



# Access Improvements to Gilwilly Industrial Estate

**Local Pinch Point Fund Bid**



*in partnership with:*



# 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)\*:** [Cumbria County 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:** [Andy Brown, Senior Manager, Strategic Asset Management, Highways and Transport, Cumbria County Council](#)

*Name and position of officer with day to day responsibility for delivering the proposed scheme.*

**Contact telephone number:** [01228 221434](tel:01228221434) **Email address:** [andy.brown@cumbria.gov.uk](mailto:andy.brown@cumbria.gov.uk)

**Postal address:** [Cumbria County Council,  
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Kingmoor Business Park  
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CA6 4SJ](#)

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.cumbria.gov.uk](http://www.cumbria.gov.uk)

## **SECTION A - Project description and funding profile**

**A1. Project name:** Access Improvements to Gilwilly Industrial Estate, Penrith

### **A2. Headline description:**

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

The scheme comprises of a package of junction improvements to enhance access to Gilwilly Industrial Estate and Eden Business Park. These sites are identified as key employment sites in Penrith in Eden District Council's Local Plan Employment Sites consultation and will be embedded in the Local Plan to support planned and forecast growth in the Eden area. To ensure that existing and future demand can be accommodated there is a requirement to improve access from the strategic road network to these sites.

Specifically the scheme seeks to improve the following junctions:

- A592 Ullswater Rd / Haweswater Rd
- Haweswater Rd / B5288 Newton Rd
- B5288 Newton Road / Gillwilly Rd

### **A3. Geographical area:**

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

The area covered by the bid covers south west Penrith, improving access from employment sites in West Penrith (Gilwilly Industrial Estate, Eden Business Park) to the strategic road network (M6, J40 and A66). Access to these employment sites from the M6 / A66 is via Ullswater Road (A592), Haweswater Road, Newton Road (B5288) and Gilwilly Road.

Although the scheme will not seek to deliver any infrastructure improvements on the A592 north of Haweswater Road junction, it is recognised that this is the primary route to the M6 / A66 from West Penrith, therefore the scheme will effect development on Ullswater Road including Penrith Railway Station and Castle Retail Park.

It is envisaged nearly all works will take place within the highway boundary with some minor land acquisition on Newton Rd.

OS Grid Reference: 350390, 530114 and 351015, 592298

Postcode: CA11 9EE and CA11 9GQ

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.

A location plan and plan outlining scheme proposals are included in appendix 1

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

**Small project bids** (requiring DfT funding of between £1m and £5m)

## **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 – [addresses road safety particularly for pedestrians and cyclists.](#)

### **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?

#### What is the problem?

[Gilwilly Industrial Estate and Eden Business Park are currently primary employment sites in Penrith. Recent expansion of a national baker to Eden Business Park created approximately 100 new jobs and of the existing sites on Eden Business Park / Gilwilly Industrial Estate, only one plot of 1.5 acres remains unsold and is receiving current interest. Given the current land use and land available for expansion in West Penrith, Eden District Council have identified in their Local Plan Employment Preferred Sites and Policies consultation 12 ha of land at Gilwilly Industrial Estate. This allocation is the highest in the Local Plan and will ensure that Gilwilly Industrial Estate is developed as the key urban employment centre in Penrith \(and Eden District\).](#)

[The sole existing site access \(Newton Road / Gilwilly Road\) is a constraint to the expansion of Gilwilly Industrial Estate. The existing priority junctions can cause delays when accessing and egressing the site due to the loss of priority at the junctions. The junctions also have quite tight turning radii for an industrial estate access and this causes additional delay to heavy goods vehicles negotiating the junction.](#)

The Ullswater Road/Haweswater Road junction is also a constraint on the expansion of Gilwilly Industrial Estate. The predominant traffic movements at the junction are to and from the Strategic Road Network (M6 and A66). This means that although additional lanes are provided at the roundabout this capacity is not fully utilised as the majority of traffic can only use a single lane.

The existing junctions used to access these sites are operating close to capacity and introduce delay for vehicles travelling to / from the strategic road network and Gilwilly Industrial Estate (further details of the existing junction operation is detailed in appendix 4). With an additional 12ha of employment land at Gilwilly Industrial Estate, all 3 junctions from Gilwilly Industrial Estate to M6, J40 will operate overcapacity in peak periods. The existing junctions cannot accommodate the traffic generated by the development of 12ha of employment land without introducing significant delay to the network.

#### Barriers to growth

Currently access to Gilwilly Industrial Estate and Eden Business Park from the strategic road network (M6 and A66) is via A592, Haweswater Road and B5288 (Newton Road). Access from Penrith Town Centre and the North is via B5288 and residential streets. Alternative access is via B5288 (West) however this route is a rural B road and only provides direct access to the rural settlements. Given the nature of these alternative routes, it would not be acceptable to significantly increase traffic on any of these routes. The existing priority junctions to Gilwilly Industrial Estate from Newton Road (B5288) provide very little scope to increase capacity with the existing junction configuration, therefore to ensure that employment sites in West Penrith remain viable, improving access to these sites is critical.

#### A592 Ullswater Road / Haweswater Road junction.

Improvements to A592 Ullswater Rd / Haweswater Rd roundabout improve access onto the Strategic Road Network from West and North Penrith. This area has experienced growth in recent years (inc. Penrith Railway Station car park extension, extension of Castle Retail Park, Morrisons, Booths, Mountain Warehouse, Cranstons and Go Outdoors) and the junction is becoming increasingly close to capacity. As detailed in section Appendix 4, with the expansion of Gilwilly Industrial Estate as identified in Eden District Council's Local Plan Employment Sites Land Allocations, this junction will be operating close to over capacity in all periods, constraining future growth in an area that is currently attracting interest from developers.

#### Haweswater Road / Newton Road and Newton Road / Gilwilly Road junctions

Improvements to these junctions will directly improve access to Gilwilly Industrial Estate, Eden Business Park and employment sites to West Penrith such as Newton Rigg and Askham Bryan College. Newton Road / Gilwilly Road is the only access to the site and with the proposed level of development, the junction is operating significantly over capacity.

#### Why has this not been addressed previously?

There has been a long standing recognition that access to Gilwilly Industrial Estate and Eden Business Park is restricted and to enable growth, some improvement is required. Study work dating back to 2004 considered the feasibility of a new link road to the industrial estate from the North. Given the value for money considerations and market conditions in Penrith at the time, this scheme was not progressed further.

To date, the demand for sites at Gilwilly Industrial Estate has been accommodated in the existing land allocation and existing junction configuration of the highway network. Recent growth in Penrith suggests that there is demand for additional sites and this is supported by

Eden District Council's emerging Local Plan. Without highway infrastructure improvements, further growth of Gilwilly Industrial Estate will be severely restricted.

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

#### Strategic Options

As an alternative to junction improvements, a new link road north of Gilwilly Industrial Estate towards Junction 41 of the M6 was considered. Although this option will significantly increase the potential to expand Gilwilly Industrial Estate, evidence suggests that growth of this magnitude is unrealistic over the Local Plan period (2015 -2025) and due to the cost of a new link road (with access over the West Coast Mainline), the scheme value for money is very poor.

Although a link road would improve access to the site from the north, existing traffic demand is primarily from the strategic road network (A66 and M6) and therefore congestion at the junctions proposed as part of this scheme would still exist. A new link road will continue to be considered in the future if the demand for expanding Gilwilly Industrial Estate continues beyond the Local Plan period (2025 onwards).

The junctions included in this scheme were identified as the junctions presenting the greatest constraint to further development of Gilwilly Industrial Estate. The capacity of J40 (M6) also influences the growth of Gilwilly Industrial Estate however it does not fundamentally restrict the development of employment sites included in this bid. For deliverability reasons this junction has been omitted from this bid and will be progressed as a separate scheme in partnership with the Highways Agency.

#### Scheme Specific Options

For each junction, a range of options have been considered and tested to ensure that the optimum solution is progressed.

Ullswater Road / Haweswater Road (currently a roundabout)

Given the surrounding development, topography of the site, proximity of Junction 40 and requirement to retain a U turn function, improvements to the existing roundabout was considered the only feasible option at this location.

Haweswater Road / Newton Road and Newton Road / Gilwilly Road (currently 2 priority junctions).

The following options were considered and modelled for these junctions:

- Staggered signalised junction
- Improved priority junctions
- Roundabouts

Modelling suggests that a staggered signalised junction increases delay to traffic and requires more land take than a double roundabout. Improvements to the priority junctions do not accommodate the increased demand.

As roundabouts at both of these junctions minimise delay in the long and short term, operate within capacity with modelled future scenarios and minimise land take, roundabouts provide a higher value for money solution and have been selected as the preferred option.

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

To summarise, the expected benefits include:

- a. Reduced congestion in south west Penrith.
- b. Increased attractiveness and viability of employment sites in West Penrith.
- c. Improved access to key employment sites in Penrith for all users (private vehicles, HGVs, pedestrians and cyclists).
- d. Improved access to the strategic road network from Penrith Town Centre.
- e. Improved journey time reliability in West Penrith

Assuming that the scheme facilitates growth of Gilwilly Industrial Estate (and without the scheme this growth could not be accommodated) the scheme benefits can be extended to include:

- f. Delivery of employment sites in West Penrith as identified in Eden District Council's draft Local Plan.
- g. A net Increase of 730 full time equivalent jobs in Eden District.
- h. A GVA increase of Eden District of approximately £33.5million

Improvements to journey time reliability, reduced congestion and improved access is based on the traffic flow count data obtained in 2011 and growth estimates. The detail of this information is included in appendix 4.

Eden District Council through their Local Plan (2015 -2025) are seeking to allocate 12ha of employment land in West Penrith at Gilwilly Industrial Estate / Eden Business Park and rural sites West of M6 corridor (e.g. Newton Rigg). Assuming this site is a combination of B1c,B2 and B8 uses and is fully developed, it is estimated that 880 jobs will be created on Gilwilly Industrial Estate over the Local Plan period (2015 – 2025).

It is difficult to establish exactly when these jobs will be created over this period as this is dependant on local and national market conditions, however recent demand for sites in this location suggests that there is currently demand for sites in this area. These sites can only be delivered if the transport infrastructure is implemented to support this growth.

To understand the net impact of the scheme on economic growth in Eden District and across Cumbria the development scenario has been run in the Experian Economic Impact Model (2012). Taking into account deadweight and displacement, it is estimated that the development of Gilwilly Industrial Estate will create a net increase of 730 full time equivalent jobs which contributes to £33.5 million Gross Value Added (GVA) in Eden District by 2020. Further details of the assumptions made and the Economic Model Outputs is included in Appendix 5.

- 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.

Based on the business case that junction improvements are the preferred approach for the current growth in Penrith (see B2b), consideration has been given to implementing only one or a different combination of junction improvements. Traffic modelling of these scenarios indicates that implementing only one junction improvement would encourage drivers to use alternative routes and shift the problem to another section of the highway network in Penrith.

The suggested approach aims to alleviate the congestion in Penrith for traffic travelling from the strategic road network (M6 and A66) to Gilwilly Industrial Estate. To ensure that the optimum solution is delivered a range of options were considered for each individual junction (see section B2b for further details).

- e) Are there 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?

It is understood that the land required for the scheme is all within the ownership of Cumbria County Council, Eden District Council or Department of Transport. It is not envisaged that this will present any issues in terms of scheme deliverability.

Cumbria County Council is working closely with the Highways Agency to ensure that the proposed scheme does not negatively impact on the operation of M6, junction 40. This is aligned with ongoing work Cumbria County Council are progressing with the Highways Agency to ensure that any future growth in Penrith is not constrained by the capacity of the strategic road network.

- 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 the funding was not secured, more modest improvements would be implemented as and when each site was developed. It is anticipated that any improvements would be implemented through s106 or s278 process and would only be implemented when highway network reached capacity. This may deter developers through the need to provide costly highway mitigation measures and this piecemeal approach to improve access will increase inconvenience for other road users through additional road works and may lead to a less satisfactory solution.

As a lower cost alternative, measures such as stabilising lanes and kerb widening could be developed in further detail. Junction modelling of these options although improves the access to Gilwilly Industrial Estate in the short term; this solution is will not be satisfactory for the Local Plan period (until 2025).

As this scheme is a recognised priority for economic growth in Cumbria, it is anticipated that if funding is unsuccessful, Cumbria County Council, Eden District Council and Cumbria LEP will seek alternative funding sources to deliver this scheme to ensure the scheme identified in this bid is delivered. Possible funding opportunities include the Single Local Growth Fund and Local Major Transport Scheme funding.

- 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.

As the improvement scheme is primarily within the existing highway boundary and there are no local air quality management zones in Penrith, the scheme does not impact on any statutory environmental constraints.

### **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	0	1,617		1,617
Local Authority contribution	70	622	0	692
Third Party contribution	0	0	0	0
<b>TOTAL</b>	70	2,239	0	2,309

**Table B: Cost estimates (Nominal terms)**

A detailed cost estimate is included in appendix 6

Cost heading	Cost (£000s)	Date estimated	Status (e.g. target price)
Haweswater Road / Newton Road / Cowper Road construction costs	1,377	October 2013	Target Price
Haweswater Road / Ullswater Road roundabout construction costs	325	October 2013	Target Price
Scheme preparation costs (from local contribution).	267	October 2013	Target Price
Optimism bias (amended to 20% of works costs based on the level of design work to date)	340	October 2013	Target Price
<b>TOTAL</b>	2,309	October 2013	Target Price

**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.

The split of non – DfT contributions and current status of this funding is detailed below:

Source	Cost (£000s)	Comments
Cumbria County Council (CCC)	307	£70K approved from 2013/14 Transport Capital Programme. £237K approved in principle, to be confirmed (as part of the 2014/15 Transport Capital Programme at CCC Cabinet in February 2014).
Eden District Council (EDC)	150	Approved in principle (see appendix 3A). To be approved at EDC Executive in early November.
Cumbria Infrastructure Fund (CIF)	235	To be confirmed by Cumbria LEP Investment Panel (December 2013).
<b>TOTAL</b>	<b>692</b>	

Cumbria County Council and Eden District Council are committed to capturing third party funding from the Private Sector when schemes improve transport links to a new development however due to the extent and cost of improvements required to improve access to this site, seeking developer funding for this scheme would decrease the viability of these employment sites. It is anticipated that developers would be expected to cover the cost of localised improvements to specific development sites within the industrial estate rather than the strategic improvements included in this bid.

- 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

A letter confirming Eden District Council's contribution to scheme costs is included in appendix 3A

- 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

Cumbria County Council, Eden District Council and DfT own a small section of land that may be required to deliver the scheme. The size and value of this land is very small. If this section of land is eligible for match funding, Cumbria County Council / Eden District Council will reflect this in their local contribution. To date this land has not been valued.

- 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.

Cumbria Local Transport Body identified the scheme as a high priority reserve scheme for devolved Local Major Schemes Funding. The scheme was not allocated funding as Cumbria's allocation was reduced from £11.7 million to £7.9 million in advance of the meeting. Cumbria LTB prioritised the scheme in this bid as a high priority reserve scheme (see appendix 3C).

NB. The scope of the scheme promoted to CLTB was greater than the scheme included in this bid.

## **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?

Project costs have been calculated based on knowledge and experience of delivering schemes in Cumbria. Estimating uncertainty has been considered and included in the detailed cost estimate (see appendix 6).

Any additional risk (as identified in the quantified risk assessment in appendix 7) and contingency is included in the 20% optimism bias. The optimism bias has been calculated based on the works cost estimate and is lower than identified in WebTAG 3.5.9 to reflect the confidence in the cost estimates at this stage of scheme development.

Detailed cost estimates are included in appendix 6.

b) How will cost overruns be dealt with?

All costs will be reviewed as the scheme is developed and as aligned with WebTAG 3.5.9, it is anticipated that the optimism bias will reduce further as scheme costs are refined. Cumbria County Council will manage the scheme development costs and procurement process through well established project management principles (based on PRINCE2 methodology).

At the procurement stage, costs will be reviewed to ensure cost overruns through the project delivery stage are minimized. Potential cost overruns during this stage will be managed through the NEC3 contract to ensure the scheme can be delivered within the budget available.

Risks that may result in cost overruns are identified with mitigation measures in the quantified risk assessment (see appendix 7).

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

A full quantified risk assessment is included in appendix 7. The key risks to affect project delivery timescale are summarised below. The programme and costs reflect a worst case scenario, therefore it is anticipated that these risks can be addressed within the programme and budget tolerances:

1. Statutory Undertakers accommodation works and diversions – It is understood that extensive Public Utility diversions are required to implement the scheme. A worst case scenario has been reflected in the programme and cost estimate. If the risk allowance (estimating uncertainty) in the programme and budget is insufficient, there is scope to amend the scheme design to reduce the requirement for public utility diversions. Undertaking detection surveys and maintaining regular engagement with all undertakers affected will help to minimize the risk.

2. Land Ownership Negotiations – All land required is owned by a scheme partner (Cumbria County Council, Eden District Council and DfT). For this reason, land negotiations are not

expected to delay the project programme or affect the project costs significantly. Land negotiations are programmed to commence immediately to minimise this risk to project delivery.

- 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)?

Any cost overruns that are not accounted for in the optimism bias or estimating uncertainty will be funded by Cumbria County Council as scheme promoter.

## **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.

### Small project bids (i.e. DfT contribution of less than £5m)

- 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.

Scheme Impacts (Positive) – The key benefit of the scheme is reduced delay at existing bottlenecks on the highway network in West Penrith. This will reduce journey times and result in more reliable journey times to Gilwilly Industrial Estate from the Strategic Road Network immediately and in the future. Without the implementation of the scheme and the local plan development scenario, it is anticipated that delay for vehicles turning right from Gilwilly Road (towards the M6 / A66) in the PM peak would be approximately 450 seconds. With the implementation of the scheme, this delay is reduced to approximately 6 seconds. Similar benefits are reflected at the other junctions and are detailed in appendix 4.

As detailed in appendix 4, the scheme will increase the capacity at key junctions, increasing the attractiveness and viability of employment sites in West Penrith in line with Eden District Council's local plan aspirations. The benefit of enabling the growth of key development sites in Penrith can be attributed to a net increase of 730 jobs in Eden District and a GVA increase of approximately £33.5 million (see appendix 5).

Scheme Impact (Negative) – it is identified that the scheme will have minor disbenefits with regards to noise and landscape, but no significant adverse affects have been identified.

Further details of the scheme impacts are provided in the Appraisal Summary Table in appendix 9.

### Key risks and Uncertainties

Key risks are summarised in B5c and in the quantified risk assessment in appendix 7.

### Modelling approach

The modelling approach is included in the data and forecasting report in appendix 4

*\* 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

[The Scheme Impacts Pro Forma is included as appendix 8](#)

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

[The data sources / forecasts included in the traffic modelling report included in appendix 4.](#)

- 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

[An appraisal summary table is included in appendix 9.](#)

- 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).

Risk allocation and transfer of risk between the Employer and the Contractor will be as per Clause 60-65, 80 and 81 of NEC3 Engineering and Construction Contract (ECC) (2005) as amended by the Cumbria County Council High Value Framework. Agreement of the claims, costs and compensation because of any particular event will be as per Clause 60-65 of NEC3 Engineering and Construction Contract (2005) as amended by the Cumbria County Council High Value Framework. The contract for works will use the NEC3 ECC risk management system, including a risk register, early warning system and regular risk review meetings. See also Risk Management Strategy (appendix 10).

The anticipated contract timescales and implementation timescales are summarised below and detailed in appendix 11

Design (inc. contract preparation):	November 2013 – August 2014
Procurement period:	August 2014 – September 2014
Construction:	October 2014 – February 2015
Completion:	February 2015

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.

The contractor for the scheme will be procured using the Cumbria County Council High Value Framework. The County Council High Value Framework has been set up for all Civil Engineering and Structural Work between £340,000 and £5,000,000.

The framework comprises of 4 contractors and Cumbria County Council have experience in working with all contractors on the framework in the last 2 years. Using framework contractors on recent schemes has enabled Cumbria County Council to engage early with contractors on projects to ensure that any deliverability risks can be minimised early in the procurement process.

- 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

A letter from Cumbria County Council's s151 Officer and Head of Procurement to confirm a legally compliant procurement strategy is in place is included in appendix 12.

*\*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

A detailed project plan is included in appendix 11. A definition of some elements of the project plan is included below:

Milestones – milestones have been identified in the project plan as key decision points requiring Cumbria County Council Cabinet or Local Committee approval to comply with Cumbria County Council's Constitution. As part of this reporting and approvals process it will be necessary at each of these milestones to review scheme risks, costs and deliverability.

External dependencies – delay to the external dependencies is a recognised risk reflected in the risk register (see appendix 7). To mitigate the impact of this risk, project float has been included in the programme where appropriate. Further measures to mitigate this risk are identified in the risk register. Key external dependencies include:

- Landowner agreements – establishing an agreement with landowners prior to works commencing.
- Public utility diversions – ensuring that appropriate public utility diversions are implemented as aligned with the project programme.
- Scheme cost –. Difficulty in accurately estimating the construction costs due to changes in market conditions.

Internal dependencies – any internal dependencies are primarily related to internal decision making processes and are directly related to the milestones identified in the programme. The risk register summarises the mitigation measures proposed to reduce the risk of internal

dependencies. The risk management strategy (appendix 10) has been developed to minimise these risks.

- 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

The land required to implement the scheme is in the ownership of Cumbria County Council, Eden District Council and the Department for Transport. As scheme funders, it is anticipated that required land will be available to meet construction milestones to support successful scheme delivery.

- 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**

	<b>Estimated Date</b>
<b>Start of works</b>	<b>October 2014</b>
<b>B5288 (Newton Road) Junction Improvements</b>	<b>October – December 2014</b>
<b>Ullswater Road Roundabout Improvements</b>	<b>December 2014 – January 2015</b>
<b>Opening date</b>	<b>February 2015</b>
<b>Completion of works (if different)</b>	<b>February 2015</b>

- 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)

There are two major transport schemes costing over £5 million which Cumbria County Council has delivered in the last 5 years. These are:

- i) Carlisle Northern Development Route
- ii) Northside Bridge, Workington

The Carlisle Northern Development Route which was opened on time in February 2012 provides a 8km western bypass of the city, connecting the M6 with the A595 to west Cumbria. The road scheme was completed within the PFI contract.

Northside Bridge, Workington was opened on time in October 2012. The 152 metre long structure replaces the bridge severely damaged in the local floods of November 2009. The £11.8 million bridge was completed within 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.

n/a



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

Outstanding statutory power / consent	Partner / Stakeholder granting consent.	Timescale for obtaining approval (as identified in the programme). Timescale includes programmed float.
Traffic regulation order approval	Cumbria County Council	July – August 2014.
Public Utilities diversion	United Utilities / BT	May 2014 – November 2014
Land acquisition	Cumbria County Council / Eden District Council / DfT.	October 2013 – January 2014

### 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.

The project is currently managed and will continue to be managed under the existing Local Major Schemes Programme, aligned with Cumbria County Council's Project and Programme Management Toolkit. Details of the project management structure and project board terms of reference are included in Appendix 13.

The Senior Responsible Owner (SRO) for the scheme will be Andrew Moss, Associate Director Highways & Transport who will sit on the project board (Highways and Transport Strategic Review Group (SRG)) and will report to the Sponsoring Group, Environment Directorate Management Team (Environment DMT) on a regular basis.

Tolerances for time, cost, scope, risk will be determined by the Project Board and the Project Manager will operate within those tolerances. Where the project is forecast to exceed tolerances, the Project Manager will escalate to the Project / Programme Board as necessary.

Quality and benefits will remain a matter for the Programme Board to determine.

### 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

See appendix 7

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

See appendix 10

### 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.

Key stakeholder	Role or interest in project
Cumbria County Council	Project lead and accountable body. Responsibility for ensuring the project delivers the identified outcomes and benefits. As local highway authority, responsibility for minimising the disruption to the highway network during construction and ensuring that local residents and businesses are informed of any planned works on the highway.
Eden District Council	Key partner in the project and member of the project board. A key interest is to ensure the project is aligned with the District priorities and supports the emerging Local Plan. Cumbria County Council are working closely with Eden District Council on the transport infrastructure improvements required for the Local Plan
Highways Agency	A key interest in ensuring the scheme does not negatively impact on M6, J40 or A66. As works are not directly impacting on the network, the role in the project is limited at this stage. Initial discussions have been held with the Highways Agency. The Highways Agency recognise the benefits of the scheme and support for the scheme.
Local residents and businesses	Few residential properties will be affected by the works, the primary stakeholder are local businesses. Businesses are keen to ensure that works do not negatively effect the operation of day to day business.
Statutory Stakeholders	Emergency services etc – as aligned with Cumbria County Council's Consulting and Informing People service procedure, all statutory stakeholders will be informed of the project.
Public Utilities	Public utility diversions are required to ensure successful delivery of the scheme. Continued liaison with public utility companies will be required to ensure the project is successfully delivered.

Key stakeholders will be included on the project board to ensure that stakeholder interests are considered as the project progresses. Other stakeholders will be consulted as appropriate following Cumbria County Council's service procedure on Consulting and Informing People.

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)

n/a

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)

n/a

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.

n/a

## **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.

The project will be managed as aligned with Cumbria County Council's Project Management Toolkit. Within this toolkit, there is a requirement to complete a benefit profile sheet for each benefit. A benefit profile sheet has been completed for the following benefits (as identified in section B2c) (see appendix 14).

- a. Reduced congestion in south west Penrith.
- b. Increased attractiveness and viability of employment sites in West Penrith.
- c. Improved access to key employment sites in Penrith for all users (private vehicles, HGVs, pedestrians and cyclists).
- d. Improved access to the strategic road network from Penrith Town Centre.
- e. Improved journey time reliability in West Penrith

### **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

The data required for measuring each benefit is detailed in appendix 14. To summarise the following data will be collated by the accountable body (Cumbria County Council) as part of a monitoring programme:

1. Average journey time data (from M6 J40 to Gilwilly Industrial Estate)
2. Traffic surveys on Gilwilly Road, Haweswater Road and Ullswater Road
3. Market value of land at Gilwilly Industrial Estate

Data will be collected in 2014 prior to the start of construction works and in 2015 following the construction of the scheme. Further data will be collected at a maximum of 5 year intervals until the Local Plan period ceases in 2025.

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

## SECTION D: Declarations

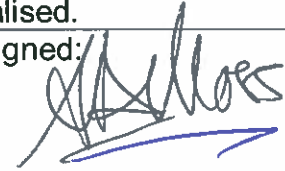
### **D1. Senior Responsible Owner Declaration**

As Senior Responsible Owner for [*Access Improvements to Gilwilly Industrial Estate, Penrith*] I hereby submit this request for approval to DfT on behalf of [*Cumbria County Council*] and confirm that I have the necessary authority to do so.

I confirm that [*Cumbria County Council*] will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.

Name: *Andrew Moss*

Signed:



Position: *Assistant Director Highways and Transport*

### **D2. Section 151 Officer Declaration**

As Section 151 Officer for [*Cumbria County Council*] I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that [*Cumbria County Council*]

- 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:

*JULIE WILLIAMS CREWIN*

Signed:

