

D2N2 INFRASTRUCTURE AND INVESTMENT BOARD (IIB)

29th June 2016

Harworth Access Road

1.0 Background

In February 2015 DCLG awarded D2N2 Grant Funding to deliver the approved schemes on the Local Growth Fund (LGF).

The LGF comprises of 31 schemes and runs until March 2021.

In March 2015 D2N2 and Derbyshire County Council issued the LGF Local Assurance Framework which sets out the procedures for managing and approving projects.

In April 2015 D2N2 appointed Derbyshire County Council as the Accountable body to administer the Local Assurance Framework.

2.0 Scheme Overview

This project consists of improvements to four junctions in the Harworth and Bircotes area, they are:

1. A614 Bawtry Road / Blyth Road junction (introduction of traffic signal control),
2. Blyth Road / Scrooby Road/ Tickhill Road / Main Street junction (removing two mini roundabouts and replacing them with traffic signal control),
3. A1/A614 junction (entry arm improvements and circulatory carriageway closed on part of one of the two feeder roundabouts to the A1 (M) junction at Blyth, and
4. A614/ Scrooby Road junction (convert to traffic signal control and widen junction).

The improvements to the four junctions in the Harworth and Bircotes area will accommodate the economic growth in the area, ensure traffic continues to flow efficiently and ensure Harworth remains attractive to new residents and businesses looking to locate to service employment areas with ready access to the A1 (M), M1 and M18.

Funding is now sought to fast track delivery of the proposed road improvement without which fully serviced and remediated development sites may only come forward in the longer term. Without road improvements these development sites may remain a potential only. The injection of public sector funding will accelerate the development process by facilitating early delivery of serviced and remediated employment land and also speculative industrial and warehouse units.

3.0 Approvals

Bassetlaw District Council have advised that the highway improvement proposals constitute 'permitted development'. Therefore neither planning permission nor an Environmental Assessment is required.

4.0 Procurement

The scheme will be constructed by the County Council's Operations Group of the new Teckal company (called Via East Midlands Ltd) acting on behalf of the County Council with contract management support provided by the Highways Design Team.

5.0 State Aid

Nottinghamshire County Council's has sought advice from Geldards who have confirmed this project is State Aid compliant.

6.0 Business Case

The business case has been forwarded to Regeneris and at the time of writing this report the Value for Money (VFM) report had not been completed. Any approval given will be on the basis that the project reports good VFM.

7.0 Delivery Programme

Work on site is due to commence in November 2016 and be fully operational by May 2017.

8.0 Outputs and Outcomes

- To unlock 6650 jobs:

	Direct jobs	Indirect jobs	Total
0-5 years	1,712	355	2,067

5-10 years	2,182	452	2,634
10+years	1,614	335	1,949
Total	5,508	1,142	6,650

- To unlock and accelerate 855 new homes

9.0 Spending profile

2016 £1.1m

10.0 Local Assurance Framework

Stage 1 approval was granted on the 11th May 2015 and a full Business Case was submitted in line with Stage 2 of the approval process. The Accountable Body and D2N2 have assessed the Business Case submission and approval for phase 1 is recommended.

The IIB are asked to approve the project and release this year's funding on the condition that the Regeneris report confirms this project represents good value for money.

Local Assurance Framework
Stage 2 Approval Check List:

1. A Value for Money assessment carried out in accordance with the Local Assurance Framework and concluding that the project overall provides at least a good value for money score	At the time of writing this report the VFM report was not available from Regeneris, therefore approval will be recommended based on the report showing the project represents good value for money.																				
2. Evidence supporting the need for the project and the how the outputs in the Business Case will be delivered/guaranteed. This will also include evidence identifying when the outputs will be delivered.	<p>The improvements of the A1/A614 junctions seeks to minimise congestion, improve journey time reliability, improve operational efficiency for local businesses and provide headroom for increased commercial activity. Delivery of employment land and housing (and associated job creation) is constrained due to the lack of accessible sites. Without improvements to sustainable infrastructure economic growth in Harworth and Bircotes and other employment areas will be constrained and new development will not be sustainable. This will affect market demand and the potential for growth.</p> <p>The outputs are:</p> <table><tr><td></td><td>Direct jobs</td><td>Indirect jobs</td><td>Total</td></tr><tr><td>0-5 years</td><td>1,712</td><td>355</td><td>2,067</td></tr><tr><td>5-10 years</td><td>2,182</td><td>452</td><td>2,634</td></tr><tr><td>10+years</td><td>1,614</td><td>335</td><td>1,949</td></tr><tr><td>Total</td><td>5,508</td><td>1,142</td><td>6,650</td></tr></table> <p>Homes: 855</p>		Direct jobs	Indirect jobs	Total	0-5 years	1,712	355	2,067	5-10 years	2,182	452	2,634	10+years	1,614	335	1,949	Total	5,508	1,142	6,650
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3. A statement confirming that the funds are in place and that	The funding is as follows:																				

adequate safeguards have been taken in regards to any cost over-runs. Examples of this could be confirmation that contingency has been secured for the project and/or that all risk have been passed to the contractor/developer.	D2N2 LGF £1.1m Sheffield City Region SCRIF £0.455m In the event that the final outturn costs exceed the £1.555m budget Nottinghamshire County and Bassetlaw District Councils jointly accept responsibility for meeting all costs over and above the D2N2 and SCR contributions.
4. A statement confirming that the project is State Aid compliant.	The promoter has sought advice from Geldards who have confirmed this project is State Aid compliant.
5. Full design and specification to RIBA Stage 4 (if applicable) (Appendix 4)	The promoter has confirmed the project is designed to the equivalent of RIBA Stage 4
6. A detailed Business case submitted by the Section 151 officer, Finance Director or Chief Executive Officer.	The Stage 2 business case has been submitted by the Section 151 officer
7. Confirmation that all Planning consents and other consents in relation to the delivery of the project have been granted. The promoter is also required to confirm that all pre-commencement conditions have been met along with details regarding how and when the remaining planning conditions will be discharged.	Bassetlaw District Council have advised that the highway improvement proposals constitute 'permitted development'. Therefore neither planning permission nor an Environmental Assessment is required.
8. A statement from the promoter confirming how the project aligns with the LEP'S sustainability and local procurement framework (if applicable)	By utilising in-house teams and local employment for the delivery of this project together with locally sourced materials, including recycled and sustainable materials wherever possible, ensures that this project is aligned with the D2N2 LEP's sustainability and local procurement aspirations and framework.

9. Confirmation that all funding is approved and in place to deliver the project along with written confirmation from the other funders confirming the funds are agreed and available.	The final allocation from SCR is approved in principle, following approval of the Council's outline business case and a full business case has been submitted for SCRIF approval.
10. Confirmation that a delivery contract is in place (JCT or equivalent) and confirmation of how cost/programme overruns to be managed. The LEP will require promoters to either confirm that any cost over-runs are the risk of the developer or additional funds have been set aside.	The scheme will be constructed by the County Council's Operations Group of the new Teckal company (called Via East Midlands Limited) acting on behalf of the County Council with contract management support provided by the Highways Design team. In the event that the final outturn costs exceed the £1.555m budget Nottinghamshire County and Bassetlaw District Councils jointly accept responsibility for meeting all costs over and above the D2N2 and SCR contributions.
11. All land assets purchased and vacant possession obtained (if applicable)	All work is within the public highway
12. Value for Money report carried out by a suitably qualified and experience professional with at least a 'Good' score. The LEP and the Accountable body will seek confirmation on the conclusions of the report from external consultants.	At the time of writing this report the VFM report was not available from Regeneris, therefore approval will be recommended based on the report showing the project represents good value for money.
13. How the risks will be managed?	The promoter has produced a risk register highlighting risks and mitigations.