



LEP – Sub Committee

LEP - Transport for Lancashire Committee

Private and Confidential: No

Date: Tuesday, 5 June 2018

Furthergate Link Road Funding Application

Appendix 'A' refers

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Executive Summary

The Furthergate Link Road scheme comprises a new link road and associated junction improvements in the A678 corridor linking Blackburn town centre with the M65 Junction 6 at Whitebirk. The existing highway network in this corridor operates close to capacity, with high volumes of traffic resulting in congestion and unreliable journey times as well as creating environmental issues for local residents. In addition to addressing these problems, the scheme will unlock new areas of land for potential development.

In accordance with the Lancashire Enterprise Partnership's Assurance Framework, Blackburn with Darwen Council has submitted a strategic outline business case for funding approval. The consultants Jacobs have undertaken an independent assessment of the strategic outline business case on behalf of the Lancashire Enterprise Partnership. Jacobs are satisfied that the project has been developed to the expected standard and recommend that funding approval be granted.

Recommendation

The Committee is asked to consider the attached strategic outline business case report prepared by Jacobs and recommend the Lancashire Enterprise Partnership Board grant the scheme a maximum £3.44m Growth Deal funding at its next meeting on 26th June 2018.

Background and Advice

The Furthergate Link Road scheme is one of three infrastructure packages comprising the 'Pennine Gateways' project, which aims to support the delivery of new homes, new businesses and jobs in three specific growth areas in Blackburn, whilst at the same time alleviating congestion on key routes. It comprises a new link road and associated junction improvements in the A678 corridor linking Blackburn town centre with the M65



Junction 6 at Whitebirk. The existing highway network in this corridor operates close to capacity, with high volumes of traffic resulting in congestion and unreliable journey times as well as creating environmental issues for local residents. In addition to addressing these problems, the scheme will unlock new areas of land for potential development.

In accordance with the Lancashire Enterprise Partnership's Assurance Framework, Blackburn with Darwen Council has submitted a strategic outline business case for funding approval. The consultants Jacobs have undertaken an independent assessment of the strategic outline business case on behalf of the Lancashire Enterprise Partnership. Jacobs are satisfied that the project has been developed to the expected standard and recommend that funding approval be granted.

The total cost for the scheme is £3.96m (2018 Quarter 1 prices), funded through a maximum £3.44m contribution from the Local Growth Fund through the Lancashire Growth Deal and a £520,000 contribution from Blackburn with Darwen Council. The local contribution amounts to 10% of total scheme total cost. The council's S151 letter confirming the council's commitment to fund the local contribution together with any overspend is outstanding. However, it is expected to be received prior to the LEP Board meeting on the 26 June 2018. The council expects construction to take place between June 2018 and May 2019.

The scheme is predicted to deliver very high value for money with a benefit to cost ratio of 9.97, and has the potential to generate a further £630,000 (2010 prices discounted) of wider economic benefits on average per annum over the 60-year appraisal period arising from the development of employment sites that the scheme will unlock. Jacobs' report is attached as Appendix 'A'.

List of Background Papers

Paper	Date	Contact/Tel
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None.

Reason for inclusion in Part II, if appropriate

N/A