

**Scheme Name:** Pennine Reach - Furthergate

**Scheme Description:**

A new link road in Blackburn to provide an alternative to the A678 and access to potential development land

The purpose of this review is to examine the evidence base for the above scheme in order to identify any gaps

Additional work can then be undertaken on the scheme to ensure the business case for the scheme is comprehensive, which will limit the risk of future challenges.

Business Case	Criteria	Evidence	RAG Analysis	Recommendations (Jacobs 01.05.18)	Promoter Response (Capita 03/05/2018)	RAG Analysis	Response (Jacobs 08.05.18)	Promoter Response (Capita 09/05/2018)	RAG Analysis	Response (Jacobs 11.05.18)	Comment on updated SOBC (Jacobs 16.05.18)	RAG Analysis		
STRATEGIC	Existing arrangements for the provision of services	<p>Include a description of the current situation Description of the current situation is included in section 1.1 and 1.2</p> <p>Can services be better utilised, or are more fundamental changes required? Business case confirms that fundamental changes are required, as per section 1.2 and 1.7</p> <p>What are the constraints? The only constraints mentioned in the report are to do with time and program as outlined in section 1.5</p>		<p>Document should be rebadged as a Strategic Outline Business Case (and not a Outline Business Case)</p> <p>Are there no physical constraints on the scheme (land ownership, housing, severing roads etc.)? This will surely be relevant (given the discussions with Tesco around taking their land etc.) for the scheme and potentially for alternatives.</p>	The document has been updated and rebadged as a Strategic Outline Business Case.		N/A							
	Problem Identification	<p>How have the problems been identified? Problems are identified in Section 1.1 and 1.2</p> <p>Provide quantification of the extent of the problems Not provided as such</p>		The evidence presented in the SOBC is a screenshot of traffic conditions from google maps and a description of what was gathered for a previous TA. It would be good to have a quantified figure from this data. Eg, junction is at x% capacity, given that the report mentions that the junctions are operating close to capacity or are forecast to operate over capacity it is likely these figures are available.	The SOBC has been updated to provide quantification of the extent of the problems in Section 1.1.		N/A							
	The need for investment	<p>Why is the scheme needed now? There doesn't appear to be any indication of why the scheme is required now</p>			The SOBC has been updated to explain why the scheme is needed, based on the existing capacity issues on the local highway network, as per Section 1.1		N/A							
	Impact of scheme not being delivered	<p>Impact on transport network, economy, future development, other schemes etc. Section 1.2 provides a small summary of the impact of not delivering the scheme</p>		Suggest that further information including quantification of future traffic conditions could be taken from the TA described elsewhere, eg, junctions will be at x% of capacity	The SOBC has been updated to provide quantification of the extent of the problems in Section 1.1 and more details have been added to Section 1.2		N/A							
	Study Area / affected population	<p>Include a plan showing the scheme location. Provide a description / plan of targeted population. Scheme location shown Figure 1.1.1 and 1.1.2. No proper plan showing scheme location Scheme drawings shown in Appendix R</p>		Would be useful if the proposed location of the scheme was shown clearly in the SOBC where the scheme is described with other key points highlighted, eg M65 Junction 6. Currently there is only a location plan for the current low speeds/	Scheme location plan has been included as Appendix A in the updated SOBC and Section 1.1.			Scheme layout is shown in Appendix A, however, SOBC document itself doesn't contain a plan or map of the scheme. Without looking at appendix A there is no context behind figures 1.1.1 and 1.1.2 as to how they relate to the scheme.	Two figures have been added to SOBC Section 1.1, Figure 1.1.1 shows Furthergate Link Road location and Figure 1.1.2 shows Furthergate Link Road indicative layout.		The SOBC has been updated to include map and layout			
	Scheme Objectives	<p>What are the aims of the proposed scheme, and how do they address all the problems identified? Scheme Objectives are covered in 1.3</p>		Overall objectives look appropriate for the scheme and each would be deemed SMART. My only issue is that the timebound element described refers to the 60 year appraisal period. This should be more about when you expect to have met this objective. Eg, we will reduce the reliability of journey times by x within 5 years of scheme opening etc.	Section 1.3 has been updated to address the comment.		N/A							
	Strategic Fit (e.g. DfT's business plan and wider government objectives).	<p>How does the scheme contribute to key objectives, including wider transport and government objectives? Fit with national, regional and local policy is included in section 1.1</p>												
	Option Identification	<p>How were potential problems identified? Current problems are shown in 1.1 and 1.2. Future problems are covered in 1.2 also</p> <p>Evidence that alternative options (covering a range of different modes) were considered Options Appraisal Report included in as Appendix H</p>		Options presented in the SOBC appear to be for specific part of the route rather than alternatives to a new offline link, and I think this is a gap, for example why aren't measures to improve the existing A678 included as an option? This could be easily ruled out due to constraints with the busy road and building frontages preventing major improvements etc.	All potential options have been explored as part of the initial scheme development as part of the Penning Reach project.			I still think some text around this needs to be included in the SOBC and/or OAR as currently both just assume the options are around how a link road can be delivered rather than alternatives to a link road	Text has been added to Section 1.7. Option 0 has been included in the strategic assessment of alternative options. Option 0 has been eliminated at the initial stage of the sifting process and no detailed technical assessments or appraisals have been carried out. The details are however provided on consultation, indicative cost, impact against strategic objectives and rationale for rejection of this		There is now sufficient consideration of an alternative of the link road			
	Early Assessment and Sifting	<p>Methodology for sifting options Table 1.7 includes the sifting of options and is considered logical</p>		This is considered appropriate, however, as mentioned above there is potentially some options ignored that could be challenged.	All potential options have been explored as part of the initial scheme development as part of the Penning Reach project.			See above	See above			As above		
	Identification of short listed options	<p>How were the potential options shortlisted? What were the other shortlisted options? Initial work was likely done for previous scheme and may need to be collated in the SOBC. Some information around scheme development is included in Appendix H</p>		Appendix H outlines what potential junction arrangements were considered and why those selected were considered as best options for the new link and the rationale is logical. However, as above there aren't any "alternatives" considered to an offline link.	All potential options have been explored as part of the initial scheme development as part of the Penning Reach project.			See above	See above			As above		
	Consideration given to the economic, environmental and social benefits of the possible approaches	<p>What are the high-level strategic and operational benefits envisaged? How do they link to the objectives of the scheme? High level benefits of the scheme are listed throughout sections 1.1 and 1.2. Section 1.3 links benefits to the objectives</p>												
	Consultation / stakeholder engagement	<p>Provide details of any consultation events or stakeholder engagement that has taken place / is planned? Who was consulted? Include consultation results where available. A summary of the public consultation event carried out on 19th April is included as Appendix G</p>		As scheme promoter (and therefore the body carrying out stakeholder engagement) it isn't accurate to include them as a key stakeholder in the scheme. There will also need to be consideration of landowners, business owners etc. in the area as well as elected officials.	Section 1.6 has been updated to reflect the comment.  The details of public consultation are added in Section 1.6.									
		<p>Include consultation results where available. A summary of the public consultation event carried out on 19th April is included as Appendix G</p>		Public consultation (appendix G) has been carried out and should be referred to here in 1.6										

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STRATEGIC	Preferred Option	How was the preferred option identified? Options have been assessed for their performance in terms of delay and junction capacity.  Reasons why it was the preferred option. Reasons behind the selected options from the shortlist are included in Section 1.7 and the										
	Traffic Modelling work undertaken	Details of any traffic modelling work which has been undertaken. Details of traffic modelling including in BCR TN appendix  Results of modelling work  Has the need for any further traffic modelling work been identified?	N/A	To be covered in Economic Case with references to appropriate appendices	The SOBC has been updated accordingly.	N/A			N/A			N/A
	Level of public support considered?	What are the attitudes of key groups (e.g. the general public, residents, businesses and wider stakeholders) to the proposed scheme? Information behind current consultation is included in Appendix G.		Public Consultation has been carried out and a summary is provided in Appendix G. However, this does not give an idea of the level of public support	Levels of public support can be demonstrated through the feedback received during the Pennine Reach consultations.							
	Key risks and constraints identified?	What are the main risks associated with delivering the scheme? Number of risks included in Section 1.5 Delivery Constraints - further information in risk register  Include a Risk Register containing appropriate mitigation measures. Risk Register is appended.		Acknowledged that Risk register is likely to change (and potentially lead to changes to other cases) as scheme costs are received etc.	Risk Register is a live document.		Awaiting final costs and update of risk register	SOBC has been updated with tendered costs		Accepted	SOBC has been updated with tendered costs	
	Connectivity with other schemes assessed?	How does the scheme impact on other planned schemes? What is the overall level of impact in combination with other connected schemes? Scheme completes a previous aspiration that was stopped at including a single junction and is part of a package of schemes called "Pennine Reach" that will combine to improve connectivity across		N/A								
ECONOMIC	Outline approach to assessing value for money.	Evidence of any VIM assessment which has already been undertaken. VIM Methodology is presented in Appendix I - VIM Methodology and summarised in Chapter 3. Qualitative / Quantitative assessment of the likely impact of the scheme This information is provided in the BCR Technical Note. Has an AST been produced? AST Provided in table 2.5		Appendix I has a number of comments within it. Some comments are included in the text below, however, the final version of the appendix may have different information There are some queries and comments on the assessment of the scheme: - Why has the highest growth rate been used? This will be addressed in the AST. As mentioned above, the scheme is not directly linked to any jobs, unless the jobs can only be created with the scheme they should not be included here under regeneration or wider impacts. Other comments above may change scoring in the AST.	The comments were left in the Appendix I to provide an audit trail of comments. All comments were addressed in the initial issue of the BCR TN and within the SOBC.	N/A			N/A			N/A
	Consideration of economic, environmental, social and distributional impacts.				1. Growth Rates As has been mentioned, the difference in traffic growth rates is fairly similar when comparing the BwD See above		1. Agree that a sensitivity test of zero growth could be used regarding growth rates. As mentioned above, needs to be brought out in the technical note and SOBC that the scheme enables development to come through earlier than if the link road wasn't delivered and explain that this is where any benefits will come from rather than the full benefits of the jobs.	1. No action required. 2. Section 3.4 of BCR TN has been updated and Section 2.1 of SOBC GVA assessment has been updated		1. Accepted 2. Accepted 3. Accepted No clear evidence that this has been done, and not mentioned in the SOBC.	GVA assessment has been updated in line with comments GVA assessment has been updated in line with comments	
	Appraisal Summary Table											
	BCR	Details of any economic appraisal work which has already been undertaken. Provide an indication of the likely VIM (using relevant schemes to benchmark where appropriate) where VIM assessment not been completed yet. This information is provided in the BCR Technical Note		The comments above have an impact on the overall VIM and assessment, however, there are additional comments on the economic assessment. - Why has 30% Risk contingency been used? WebTAG Unit A1.2 Section 3.5 shows that LA Roach schemes at SOBC stage should have 44% OB applied, this should be applied on top of an allowance for risk built into scheme cost. - We note that sensitivity tests have been carried out based on a change in speed limit on the link road, traffic distribution and zero growth but what about High and Low growth scenarios as per WebTAG Unit M4 Section 4.2?	30% risk contingency is based on the experience of a similar range of projects delivered within BwDBC and it is broadly based on the value provided within the Quantified Risk Assessment.  As a zero growth sensitivity test has been carried out, it is considered not necessary to undertake a Low growth sensitivity test. As stated in the comment on the Economic appraisal above a higher growth rate is likely to yield greater benefits and as the core scheme appraisal and a range of sensitivity tests are indicating high or very high value for money a High growth scenario is not considered necessary.		Accepted that 30% risk is approximately that within the QRA. However, in line with WebTAG Unit A1.2 Section 3.5 Optimism bias should be added on top of the scheme cost (which includes an allowance for risk). As an early stage highway scheme this means an allowance of 44% for OB. We accept that this is very high when combined with a 30% risk assessment, however, the scheme BCR is very high so it is unlikely to affect VIM banding. There is some additional guidance (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191507/Optimism_bias.pdf) where there is discussion on reducing OB.  Accepted that both tests may be considered unnecessary given other sensitivity tests undertaken. However, as part of guidance text similar to that included to the left should be included when discussion sensitivity tests to show why the WebTAG recommended tests are not being carried out.	Section 2.3 has been updated to include explanation for 'high growth' and 'low growth' scenarios.		Optimism bias has still not been included in the SOBC. Looking at Appendix L, OB of 3% appears to be included. Why? This should be 44%, and it should be detailed in the SOBC	Optimism Bias of 3% used to reflect that costs have been provided by a consultant (equivalent of what would happen at FBC stage as per WebTAG)	

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FINANCIAL	Scheme Cost	<i>Please provide as much detail as possible, including:</i> - scheme development costs - itemised construction costs - running costs - maintenance costs - range cost estimates <i>How were the scheme costs calculated?</i> Scheme costs are included in Section 3.1, 3.2 and 3.3. A supporting report is included as Appendix L. No information provided around how costs have been calculated.		Scheme cost estimates are included and it is acknowledged that these will be updated on receipt of contractor quotes.  However, there is no information about how the current cost estimates have been developed, the cost appendix is just a table. (more information is provided in the M&E report where the scheme cost is broken down).	The cost appendix has been updated to include the details of how the scheme costs are broken down.		We have not received this appendix (email from Walter Aspinal on 08.05.18 only includes updated SOBC document).	Cost appendix has been updated with tendered costs		Accepted	Cost appendix has been updated with tendered costs		
	Funding Arrangements	<i>Detail the funding sources and values which have been outlined.</i> Funding is intended to be split between BwD and TTL.  <i>Outline any potential risks to securing funding.</i> Potential risks to funding included in section 3.4		Funding Arrangements and split are outlined in Section 3.3. However, scheme costs will likely change.  Currently only a draft section 151 officer letter is attached, this will need signed off by BwD to cover overruns as required by TTL's assurance framework.	A final S151 officer letter will be provided follow receipt of tender costs.		Accepted - will remain amber until final costs are established	expecting s151 letter		Noted	No Change, Awaiting S151 letter		
	Key Risks	<i>Please provide a risk register including mitigation measures.</i> Risk Register included as Appendix E  <i>Has any sensitivity analysis been undertaken? What are the results?</i> Some sensitivity tests have been carried out as per the economic case.		Risk Register is included. However section 3.4 is highlighted in yellow and the numbers there are not shown in the register and this number does not match the 30% used in scheme costs.	The 30% is a rough estimate based on QRA value and will updated to match the final costs.		Accepted - will remain amber until final costs are established	SOBC has been updated with tendered costs		Accepted	SOBC has been updated with tendered costs		
COMMERCIAL	Is there a robust contracting and procurement strategy?	<i>Outline the intended procurement strategy.</i> Outline procurement strategy shown in 4.2  <i>How was the proposed procurement approach developed?</i> BwD's existing Contractor and Development Framework has been proposed.		Chapter 4 covers the financial case with gaps left to complete on appointment of contractor.	The section will be updated accordingly.		Accepted - will remain amber until final costs are established	SOBC has been updated with tendered costs		Accepted	SOBC has been updated with tendered costs		
MANAGEMENT	Key risks and constraints identified?	<i>What are the main risks associated with delivering and implementing the scheme?</i> Include a Risk Register containing appropriate mitigation measures. Risk Register to be supplied as Appendix F		As mentioned previously the Risk Register does not match the figures in the financial case for risk allowance which in turn does not match the 30% allowance in scheme cost.	See above		Accepted - will remain amber until final costs are established	SOBC has been updated with tendered costs		Accepted	SOBC has been updated with tendered costs		
	Delivery Programme	<i>Please include indicative timescales for:</i> - Scheme Development - Design - Procurement - Construction  Key dates in programme provided in Section 5.3 - Full Programme included as Appendix N		Key dates provided in SOBC. With detailed programme in appendix. Only worry would be that "construction" is one item in the programme but is the longest duration.	Detailed programme will be provided by the appointed contractor and included within the final submission.		Accepted - will remain amber until final costs are established	SOBC has been updated with tendered costs		Accepted	SOBC has been updated with tendered costs		
	Governance / Assurance work	<i>Who is in charge? What is the allocation of roles and responsibilities? Is there a Project Board?</i> Project board is included in Section 5.1, however, no names are mentioned. The Organogram (Appendix O) contains Names  <i>What control measures will be put in place to ensure the scheme development process is managed suitably?</i> Assurance and Approvals Plan included in Section 5.4. Project Management approach outlined in Section 5.9  <i>Has a SGAR been undertaken / scheduled?</i> Internal review held, summary provided in Appendix.		Names from Appendix O should be brought into section 5.1.	All names are provided within Appendix O.		These names should be brought into Section 5.1, for example replacing "Proect Director Design Delivery" with "Andrew Brown" so that the SOBC can be read as a stand alone document if required.	Section 5.1 of the SOBC has been updated		Only Andrew Brown has been included. Who is the representative for the BwD Growth and Development board? And for the Transport Strategy / Programmes and Highways? If these cannot be named, at least the table should be given a different header that "Representative", as I would expect a representative to be a named person, not a board, etc.	Updated in line with comments		
	Evidence of similar projects that have been successful.	<i>Provide details of similar projects and their successfulness.</i> Details of similar projects included in Section 5.1											
	Who is the client / sponsor?	<i>Include details of the client / sponsor of the scheme.</i> BwD are the scheme promoter		Section 151 letter will be required	Will be provided		Accepted - will remain amber until Final section 151 letter received.	expecting s151 letter		Noted	No Change, Awaiting S151 letter		
	Fall back Plans	<i>Do alternative schemes exist? Is there a lower cost alternative?</i> Some lower cost options have been considered (Section 1.7), however, these all appear predicated on a link road being the end product		As with above comments regarding options it appears that	See above.		See Comment in cell J28	See comment in cell K28		Accepted	See comment in cell K28		
	Arrangements for monitoring and evaluating the intervention.	<i>What will constitute success for the project, and how will it be measured?</i> Details of M&E provided in Section 5.8 and accompanying M&E Report		One section of the M&E report is highlighted in yellow.  In addition TTL's monitoring requirements are described in Section 3.1 of the report, however, no detail is provided on the DFT's requirements and what will be monitored/reviewed.	We envisage that TTL's monitoring requirements would reflect those provided by the DIT.		While it is accepted that most metrics required by DFT will be covered by monitoring of TTL requirements for clarity some description of what will be used to monitor the DFT metrics should included similar to the approach for the TTL metrics.	Section 5.8 of the SOBC has been updated to include the standard measures set out by DFT, which are required to be monitored. A monitoring and evaluation engagement process is also included. M&E report has been updated to provide more details on the standard measures set out by		Accepted	Section 5.8 of the SOBC has been updated to include the standard measures set out by DFT, which are required to be monitored. A monitoring and evaluation engagement process is also included. M&E report has been updated to provide more details on the standard measures set out by		