NEC3 ECC Options allocate a medium high value for the contractor and a medium low value for DCC. The secondary options allow further allowances to be made for specific occurrences such as inflation, changes in law etc. Furthermore, additional conditions of contract will be used to set out standard DCC procedures, such as for payment, traffic management etc.

The project risk register allocates to the contractor the risks which he is in a position to effectively manage. All the risks not to be taken and priced by the contractor will be made compensation events under the contract, should they occur. Furthermore, the contract allows for the development of a separate risk register consisting of tender risks and early warning events, along with a description of mitigation measures.

The NEC3 contracts would support the delivery of the project objectives and in particular would achieve the following:

- A fair allocation of risk with incentives to deliver within budget;
- Provide flexibility in the allocation of risk and the payment mechanism;
- Provide flexibility for the accommodation of change and
- Provide a strong management stimulus for effective risk management.

### Contract Length

The length of contract for construction is proposed to be 12 months to allow adequate time for detailed design and construction. It is however expected that tender submissions will indicate an outline programme, which may be shorter than that indicated.

### Human Resources Issues

None identified.

## MANAGEMENT CASE

<b>Scheme Name</b>	Exeter Bridge Road	<b>Date</b>	August 2014
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### Introduction

The management case sets out the approach Devon County Council has taken to ensure the scheme is deliverable. This same approach has been applied as that used for delivery of other major schemes, as detailed below, and is therefore proven to be a successful method.

Devon County Council has expertise internally within EDG, and externally within Jacobs, to ensure proposals are realised.

The scheme has been assessed as being deliverable, and whilst key risks have been identified the governance structure will manage these through the risk management process to ensure successful delivery.

### Evidence of Similar Projects

#### East of Exeter Access Improvements Phase 2

The works on this project were started in May 2011 and completed in November 2012. At the request of the DfT the project start date was brought forward by one year, thus the actual completion date remained within the timeframe for completion as originally envisaged at submission of the Major Scheme Business Case.

The project contained three elements: improvements to M5 Junction 29; widening and bus lane provision to C832 (old A30); and contribution to new junction provision to the Intermodal Freight Terminal off Clyst Honiton Bypass.

The scheme package was funded by Section 31 Grant from DfT and Third Party contributions via Devon County Council.

The contract over-ran the initial programme by 4 months, and the projected out-turn costs are expected to be £15.691m compared to £14.410m as presented in the Final Business Case. The increase in scheme costs and the consequent delays were largely due to significant problems with underground services locations and related conflicts. In addition, the scope of work to the C832 widening was increased to facilitate future development and this additional cost was covered by increased third party contribution. The changes to scheme costs and programme were reported and updated on the quarterly grant claim forms submitted by the County Council. These issues were also summarised in a report to the DfT S31 Claims Manager.

All the available Section 31 Grant allocated to this scheme has now been claimed, with the balance of funding being made up by the County Council as described above.

#### Barnstaple Western Bypass

The scheme was completed on time and the construction contract settled within the allocated budget.

### Programme / Project Dependencies

Delivery of the scheme is dependent on receiving funding from developers (although these funds are secured through S106 and deemed low risk, and DCC will forward fund the S106 contributions ahead of triggers as necessary) and the Local Transport Board. It is also dependent on securing the required land.

There are no deliverables or decisions that are provided or received from other projects, beyond following on from advance works completed in early 2014.

# Local Transport Board

## Governance, Organisational Structure & Roles

<b>Senior Responsible Owner</b>	<b>David Whitton</b> , Head of Highways, Capital Programmes & Waste	<b>Project Manager</b>	<b>Toni Jackson</b> , Principal Engineer
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The senior responsible owner will be David Whitton, Head of Highways, Capital Programmes and Waste within Devon County Council.

The project manager will be Toni Jackson, Principal Engineer within DCC.

An Organigram has been included as Appendix 14.

Member	Key Roles and Responsibilities	Resourced
<b>Corporate Board</b>		
Councillor Andrew Leadbetter	Cabinet Member for Economy, Growth and Cabinet Liaison for Exeter	DCC – Elected Member
Heather Barnes	Director – Place	DCC – Place
Dave Black	Head of Planning, Transportation and Environment	DCC – Planning, Transportation and Environment
<b>Project Board</b>		
Jamie Hulland	Project Sponsor / Transport Planning and Road Safety Manager	DCC – Transport Planning Team
Toni Jackson	Project Manager / Senior Engineer	DCC – Engineering Design Group
David Whitton	Head of Highways, Capital Programmes and Waste	DCC – Highways, Capital Programmes and Waste
Rob Richards	Engineering Manager	DCC – Engineering Design Group

The management of the development and delivery of this project will be undertaken by Devon County Council and will follow the Council's Corporate Project Management guidelines, Managing Projects – The Devon Way. The Devon project management methodology is based on PRINCE2. Although some terms have been changed, the essential roles and responsibilities and the detailed processes for this level of project are consistent with PRINCE2.

The Corporate Board provides overall strategic direction to the scheme. The group is made up from representatives in the form of a Senior Member and Officers from Devon County Council. The Corporate Board has the following responsibilities:

- Providing strategic direction to the project
- Ensuring coordination of the partners
- Ensuring political support to the project
- Delegates authority to ensure effective delivery to the Project Sponsor

The Project Board is the group responsible for providing direction to the project; representing the interests of the



# Local Transport Board

business case, those who will receive the benefits of the project and those responsible for the supplying the project outputs. Meetings will be held at regular intervals, with further meetings as necessary where a specific decision is required. The Project Board has the following responsibilities:

- Accountability for meeting the project objectives and the success or failure of the project
- Providing resources and authorising the necessary funds
- Providing the necessary approvals from one delivery stage to the next
- Ensuring effective decision making and communication
- Providing direction and support to the project manager
- Ensuring effective delegation
- Change management and project assurance
- Checking the project is on track to meet the business case
- Approving all major plans

The project will be managed through regular meetings of the Project Board, and progress meetings of the Delivery Team. This team, made up from the Project Manager, Senior User and Senior Supplier are responsible for:

- Monthly review of progress against targets and programme
- Providing direction to the technical delivery of the project
- Regular review of the risk register and corrective action as necessary
- Regular review of the issue log and agreeing proposed actions

**Are governance arrangements in place?**

Yes

## Risk Management Strategy

The key active risks that have been identified are set out in the table below.

To view all identified risks please refer to the Risk Register and Quantified Risk Assessment attached as Appendix 15 and 16.

Risk	Mitigation status	Calculated Risk Value
Delay to land acquisition	CPO, and negotiated deal with private landowner	£100,000 (80% likelihood)
Safety Audit disagreements	Undertake Departures Reports, regular monitoring with auditors	£50,000 (40% likelihood)
Severe weather, flooding event	Ensure tender docs places risk with Contractor	£10,000 (60% likelihood)
Protected species	Advance vegetation clearance and surveys to be carried out	£50,000 (40% likelihood)
C. Wear bridge - unavailability of steel section	New LBC design changed to use I sections, reassess when structural design complete	£10,000 (20% likelihood)
CWFR - existing reinforcement heavily corroded	Testing undertaken, more planned, consult with specialist repair companies	£30,000 (40% likelihood)

**Has a risk management strategy/plan been completed?**

Yes

**Have key risks been identified and managed?**

Yes

## Project Plan

Programme attached as Appendix 13.

### Communications and Stakeholder Management

The key stakeholders are:

- Exeter City Council
- Teignbridge District Council
- English Heritage
- Highways Agency
- Network Rail
- Developers
- Statutory Environmental Bodies (Natural England, Environment Agency, Marine Management Organisation)
- Local Businesses
- General Public
- Councillors

Further details can be found within the Draft Stakeholder Management Plan which is included as Appendix 18.

### Assurance & Approvals Plan

Technical assurance of design and construction activities is provided internally by DCC's Engineering Design Group (EDG). All design processes will follow the Business Management Systems of either EDG or Jacobs as appropriate. Structure design will go through an Approval in Principle (AiP) process which provides an independent check. All designs will be signed off by the project manager. Design of the railway footbridge will be processed in accordance with Network Rail's usual procedures, with Devon County Council signing up to a Basic Asset Protection Agreement (BAPA) such that designs and the construction process are approved by NR. Management assurance will be provided by regular meetings of the Project Board.

### Programme / Project Reporting

The project manager will inform the project sponsor of any issues or changes to the programme verbally, by email, or by written report as appropriate.

### Key Issues for Implementation

Advanced works have already been completed to minimise risks to delivery and no issues have been identified.

### Contract Management

The Construction Contract will be let as a single Contract under NEC Option B – Bill of Quantities; this is considered to be the most appropriate form of Contract for this type of construction project.

The Standard Clauses within the contract will be amended where appropriate to clearly define payment mechanisms relating to Compensation Events linked wherever possible to tendered rates.

The Engineering Design Group will provide continuity from scheme development, through detailed design, tender documentation, procurement and construction to final account settlement. This approach has proven successful on previous major schemes which Devon County Council has implemented.

Devon County Council will undertake the role of Employer for the Construction Contract, with delegated powers passed to the Project Manager and down to the Site Supervisor and the rest of the site supervision team.

### Benefits Realisation Plan

A combined Benefits Realisation Plan and Monitoring and Evaluation Framework has been produced and is available within Appendix 19.

The Benefits Realisation Plan section identifies high level benefits and how these will be managed, measured and monitored. The high level project benefits are:

- Increased highway capacity on Bridge Road
- Provision of a pedestrian / cycle cantilevered extension to Countess Wear Bridge
- Completion of development to South West Exeter delivering lasting economic benefits to the area
- Better facilities for sustainable travel leading to modal shift from private car to bus and walking / cycling
- Reduced congestion and improved journey time reliability on the Ring Road corridor

### Monitoring and Evaluation

A combined Benefits Realisation Plan and Monitoring and Evaluation Framework has been produced and is available within Appendix 19.

The Monitoring and Evaluation section sets out how the scheme will be evaluated post construction, using data gathered pre and post construction and building upon the evaluation of benefits. This evaluation will include:

- Scheme objectives;
- Scheme build;
- Delivered scheme;
- Outturn costs; and
- Value for money.

### Contingency Plan

Contingency management will be addressed as part of the full business case submission.