

National Productivity Investment Fund for the Local Road Network Application Form



Department
for Transport

The level of information provided should be proportionate to the size and complexity of the project proposed. As a guide, for a small project we would suggest around 10 -15 pages including annexes would be appropriate.

One application form should be completed per project and will constitute a bid.

Applicant Information

Local authority name(s)*: Middlesbrough Council

**If the bid is for a joint project, please enter the names of all participating local authorities and specify the lead authority.*

Bid Manager Name and position: Chris Orr, Infrastructure Programme Manager

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

Contact telephone number: (01642) 728196

e-mail address: chris_orr@middlesbrough.gov.uk

**Postal address: Middlesbrough Council
P.O. Box 504
Civic Centre
Middlesbrough
TS1 9FY**

Combined Authorities

If the bid is from an authority within a Combined Authority, please specify the contact, ensure that the Combined Authority has provided a note ranking multiple applications, and append a copy to this bid.

Name and position of Combined Authority Bid Co-ordinator:

**Mark Wilson
Head of Transport, Tees Valley Combined Authority**

Contact telephone number: (01642) 524453

e-mail address: mark.wilson@teesvalley-ca.gov.uk

**Postal address: Tees Valley Combined Authority
Cavendish House
Prince's Wharf
Thornaby
Stockton-on-Tees
TS17 6QY**

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.middlesbrough.gov.uk

SECTION A - Project description and funding profile

A1. Project name: **A66/A171 Cargo Fleet Roundabout Improvement Scheme**

A2: Please enter a brief description of the proposed project (no more than 50 words)

Introduction of a ‘throughabout’ to improve capacity and reduce delays at a key junction on the A66. The project also includes introduction of a new pedestrian/cycle crossing together with 500 metres of extruded concrete barrier and LED high mast lighting, thereby improving safety and reducing the need for future maintenance.

A3: Please provide a short description of area covered by the bid (no more than 50 words)

The proposals cover the A66/A171 Cargo Fleet Lane Roundabout, two kilometres east of Middlesbrough town centre. The A66 is the main east/west route serving the Tees Valley city region and Teesport (the largest exporting port in England), and connects directly to the A19 and the wider Strategic Road Network.

OS Grid Reference: **NZ 451578 520289**
Postcode: **TS3 8AX (Car dealership on eastern side of roundabout)**

The map is appended as requested.

A4. How much funding are you bidding for? (please tick the relevant box):

Small project bids (requiring DfT funding of between £2m and £5m)

Large project bids (requiring DfT funding of between £5m and £10m)

A5. Has any Equality Analysis been undertaken in line with the Equality Duty?
 Yes No

A6. If you are planning to work with partnership bodies on this project (such as Development Corporations, National Parks Authorities, private sector bodies and transport operators) please include a short description below of how they will be involved.
N/A

A7. Combined Authority (CA) Involvement

Have you appended a letter from the Combined Authority supporting this bid? Yes No

A8. Local Enterprise Partnership (LEP) Involvement and support for housing delivery

Have you appended a letter from the LEP supporting this bid? Yes No

For proposed projects which encourage the delivery of housing, have you appended supporting evidence from the housebuilder/developer?
 Yes No

SECTION B – The Business Case

B1: Project Summary

Please select what the project is trying to achieve (select all categories that apply)

Essential

- Ease urban congestion
- Unlock economic growth and job creation opportunities
- Enable the delivery of housing development

Desirable

- Improve Air Quality and/or Reduce CO² emissions

B2: Please provide evidence on the following questions (max 100 words for each question):

a) What is the problem that is being addressed?

The main problems at this location are congestion and delays. This is particularly relevant during the AM and PM peak periods, despite the signalisation of the key entries onto the roundabout and the introduction of MOVA control. The roundabout is used by over 5,000 vehicles an hour during the busiest periods of the day and has insufficient capacity to cater for existing demand at such times, thereby acting as a constraint to future economic growth.

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

'Do Nothing'

This option was rejected as it would not deliver any of the scheme benefits. Vehicle journey times and delays would increase significantly, acting as a barrier to future development.

Alternative Infrastructure Improvements

Grade separation of the junction was considered at the initial options stage. However, this proposal was rejected due to the associated cost, which was estimated to be in the region of £36 million. This is due partly to the scale of the infrastructure required, along with the physical constraints that are present in the vicinity of the site, which include a major water treatment works immediately to the north.

Implement Partial Scheme

It would be possible to introduce just the 'throughabout' element of the scheme, without the associated lighting, central reservation barrier and active travel improvements. This option was rejected as it would not deliver the associated road safety and active travel benefits with the full scheme.

Undertake the Project Outlined within this Bid

This option will allow the full benefits of the project to be realised, improving the resilience of the junction and ensuring that it operates as efficiently and safely as possible. It is, therefore, recommended that this option is progressed.

- c) What are the expected benefits/outcomes? For example, could include easing urban congestion, job creation, enabling a number of new dwellings, facilitating increased GVA.

The scheme will deliver a number of benefits. These include:

- Reduction in peak period journey times and delays;
- Improved resilience in terms of journey time reliability;
- Reduction in the number of recorded casualties at and on the approaches to the junction;
- Reduced ongoing maintenance requirements and costs; and
- Creation of a signal-controlled crossing facility on Route 1 of the National Cycle Network.

Introduction of the scheme will, effectively, mitigate the impact of the growth in traffic predicted over the next ten years due to new residential and commercial developments in both Middlesbrough and Redcar & Cleveland, thereby increasing the attractiveness of both Boroughs to potential inward investors.

- d) Are there any related activities that the success of this project relies upon? For example, land acquisition, other transport interventions requiring separate funding or consents?

No.

- e) What will happen if funding for this project is not secured - would an alternative (lower cost) solution be implemented (if yes, please describe this alternative and how it differs from the proposed project)?

As highlighted in b) above, the proposed scheme is a cost effective solution that will deliver both capacity and road safety benefits. If the bid was unsuccessful, alternative sources of funding would need to be sought to meet the shortfall in the overall scheme budget. No such sources of funding have been identified at this stage.

- f) What is the impact of the project – and any associated mitigation works – on any statutory environmental constraints? For example, Local Air Quality Management Zones.

The proposed scheme will smooth traffic flow and reduce journey times, thereby reducing both the average time taken for vehicles to pass through the junction and the time that such vehicles are stationary. This will reduce the accumulation of point source emissions at the junction and, hence, improve air quality. In addition, the provision of controlled pedestrian and cycle crossings will encourage low emission travel.

There are no designated local Air Quality Management Areas (AQMAs) in Middlesbrough. The proposed scheme will ensure that predicted traffic growth will not result in the need for an AQMA in the vicinity of the junction for at least the next ten years.

B3: Please complete the following table. **Figures should be entered in £000s**
(i.e. £10,000 = 10).

Table A: Funding profile (Nominal terms)

£000s	2018-19	2019-20
DfT funding sought		2950
Local Authority contribution		462
Third Party contribution	750	
TOTAL	750	3412

Notes:

- 1) Department for Transport funding must not go beyond 2019-20 financial year.
- 2) 2) Bidders are asked to consider making a local contribution to the total cost. It is indicated that this might be around 30%, although this is not mandatory.

B4: Local Contribution & Third Party Funding: Please provide information on the following questions (max 100 words on items a and b):

- a) Provide an outline of all non-DfT funding contributions to the project costs, the level of commitment, and when the contributions will become available.

£462,000 has been provisionally earmarked from the Council's 2019/20 Local Transport Plan allocation towards meeting the project cost.

Local Growth Funding has been secured to provide an improved cycle and pedestrian crossing facility as part of the overall junction improvement scheme. This funding has been provisionally allocated for 2018/19, and is set at £750,000. Release of this funding is dependent on completion of a due diligence process and formal sign off by the Tees Valley Combined Authority. Should this approval not be secured, the scheme will be amended to exclude the crossing facility.

- b) List any other funding applications you have made for this project or variants thereof and the outcome of these applications, including any reasons for rejection.

None.

B5: Economic Case

This section should set out the range of impacts – both beneficial and adverse – of the project. The scope of information requested (and in the supporting annexes) will vary, including according to whether the application is for a small or large project.

A) Requirements for small project bids (i.e. DfT contribution of less than £5m)

- a) Please provide a description of your assessment of the impact of the project to include:

- Significant positive and negative impacts (quantified where possible) including in relation to air quality and CO₂ emissions.
- A description of the key risks and uncertainties;
- If any modelling has been used to forecast the impact of the project please set out the methods used to determine that it is fit for purpose

As highlighted in Section B2, the proposed scheme will smooth traffic flow and reduce journey times, thereby reducing both the average time taken for vehicles to pass through the junction and the time that such vehicles are stationary. This will reduce the accumulation of point source emissions at the junction and, hence, improve air quality. In addition, the provision of controlled pedestrian and cycle crossings will encourage low emission travel.

A microsimulation model of the proposed 'throughabout' has been developed using AIMSUN software, with a base year of 2016 and a design year of 2025. A copy of the Modelling Report, which details the outputs of the model and the methodology adopted during its development, is appended to this Report. As highlighted in Section B2 above, based on the results of this modelling exercise, the scheme will effectively mitigate the impact of the growth in traffic predicted over the next ten years due to new residential and commercial developments in Middlesbrough and Redcar & Cleveland.

** Small projects bids are not required to produce a Benefit Cost Ratio (BCR) but may want to include this here if available.*

b) Small project bidders should provide the following in annexes as supporting material:

Has a **Project Impacts Pro Forma** been appended? Yes No N/A

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

Has an **Appraisal Summary Table** been appended? Yes No N/A

Other material supporting your assessment of the project described in this section should be appended to the 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.*

B) Additional requirements for large project bids (i.e. DfT contribution of more than £5m)

c) Please provide a short description (max 500 words) of your assessment of the value for money of the project including your estimate of the Benefit Cost Ratio (BCR) to include:

- Significant monetised and non-monetised costs and benefits
- Description of the key risks and uncertainties and the impact these have on the BCR;
- Key assumptions including: appraisal period, forecast years, optimism bias applied; and
- Description of the modelling approach used to forecast the impact of the project and the checks that have been undertaken to determine that it is fit-for-purpose.

d) Additionally detailed evidence supporting your assessment, including the 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.*

B6 Economic Case: For all bids the following questions relating to **desirable criteria** should be answered.

Please describe the air quality situation in the area where the project will be implemented by answering the three questions below.

i) Has Defra's national air quality assessment, as reported to the EU Commission, identified and/or projected an exceedance in the area where the project will be implemented?

Yes No

ii) Is there one or more Air Quality Management Areas (AQMAs) in the area where the project will be implemented? AQMAs must have been declared on or before the 31 March 2017

Yes No

iii) What is the project's impact on local air quality?

Positive Neutral Negative

- Please supply further details:

As highlighted in Section B2, the proposed scheme will smooth traffic flow and reduce journey times, thereby reducing both the average time taken for vehicles to pass through the junction and the time that such vehicles are stationary. This will reduce the accumulation of point source emissions at the junction and, hence, improve air quality. In addition, the provision of controlled pedestrian and cycle crossings will encourage low emission travel.

iv) Does the project promoter incentivise skills development through its supply chain?

Yes No N/A

- Please supply further details:

Middlesbrough Council includes a Social Value section within its competitive tender process, encouraging bidders to consider utilising local resources/labour/supply chain wherever possible. This factor is considered as part of the tender scoring process.

B7. Management Case - Delivery (Essential)

Deliverability is one of the essential criteria for this Fund and as such any bid should set out, with a limit of 100 words for each of a) to b), any necessary statutory procedures that are needed before it can be constructed.

a) A project plan (typically summarised in Gantt chart form) with milestones should be included, covering the period from submission of the bid to project completion.

Has a project plan been appended to your bid? Yes No

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 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

c) Please provide in Table C summary details of your construction milestones (at least one but no more than 6) between start and completion of works:

Table C: Construction milestones

	Estimated Date
Start of works	May 19
Construction Completion	Feb 20
Opening date	Feb 20
Completion of works (if different)	

d) Please list any major transport projects 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)

Middlesbrough Council, together with the four other Local Authorities in the sub-region, successfully secured a total of £37.5 million of Major Scheme funding from the Department for Transport for the Tees Valley Bus Network Improvements. This was a five-year project designed to improve the reliability and punctuality of scheduled bus services and, therefore, stem the long-term decline in bus patronage across the Tees Valley area.

The total value of the TVBNI-funded schemes in Middlesbrough was £7.8 million. These schemes were delivered between 2010 and 2015, on time and within the allocated budget.

B8. Management Case – Statutory Powers and Consents (Essential)

a) Please list if applicable, each power / consent etc. already obtained, details of date acquired, challenge period (if applicable), 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 if applicable any outstanding statutory powers / consents etc. including the timetable for obtaining them.

N/A

B9. Management Case – Governance (Essential)

Please name those who will be responsible for delivering the project, their roles (Project Manager, SRO etc.) and responsibilities, and how key decisions are/will be made. An organogram may be useful here.

Please see attached organogram detailing the structure of governance in place.

Senior Responsible Officer – Dave Carter, Head of Transport & Infrastructure
Project Director – Craig Cowley, Planning & Delivery Manager
Project Manager – Chris Orr, Infrastructure Programme Manager

The Project Team will be governed by the Transport and Infrastructure Capital Programme Board, which comprises the above officers together with the Principal Infrastructure Engineer, Principal Traffic & Parking Engineer, Principal Transport Planning Officer and a Senior Accountant. The Board is accountable to the Directorate Programme Board, which is serviced by the Council's Project Management Office.

B10. Management Case - Risk Management (Essential)

All projects will be expected to undertake a Quantified Risk Assessment (QRA) and a risk register should be included. Both should be proportionate to the nature and complexity of the project. A Risk Management Strategy should be developed that outlines 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

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

Please provide evidence on the following points (where applicable) with a limit of 50 words for each:

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

Preliminary costs of 15% and a contingency of 20% have been included.

b) How will cost overruns be dealt with?

The cost estimate for the scheme includes a contingency of 20% to reflect the current stage of the design process. Any increase in costs above the current estimate will be met from the Council's annual Local Transport Plan allocations.

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

Given the current stage of the design process, the full extent of service diversion works has still to be confirmed. However, the Council has a strong understanding of the likely requirements, and the scheme delivery programme includes sufficient time to undertake these works prior to commencement of the main contract.

B11. Management Case - Stakeholder Management (Essential)

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 England, 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 in no more than 100 words of your strategy for managing stakeholders, with details of the key stakeholders together with a brief analysis of their influences and interests.

The key stakeholders for this project include Redcar and Cleveland Borough Council, PD Ports (the operator of Teesport), the Tees Valley Combined Authority and Highways England, Local MPs, together with local Councillors and residents. All of the key stakeholders are supportive of the proposed scheme.

It is envisaged that key stakeholder involvement and input will be focused on the delivery of the scheme, and in particular the temporary traffic management measures required during its construction. This exercise will be undertaken via regular stakeholder meetings and extensive pre-publicity of the proposals using all available media channels.

b) Can the project be considered as controversial in any way? Yes No

c) Have there been any external campaigns either supporting or opposing the project?

Yes No

If yes, please provide a brief summary (in no more than 100 words)

d) For large projects only 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 projects only 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

B12. Management Case – Local MP support (Desirable)

e) Does this proposal have the support of the local MP(s);

1 **Andy McDonald, Middlesbrough** Yes

2 **Simon Clarke, Middlesbrough South & East Cleveland** Yes

B13. Management Case - Assurance (Essential)

We will require Section 151 Officer confirmation (Section D) that adequate assurance systems are in place.

Additionally, for large projects please provide evidence of an integrated assurance and approval plan. This should include details of planned health checks or gateway reviews.

SECTION C – Monitoring, Evaluation and Benefits Realisation

C2. Please set out, in no more than 100 words, how you plan to measure and report on the benefits of this project, alongside any other outcomes and impacts of the project.

The performance of the scheme will be measured against existing baseline data and the modelled benefits, using MOVA outputs and real time journey time information monitored on a continuous basis. Additional traffic surveys will be commissioned if required. The scheme will also be monitored and evaluated by the Council's Programme Management Office.

SECTION D: Declarations

D1. Senior Responsible Owner Declaration	
As Senior Responsible Owner for A66/A171 Cargo Fleet Roundabout Improvement Scheme, I hereby submit this request for approval to DfT on behalf of Middlesbrough Council and confirm that I have the necessary authority to do so.	
I confirm that Middlesbrough Council will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.	
Name: Dave Carter	Signed:
Position: Head of Transport & Infrastructure	

D2. Section 151 Officer Declaration	
As Section 151 Officer for [<i>name of authority</i>] I declare that the project cost estimates quoted in this bid are accurate to the best of my knowledge and that [<i>name of authority</i>]	
<ul style="list-style-type: none"> - has allocated sufficient budget to deliver this project 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 project - accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested and that no DfT funding will be provided for this bid in 2020/21. - confirms that the authority has the necessary governance / assurance arrangements in place and, for smaller project bids, the authority can provide, if required, evidence of a stakeholder analysis and communications plan in place - confirms that if required a procurement strategy for the project is in place, is legally compliant and is likely to achieve the best value for money outcome 	
Name:	Signed:

HAVE YOU INCLUDED THE FOLLOWING WITH YOUR BID?

Combined Authority multiple bid ranking note (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Map showing location of the project and its wider context	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Combined Authority support letter (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
LEP support letter (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Housebuilder / developer evidence letter (if applicable)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Land acquisition letter (if applicable)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
Projects impact pro forma (must be a separate MS Excel)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Appraisal summary table	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Project plan/Gantt chart	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A