



## Application Form (for Tranche 2A)

The level of information provided should be proportionate to the size and complexity of the scheme proposed. Note that DfT funding is a maximum of £5 million per scheme. An individual local authority may apply only for one scheme.

For schemes submitted by components of a Combined Authority a separate application form should be completed for each scheme, then the CA should rank them in order of preference.

### Applicant Information

**Local authority name:** Blackburn with Darwen Borough Council

**Bid Manager Name and position:** Ian Richardson, Director of Growth and Development

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

**Contact telephone number:** 01254 273 255 **Email address:** [Ian.Richardson@blackburn.gov.uk](mailto:Ian.Richardson@blackburn.gov.uk)

**Postal address:** Growth and Development  
Blackburn with Darwen Borough Council  
Town Hall  
Blackburn  
BB1 7DY

### **Combined Authorities**

*If the bid is from a local highway authority within a Combined Authority, please specify the contact and ensure that the Combined Authority has submitted a Combined Authority Application Ranking Form.*

**Name and position of Combined Authority Bid Co-ordinator:** N/A

**Contact telephone number:** **Email address:**

**Postal address:**

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:**

<http://www.blackburn.gov.uk/Pages/dft-challenge-fund-2017.aspx>

## **SECTION A - Scheme description**

**A1. Scheme name:** Principal Road Resurfacing and Reconstruction

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

Please enter a brief description of the proposed scheme and its timetable including the completion date (in no more than 50 words)

Resurfacing/ reconstruction of sections of key principal roads, which are at the end of their lifecycle and are crucial to the transport network, between June 2017 and September 2017. These main thoroughfares, carrying large volumes of commuter and commercial traffic are necessary to support the burgeoning local economy.

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

Please provide a short description of area covered by the bid (in no more than 50 words)

These principal roads lie in Blackburn and Darwen, towns with a poor employment record.

East Lancashire comprises a number of discrete towns with inter-related economies dependant upon good transport links.

Economically active: BwD 69.5%, North West 75.6%, GB 77.8%.

Job density: BwD 0.78, North West 0.79, GB 0.83. (source: [nomisweb.co.uk](http://nomisweb.co.uk)).

OS Grid Reference: Four individual sections of the principal road network:

- |  |                             |
|--|-----------------------------|
| 1. A677, Preston New Road,                                   | 368200mE, 428270mN, BB2 7AN |
| 2. A666, Whalley New Road - Wilshire, Roe Lee, Whalley Range | 368620mE, 431455mN, BB1 9BE |
| 3. A678, Eanam & Higher Eanam,                               | 369070mE, 428155mN, BB1 3AZ |
| 4. A666, Duckworth St, Green St, Borough Rd, Bolton Rd,      | 369050mE, 422490mN, BB3 1PX |

Postcode: As above

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 on land use, planning etc. See Appendix 1 for location maps.

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

**Small project bids** (requiring DfT funding of **up to £5 million**)

Major maintenance, strengthening or renewal of bridges, tunnels, retaining walls or other structures

Major maintenance or renewal of carriageways (roads)

Major maintenance or renewal of footways or cycleways

Major maintenance or renewal of drainage assets

## **SECTION B – The Business Case**

### **B1. The Financial Case – Project Costs and Profile**

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)**

<b>£000s</b>	<b>2017-18</b>
<i>DfT Funding Sought</i>	£1,443
<i>LA Contribution</i>	£407 (22%)
<i>Other Third Party Funding</i>	0

Notes:

1) Department for Transport funding is only for the 2017-18 financial year.

2) A minimum local contribution of 10% (by the local authority and/or third party) of the project costs is required.

### **B2 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. 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.

**Blackburn with Darwen's contribution of £407,000 (22%) will be funded through the Council's 2017/18 capital programme.**

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

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

- c) 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 (e.g. through the Access Fund or similar competition).

**None**

### **B3. Strategic Case** (Maximum 50 words for each section a) to g)

This section should briefly set out the rationale for making the investment and evidence of the existing situation, set out the history of the asset and why it is needs to be repaired or renewed. It should also include how the scheme it fits into the overall asset management strategy for the authority **and why it cannot be funded through the annual Highways Maintenance Block Funding grant.**

a) What are the current problems to be addressed by your scheme? (Describe economic, environmental, social problems or opportunities which will be addressed by the scheme).

**Reactive maintenance costs on these roads are high and rising, increasingly frequent traffic disruption is expensive and disruptive; adversely affecting the local economy. Major intervention is necessary as life-extending treatments are no longer considered appropriate. This will also cater for the forecast increase in traffic levels from proposed developments.**

b) Why the asset is in need of urgent funding?

**Severe weather and under investment have accelerated deterioration to the point where some sections require reconstruction. Current funding is only sufficient to try to extend the life of those assets on the brink of failure. Additional funding now will obviate the need for expensive wholesale reconstruction in the foreseeable future.**

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

- Patching, surface treatments - rejected due to limited lifespan, high unit cost, failure to address underlying problem, continued traffic disruption and low BCR.
- Resurface / reconstruction - preferred solution incorporating ECI, advanced materials, optimum BCR and incorporating HMEP principles.
- Full reconstruction - not presently required, adds little longevity, reduced BCR.

d) What are the expected benefits / outcomes?

- Reduced reactive maintenance, generating savings, reducing works noise.
- Minimise traffic disruption leading to:
  - more reliable, quicker journeys.
  - reduced carbon emissions; improved air quality.
  - Reduced traffic noise.
- Greater public satisfaction; reduced complaints.
- Improved reputation; positive publicity.
- Ancillary pedestrian and cycling benefits.

e) Please provide information on the geographical areas that will benefit from your scheme.

**Blackburn is the main town within East Lancashire and the proposed works are on the arterial routes linking it to the surrounding towns, villages and local Motorway Network.**

Darwen lies in a steep sided valley with a single principal road along the valley floor. Any interruption to this artery causes long delays.

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)?

Either sacrificial inlays or hand-lay patching works would need to be carried out on sections of road which ideally require reconstruction. Whilst this requires less funding it has limited durability, is a poor investment and precludes life-extending treatments elsewhere.

However, there would be only safety defect repairs arising from routine inspection on other roads.

g) What is the impact of the scheme?

During the construction period, effective communication with those affected will reduce any potentially negative impacts.

A positive impact of the completed schemes is a much improved sustainable transport network, which will require minimal maintenance for the next two decades and will reduce the wear and tear of user's vehicles.

#### **B4. Affordability and Financial Risk** (maximum 50 words for each of a) to c)

What is your Authority's most recent total outturn annual capital spending on highways maintenance (Year **2015/16** ) £ 2,699 **figures should be entered in £000s** (i.e. £10,000 = 10)

What is the DfT contribution sought as a % and that annual total 53.464 % (to 3 decimal places)

This section should provide a narrative setting out how you will mitigate any financial risks associated with the scheme

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

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

An allowance of 9% of the total is included to cater for potential risks associated with:

- a. the proximity of utility apparatus within excavation of sections to be reconstructed.
- b. unsuitable material below the final surface in reconstructed sections.
- c. under-estimating the amount of regulating material required.

b) How will cost overruns be dealt with?

Overspend will be borne by BwD. Costs will be monitored on a monthly basis and will be reported to a project board, chaired by our director. Constructive dialogue with the contractor from the initial stages of the project will minimise potential increases in cost. Risk register, Appendix 2.

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

Delivery timescales maybe affected by:

- a. delays associated with procurement.

b. unforeseen problems with utility apparatus.

c. the contractor becoming insolvent.

d. exceptionally severe weather.

Adequate contingency periods have been incorporated into the main programme, Appendix 3.

No overall delay is anticipated, nor are cost increases are expected.

## B5. Equality Analysis

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

## B6. Value for Money

a) For all scheme bids, promoters should provide, where available, an estimate of the Benefit Cost Ratio (BCR) of the scheme.

**BCR has been estimated at 2.16, see Appendix 4**

Where a BCR is provided please be aware that DfT may wish to scrutinise the data and assumptions used in deriving that BCR.

**b) Please provide the following data will form a key part of our assessment:**

Note this material should be provided even if a BCR estimate has been supplied **and** has also to be entered and returned as an MS Excel file in the VfM Annex MS Excel file).

A description of the do-minimum situation (i.e. what would happen without Challenge Fund investment).

Two of the roads to be addresses by this scheme will require sacrificial inlays, in lieu of full reconstruction, which are not expected to last more than four years, due to underlying problems. Whilst we will continue to patch the other roads, deterioration will escalate and full resurfacing will become necessary. Prompt action now will save money in the long term.

Details of significant monetised and non-monetised costs and benefits of the scheme (quantified where possible)

The benefits of the scheme have been assessed over a 60 year cycle.

Item	With Scheme £000s	Without Scheme £000s
Scheme Costs	£1,782	-
Sacrificial surfacing	-	£400
Associated traffic delays	£1,059	£3,079
Maintenance regime	£735	£2,157
Associated traffic delays	£250	£2,635
<b>Total</b>	<b>£3,826</b>	<b>£8,271</b>
<b>Benefit to Cost Ratio</b>	<b>2.16</b>	

None monetised benefits include:

- Reduced carbon emissions.
- Reduced and more reliable journey times.
- Public satisfaction. Positive publicity.

- Potentially reduced accidents.
- Incidental improvements to pedestrian crossing points within the reconstructed sections and improvements to adjacent footways.
- Opportunity to incorporate/maintain carriageway cycle lanes.
- Positive benefits across all protected characteristic sectors.
- Positive health and community impacts.

Length of scheme (km)

4.236 km

Number of vehicles on affected section (Average Annual Daily Traffic in vehicles and if possible split by vehicle type) – to include details of data (age etc.) supporting this estimate.

Data sourced from DfT Transport statistics, 2015, except site 4 which is estimated.

Site:	1	2	3	4	5	6
(Total Vehs - Average Annual Daily Traffic)	13494	12953	9898	9800	18840	18135
(Cars - AADT)	11905	11230	8447	8400	15807	13481
(LGV - AADT)	1318	1382	1019	1000	1977	2702
(HGV - AADT)	148	180	180	180	270	1478

Sites:

1. Preston New Road, Beardwood, CP47472
2. Whalley New Road, Wilpshire, CP73068
3. Whalley New Road, Roe Lee, CP7429
4. Whalley New Road, Whalley Range, Estimate
5. Eanam & Higher Eanam, CP 81191
6. A666, Duckworth Street, CP74496

**c) Other VfM information where relevant - depending on type of scheme bid:**

Details of required restrictions/closures if funding not provided (e.g. type of restrictions; timing/duration of restrictions; etc.)

Not applicable

Length of any diversion route, if closure is required (over and above existing route) (km)

Not applicable

Regularity/duration of closures due to flooding: (e.g. number of closures per year; average length of closure (hrs); etc.)

Not applicable

Number and severity of accidents: both for the do minimum and the forecast impact of the scheme (e.g. existing number of accidents and/or accident rate; forecast number of accidents and or accident rate with and without the scheme)

Five Year Average 2012:2016

	Killed	Serious	Slight
Current: Five year average 2012:2016	0	3	14.8
Forecast Do minimum	0	3	14.8
Forecast Do scheme	0	2	10

Number of existing cyclists; forecasts of

The improved surface is expected to generate

cycling usage with and without the scheme (and if available length of journey)

additional cycling encouraged by edge of carriageway cycle lanes. The recently completed Weaver Wheel will further encourage cycling in the vicinity of Preston New Road, Wilpshire & Roe Lee.

Site	Present	Forecast
Preston New Road	23	33
A666, Wilpshire	38	48
A666, Roe Lee	59	69
A666, Whalley Range	58 (est)	60
Eanam	61	63
A666, Duckworth St	120	135

### B7. The Commercial Case

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

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

Framework Contract

Council Contractor

Competitive Tender

*\*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. An assurance that a strategy is in place that is legally compliant and is likely to achieve the best value for money outcomes is required from your Section 151 Officer below.*

### B8. Delivery (maximum 50 words for a) and 100 words for b)

a) Are any statutory procedures required to deliver the project, if yes please provide details below;

Yes  No

Details of statutory procedure (50 words maximum) N/A

b) Please summarise any lessons your authority has learned from the experience of delivering other DfT funded programmes (such as Challenge Fund tranche 1, pinch point schemes, local majors, Local Sustainable Transport Fund, Better Bus Areas) and what would be different on this project as a result.

There have been issues with:

- Delays connected with uncharted utility apparatus.
- External auditor viewing internal recharges as high.
- Contractors becoming insolvent during the contract.

Consequently we have restructured the service to improve the alignment of delivery teams, permit greater co-ordination and engender accountability. Additional detail in Appendix 5.

**B9. Stakeholder Support** (maximum 50 words for a) and 100 words for b)

c) Does this proposal have the support of the Local MP(s);

Yes     No

Name of MP(s) and Constituency

1. Kate Hollern, MP for Blackburn. See Appendix 6.
2. Jake Berry, MP for Darwen and Rossendale. See Appendix 7.
- 3
- etc.

d) List other stakeholders supporting the Scheme:

1. Mr D. Sharpe, East Lancashire Chamber of Commerce. See appendix 8.
2. Mr K. Saifullah, HIVE, Blackburn and Darwen Business Leaders Network. See Appendix 9.
- 3
- etc.

**SECTION C: Declarations**

**C1. Senior Responsible Owner Declaration**

As Senior Responsible Owner for Principal Road Resurfacing and Reconstruction I hereby submit this request for approval to DfT on behalf of Blackburn with Darwen Borough Council and confirm that I have the necessary authority to do so.

I confirm that Blackburn with Darwen Borough Council will have all the necessary powers in place to ensure the planned timescales in the application can be realised.

Name: Ian Richardson	Signed: 
Position: Director of Growth and Development	

**C2. Section 151 Officer Declaration**

As Section 151 Officer for Blackburn with Darwen Borough Council I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Blackburn with Darwen Borough Council.

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution
- will allocate sufficient staff and other necessary resources to deliver this scheme on time and on budget
- 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
- has the necessary governance / assurance arrangements in place
- has identified a procurement strategy that is legally compliant and is likely to achieve the best value for money outcome
- will ensure that a robust and effective stakeholder and communications plan is put in place

Name:

Louise Mattinson

Signed:

### **Submission of bids:**

The deadline for bid submission is 5pm on:

**31 March 2017** for Challenge Fund Tranche 2A (2017/18 funding)

An electronic copy only of the bid including any supporting material should be submitted to:

[roadmaintenance@dft.gsi.gov.uk](mailto:roadmaintenance@dft.gsi.gov.uk) copying in [Paul.O'Hara@dft.gsi.gov.uk](mailto:Paul.O'Hara@dft.gsi.gov.uk)