

LOCAL AUTHORITY MAJOR SCHEMES APPLICATION FOR FULL APPROVAL

Scheme Name	Pennine Reach
Local Authority	Blackburn with Darwen Borough Council (in partnership with Lancashire County Council)

STRATEGIC CASE

1.1 Has the Strategic Case for the scheme altered in any way since the submission of your Best and Final Funding Bid?

NO

In particular any external developments, changes in local plan, changes in developers plans or any new issues arising impacting upon public or business support for the scheme. If yes please provide details.

The Strategic Case for Pennine Reach is unchanged and has not altered since the Best and Final Funding Bid was submitted in September 2011.

Pennine Reach will:

- Facilitate economic growth by unlocking development sites and improving access to employment sites
- Reduce traffic congestion
- Reduce carbon emissions
- Promote easier travel so that people can travel more efficiently and at an affordable cost

Key features are as follows:

- The regeneration of the Burnley Road area of Blackburn (Pennine Gateway) which will provide new jobs and opportunities for development.
- Ensuring that the Blackburn Knowledge Zone area in Blackburn Town Centre and Whitebirk Strategic Employment Sites (Hyndburn) are accessible and serviced by public transport.
- Complementing recent investment and regeneration proposals in Blackburn Town Centre.
- Levering in of private sector contributions to support the project and invest in transport infrastructure.
- To set the scene for continued investment in public transport through the proposed Statutory Quality Bus Partnership.

1.2. Has the scope of the scheme changed from that described in the Best and Final Funding Bid?

YES

If so please provide details, including any changes resulting from conditions attached to statutory powers granted.

A number of further modifications have been made to the project since the BAFB was submitted in September 2011:

- The requirement of a Compulsory Purchase Order (CPO) to assemble all required land to deliver Accrington Bus Station and Side Road Orders, which has an impact on the timescales to deliver this element of the project. (see section 3.3 for more details).
- A reduction to the scope of the new Burnley Road Link Road section of the project which will no longer link through to Gorse Street. This is due to Blackburn with Darwen Borough Council being unable to secure a key piece of land (in Tesco ownership) before the Full Approval application is made to the DfT.
- The advanced underwriting of £4.8m of third party funding by Blackburn with Darwen Borough Council to deliver infrastructure in the Burnley Road area of Blackburn. This is due to Blackburn with Darwen Borough Council being unable to secure agreement with a significant landowner (Tesco) in this location.
- The purchase of "Lancashire Laminators" in the Earcroft Area of Darwen which will enable the construction of a 29 space off-street resident's car park. The costs of this are included within the total project cost.
- An increase in land and property acquisition costs and their inclusion within the total project costs.
- An increase in inflation allowances given projected and possible future levels of inflation.
- A decrease in the quantified risk allowance given that the project now has tendered prices.

The bulk of the project is now procured, fully costed and "shovel ready" with contracts ready to sign with contractors. For works procured through Open Procurement the "standstill" period will commence in parallel with the FA application. This will expedite the procurement process, and at the point of FA confirmation contracts will be signed and works commenced.

There is an imperative to commence work on Blackburn's Bus Station as the current Boulevard Bus Station is scheduled for closure in September 2013. A temporary Bus Station is being constructed for the period between the Boulevard closing and the new Bus Station opening. Similarly, the major highways works are needed quickly as these will open up development and regeneration opportunities.

The Councils are keen to ensure that Pennine Reach gets the green

light for delivery in June 2013 as this will expedite regeneration opportunities, get capital expenditure moving and get schemes on the ground.

The Councils appreciate that the issues regarding Accrington Bus Station as set out in Section 5.5 present an element of uncertainty for the DfT, but it is felt that there is enough flexibility within the Pennine Reach programme to deliver Accrington Bus Station in the programme period.

A copy of the Scheme Overview together with a series of General Arrangement drawings are included in Annex 14.

ECONOMIC CASE

2.1 What is the latest BCR of the scheme?

*Please provide updated AMCB, TEE and Public Accounts Tables in **Excel** form. Unless specifically requested by DfT no new analysis is required, merely the updating of information known to have changed e.g. costs; and reflecting reduced optimism bias where applicable.*

The total cost for Pennine Reach has increased slightly from the £39.83m in the BAFB to £39.90m which takes into account:

- An increase in confirmed construction costs compared to pre-tender estimates
- An increase in confirmed technology and ticketing costs compared to pre-tender estimates
- An increase in land and property acquisition costs
- An increase in inflation allowances given projected and possible future levels of inflation
- A decrease in the quantified risk allowance given increased certainty due to tendered prices.

The modelling and appraisal of the Pennine Reach scheme has been reviewed and updated to ensure that it is consistent with DfT's latest guidance. The overall modelling approach has not changed significantly in light of the DfT feedback on modelling and appraisal methodology. However, traffic counts and journey time data have been updated where older than 2008 and traffic growth assumptions adjusted to reflect the latest NTEM data sets. Further modelling of the Inter Peak period has also been undertaken to ensure that our scheme is compared on a like-for-like basis in line with DfT guidance.

Investment and operating costs have been reviewed to update with the latest information on construction prices and inflation and reduced to reflect the elements of the scheme which have been de-scoped in order to maximise value for money. Costs have also been provided in a competitive tender environment or provided by the in-house delivery organisation to ensure they reflect current market conditions.

However, in line with WebTAG guidance the default value of optimism bias has been set at 44%. As the scheme has previously achieved programme entry and costs have been in a competitive environment an alternative assessment is also presented with optimism bias levels set at 15%.

The scheme continues to perform well in terms of non-monetised benefits resulting in improvements to air quality, noise and severance levels within areas directly impacted by the Ewood and Gorse Street to Whitebirk Link Road proposal. Levels of accessibility and integration are also improved as a result of the scheme throughout the study area.

The socio-demographic analysis of the study area has identified that the study area has several characteristics which are significantly above regional and UK averages. These include high levels of deprivation (including high levels of unemployment and benefits claimants), a young population and low levels of car ownership. The improved levels of accessibility brought about by Pennine Reach by both the hard and soft measures proposed will be of a significant benefit to the wider population of the study area and particularly across the social groups identified. The appraisal demonstrates that Pennine Reach maximises the positive benefits as it aims to reduce inequality by providing a more attractive public transport service which improves access to employment and educational opportunities.

The transformation and regeneration report demonstrates that Pennine Reach will act as a catalyst for regeneration across this part of Pennine Lancashire helping to sustain the economic standing of the region. Future growth will be underpinned by widening travel to work patterns so that more people can access employment, training and educational opportunities and serving existing employment areas by guaranteeing a quality bus service for the local workforce and a realistic alternative to the car. In turn this will lead to more sustainable and attractive town centres and neighbourhoods. Pennine Reach has been designed so that it will also unlock new sites and premises, which are attractive to growing sectors of the economy resulting in an increase and diversification in the supply of jobs as the area becomes more accessible and attractive to businesses. High quality and skilled jobs will also be secured during the design and construction phases of the project.

The assessment of monetary benefits has been updated to include a COBA assessment of accidents, noise benefits and carbon savings in addition to the inclusion of benefits captured during the inter-peak period. Sensitivity tests have been undertaken to demonstrate the potential impact of adopting a lower level of optimism bias and also to reflect economic recovery (returning bus patronage levels to pre-2007 levels). The resulting benefit to cost ratios for these scenarios are presented below:

BCR's for various scenarios are currently as follows

Full scheme including Accrington Bus Station

		Optimism Bias at 44%	Optimism Bias at 15%
1	no passenger uplift	3.36	3.84
2	passenger uplift to reflect economic recovery	4.01	4.58

Full scheme excluding Accrington Bus Station with an optimism bias of 44% and no uplift is 3.52.

The major impacts are that;

- the lower PT demand due to the recession has been partly offset by the additional user benefits realised by the inclusion of time savings in the inter-peak period
- de-scoping of the scheme has reduced costs through removal of low return elements of the scheme whilst minimising the effect on the benefits from the scheme submitted for MSBC. The latest cost assessments have slightly increased costs on the project overall compared to the MSBC.
- additional benefits have been included (carbon and noise) and enhanced accidents savings from COBA assessment.

2.2 Please attach an assessment of the Social and Distribution Impacts of the scheme (conducted in line with DfT guidance) including, where appropriate, include details of appropriate mitigations?

If you have already agreed with DfT that no update is required beyond that included in your BAFB please state here.

It has been agreed with the DfT that an SDI assessment is not required at this stage of the project. An SDI report was submitted to the DfT at the BAFB stage.

FINANCIAL CASE

3.1 What is your estimate of the total outturn cost of the scheme? *Please provide a breakdown of costs using the template below. Please use cost headings consistent with those used in your BAFB, although you may identify the contracted construction price in its own line.*

In the column showing the BAFB costs please incorporate any adjustments made by DfT as advised in your Programme Entry letter.

Please ensure that in the risk/QRA cost

- *You have removed risks now transferred to the contractor as part of the final tendered price*
- *You have not included any risks associated with ongoing operational costs*
- *You have used the P50 value.*

Please quote all amounts in £m to three decimal points (i.e. to the nearest £1000)

Please provide detailed cost estimate and QRA as Annexes.

Cost Heading	As per BAFB (including any adjustments advised by DfT)	Currently Estimated Cost
Construction	£29,840,000	£30,104,823
Land Purchase	£2,771,000	£4,040,690
Technology & Ticketing	£3,957,000	£4,074,860
Risk	£2,930,000	£864,370
Inflation	£332,000	£814,950
Total	£39,830,000	£39,899,693

3.2 Please state what inflation assumptions you are using.

Inflation has been calculated utilising a range of indices published by various professional cost consultancy practices and the BCIS. The rates have been averaged over the anticipated delivery period for the project and further adjusted to reflect local conditions in Pennine Lancashire as far as has been possible.

A more detailed description of the philosophy used to calculate inflation is given in Section 6 of the Cost Plan.

Inflation rates for different categories (e.g. general inflation, construction cost, operating cost) should be separately identified.

3.3 Please describe any significant remaining risks to the current cost estimates?

A key driver within the development of Pennine Reach has been the control of eventual outturn costs through better information throughout the design stage. This has involved a greater amount of intrusive surveys carried out to determine ground conditions and a more precise location of services and utilities. The outcome of this is a more robust design with reduced chances of on-site complications and potential contractor claims.

The need for a CPO to assemble the land required for the Accrington Bus Station introduces a financial risk so far as the land and compensation costs are still to be determined. The Cost Plan does however make due allowance for this following appropriate professional assessment.

3.4 Please provide a breakdown of the proposed funding sources for the scheme

<p>(a) Local Authority contribution <i>Please include the LA costs incurred or expected to be incurred since Programme Entry (that is the original Programme Entry approval if prior to 2011) excluding ineligible preparatory costs as defined by previous guidance and excluding the cost of any Part 1 Claims.</i></p>	<p>£4.8m (Blackburn with Darwen Borough Council) £2.73m (Lancashire County Council)</p> <p>The Councils have incurred £1.6m post Programme Entry (Dec 2011) on design fees and some limited advance works costs.</p> <p>Eligible costs incurred so far are included within the £39.90m funding profile and are included within table 3.5 below,(and are shown in the 2012/13 column within the LA contribution).</p>
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<p>(b) Agreed third party contributions <i>This should include only <u>committed</u> third party contributions, Please name each contributor on a separate line and provide evidence of agreement (e.g. a letter from the funder confirming their degree of commitment, timing for release of funds and any other conditions etc).</i></p>	<p>£0.3m Section 106 The Mall, Blackburn £0.17m Section 106 Tesco, Great Harwood</p> <p>Details regarding these agreements can be found within the appendix documentation and timings of the payments within section 3.6.</p>
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<p>© DfT funding requested <i>The funding requested from DfT <u>must not</u> exceed that requested in your Best and Final Funding Bid (BAFB).</i></p> <p><i>If the total estimated cost of the scheme is less than that quoted in the Department's Programme Entry letter, the requested contribution from DfT should be reduced by the same proportion.</i></p>	<p>£31.9m DfT maximum contribution as per PE letter of 15th December 2011.</p>
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<p>3.5 What is the estimated funding profile?</p> <ul style="list-style-type: none"> • Please do not include in any of the costs shown in this table <ul style="list-style-type: none"> ○ ineligible preparatory costs as defined by previous guidance ○ the cost of any Part 1 Claims. • Although the maximum level of DfT funding will be fixed, profiles across years may be subject to further discussion and agreement. • Please specify the third party contributor(s) and list each one (if more than one) on a separate

line.

- The DfT contribution to costs that have already been incurred should not exceed what was assumed in the BAFB and should include no more than 50% of eligible preparatory costs (as defined by previous guidance). Please note that the DfT contribution to costs already incurred should, if the scheme is approved, be included in the first quarterly claim submitted to the Department.

£m	2012/ 13	2013/ 14	2014/ 15	2015/ 16	2016/ 17	Total	% of total
LA contribution	£1,600,000	£2,260,000	£1,600,000	£2,069,693		£7,529,693	18.9%
Section 106 The Mall		£300,000				£300,000	0.75%
Section 106 Great Harwood		£170,000				£170,000	0.45%
DfT funding requested		£11,550,000	£14,900,000	£5,150,000	£300,000	£31,900,000	79.9%
TOTAL	£1,600,000	£14,280,000	£16,500,000	£7,219,693	£300,000	£39,899,693	

3.6 Please indicate the level of flexibility with regard to the phasing of the local contribution of the bid (including the third party contribution), should the DfT have a need to vary the phasing of its own contribution for budgetary reasons.

Please detail the level of change in DfT support per funding year you could accommodate within the project and from which sources any change would be made up.

The LA contribution is flexible to a certain extent and could be altered, via the appropriate Council agreements, if the DfT wished to increase or decrease its contributions in any particular financial year. The Council could accommodate a change to DfT funding profile of +/- £2m per annum.

The £170,000 Section 106 contribution for Great Harwood is dated 22nd September 2009 (five year validity period) and the works for this section are programmed in 2013/14.

The £300,000 Section 106 contribution for the Mall, Blackburn is dated 14th July 2006 and the funds received on the 9th January 2009 (five year validity period). It is therefore imperative that this amount be spent in 2013/14 which coincides with the delivery of Blackburn Bus Station in 2013/14.

3.7 Please explain how the Local Authority contribution will be funded.

Please reference any council decisions allocating the required budget or approving any necessary borrowing etc

The Blackburn with Darwen Borough Council £4.8m Local Authority Contribution was approved by the Council's Executive Board on 11th April 2013:
<http://94.236.33.182/CmiswebPublic/Binary.ashx?Document=10346>

The Lancashire County Council £2.73m Local Authority Contribution was approved by the Cabinet Member for Highways and Transport on 11th April 2013:
<http://council.lancashire.gov.uk/ieDecisionDetails.aspx?ID=3228>

COMMERCIAL CASE

4.1 Please provide details of the firm and final offer for the main contract, including the price and period of validity.

If there are multiple contracts and none can be regarded as the primary contract please explain this on a separate sheet, also addressing the questions below.

The procurement process for Pennine Reach is now complete with prices back from Contractors. These prices will be accepted and Contracts entered into following DfT's confirmation of Full Approval.

Confirmed costs for each element of the project are as follows (see section 5 of this report for more detailed information):

- Darwen to Ewood cost report (delivered by BwDBC HAMIS Highways Department):
- Ewood (tendered):
- Furthergate and Pennine Gateway (tendered):
- Blackburn Bus Station (tendered):
- Bus shelter package (tendered):
- Bus Lane Enforcement (tendered):
- Urban Traffic Management and Control (tendered):
- Bus Station and Stop Display screens (tendered):
- Hyndburn highways cost report (delivered by Lancashire County Council Highways Department):
- Accrington Bus Station (tendered through Lancashire County Council's Construction Partnering Framework):
- Design, co-ordination and supervision fees (LCC, Capita, BwDBC):

The tender validity periods for those elements of the works subjected to competitive tender exercise are as follows:

- Ewood – end June 2013
- Furthergate and Pennine Gateway – end June 2013
- Blackburn Bus Station – end August
- Bus Shelters – end July 2013
- Bus Station and Stop Display Screens – end June 20
- Bus lane Enforcement – end June 2013

A Procurement report attached as Annex 13 gives details of the contract arrangements for the various elements making up the Pennine Reach scheme.

4.2 Is this a fixed price or target price contract?

If target price, please provide details of the pain/gain arrangements

Contracts for the tendered works for Blackburn Bus Station, Ewood Gyrotory Furhergate Link Road and the Bus Lane Enforcement and Display Screen Equipment will be awarded on fixed price contracts with full bill of quantities and re-measure. The contract for the Accrington Bus Station will be awarded under a Design and Build contract with a guaranteed maximum price based on the design signed off by Lancashire County Council.

All works undertaken by the Direct Works organisations within both Lancashire County Council and Blackburn with Darwen Borough Council have been fully designed and priced. The pricing will be adhered to by the Council's in-house teams through close management and supervision of contracts.

4.3 Please provide details of any incentive or other clauses that may affect the total cost or the timing of payments?

None applicable

4.4 Please list the significant risks that are transferred to the contractor, and those that remain with the authority.

The standard form of engineering and building contracts which will be utilised on the majority of the tendered works, transfers certain risks to the contractor in terms of delivery of the individual elements of the project. The contracts will however be awarded on the basis of a full re-measure against the designs provided by the Authority's and therefore the tendered rates will be subject to a full re-measure as part of the bulk of tendered highways and for Blackburn Bus Station works. A risk allowance of 5% is included within each package element of Pennine Reach (see detailed Cost Plan at annex 3) to cover the risk retained by the Authorities.

Specific risks retained by the Authorities relate to the outturn costs of the Statutory undertakers works and works undertaken by the Direct works organisations. Against each of these a risk allowance of 5% is included within the Cost Plan.

Lancashire County Council has involved the selected Constructor Partner for Accrington Bus Station from RIBA design stage D. This has ensured the "buildability" of the design and significantly reduced the risks involved in construction. In jointly developing the Agreed Maximum Price the Constructor Partner has had a major involvement in the development of the value of risk/contingency allocated to the scheme.

4.5 Please describe how you will ensure effective contract management

Include details of reporting and liaison requirements, meeting frequency, interface of contractor with internal governance arrangements.

Throughout the delivery stage of the project the appointed Project Manager will continue to assemble information from all elements of the scheme and compile a suitable Project Manager's report to the Project Board which will report on progress, issues and risk and monitor against programme and cost targets. These reports will be issued on a monthly basis and will require input from the delivery teams from within both Authorities.

Regardless of the form of contract the contractors involved with all elements of the scheme will be engaged with at a very early stage to ensure their expertise in planning and delivery is fully utilised. This engagement will continue throughout the delivery stage with regular formal and ad hoc meetings as deemed necessary by the appropriate Project Manager's and Contract Administrator's. It is envisaged that formal progress meetings will be held monthly, preceded by the issue of a contractors

progress report and ad hoc meetings held as deemed appropriate. These meetings will engage with all stakeholders and third parties/site operators etc. as necessary.

In terms of Lancashire County Council, a separate delivery manager has been appointed for both the Highway Works and Accrington Bus Station. The delivery managers' primary function will be to ensure that the project is being delivered both to time and to budget and will report directly to the County Council's senior user on a day to day basis and presenting written progress report as per the above.

4.6 Please provide brief details of procurement arrangements for works outside the main contract, and what stage these have reached?

The identified works making up the Pennine Reach scheme will be undertaken under a series of individual contracts. Many of these elements have been subject to competitive tender and these are detailed in the Procurement Report referred to in section 4.1 above and which forms an appendix to this Final Application.

In addition, all of the highways works within the Lancashire County Council area and a section of similar works within the Blackburn with Darwen Borough Council will be undertaken by the Direct Works sections within each of the Authorities. These works have been fully designed and priced by the relevant Authority. As the works are delivered "in-house" the Council will exercise considerable control over both the delivery and costs.

Other works essential for the completion of Pennine Reach include the procurement and installation of a UTMC system and additional works associated with the RTPPI installation. As referenced in the Procurement Report tenders were invited for the UTMC installation however none were returned and insufficient time was available to interrogate the specification and retender the works. As a result this item is included on the project risk register. Blackburn with Darwen Borough Council will work with the existing UTMC suppliers to develop a costed solution within the cost allowance identified within the detailed cost estimate (Annex 3) and which will deliver the project benefits.

Additional works associated with the RTPPI installation include the installation of a number of display screens, all of which are included in the tendered works, in various locations throughout the route. Whilst the installation of the screens themselves are included in the tendered works the associated enabling works including service connections and mountings are excluded. Due allowance is however made within the Cost plan to cover these elements, the design of which will be undertaken over the next few months.

With respect to Ticketing, an allowance has been identified within the detailed cost estimate (Annex 3) to deliver the Ticketing elements of the project. The Pennine Reach ticketing system will utilise the NoWCARD system to provide smart card based ticketing for passengers in the scheme area. As the NoWCARD system has developed considerably since the BAFB was submitted in September 2011, the anticipated costs of delivery have reduced from those identified within the BAFB.

DELIVERY CASE

5.1 Please provide details of the statutory powers you have acquired

Please list separately each power obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers, and any conditions attached to them.

The following Planning Consents have been obtained:

Site	Planning Reference	Development Description	Planning Approval Date
Land at St James Church, Clayton Street, Clayton le Moors, Hyndburn	11/09/0091	Change of use of land to form car park	22 nd April 2009
Land at St James Church, Clayton Street, Clayton le Moors, Hyndburn	11/12/0134	Change of use of land to form car park (Renewal)	14 th May 2012 (for 5 years)
Sydney Street Methodist Church, Sydney Street, Clayton le Moors, Hyndburn	11/09/0088	Change of use of land to form car park	28 th April 2009
Sydney Street Methodist Church, Sydney Street, Clayton le Moors, Hyndburn	11/12/0133	Change of use of land to form car park (Renewal)	14 th May 2012 (for 5 years)
Land off Crawshaw Street Car Park, Accrington	11/09/0290	Detailed design proposals for new Accrington Bus Station Note: Application superseded by 111/13/0290 below	16 th Dec 2009 (for 5 years)
Land off Crawshaw Street Car Park, Accrington	11/13/0290	Detailed design proposals for new Accrington Bus Station	6 th March 2013 (for 5 years)
Land at Copy Nook, Bottomgate, Furthergate & Burnley Close Blackburn	10/09/0186	Development of the Furthergate bus lanes scheme.	16 th July 2009
Land at Copy Nook, Bottomgate, Furthergate & Burnley Close Blackburn	10/12/0647	Extension to time of application 10/09/0186 for Development of the Furthergate bus lanes scheme	20 th September 2012
Land at Albion Road/Livesey Branch Road and Bolton Road Ewood Gyratory	10/09/0940	Development of Pennine Reach bus rapid transport scheme. Proposed improvements to highway layout including the	24 th December 2009

Blackburn		provision of a new segregated bus lane, creation of new cycle facilities and a new roundabout	
Land at Albion Road/Livesey Branch Road and Bolton Road Ewood Gyratory Blackburn	10/12/1105	Extension to time of application 10/09/0940 for Development of Pennine Reach bus rapid transport scheme. Proposed improvements to highway layout including the provision of a new segregated bus lane, creation of new cycle facilities and a new roundabout	24 th January 2013
(Former) day market Land bound by Penny Street and Brown Street Blackburn	10/09/0939	Outline: Development of New Bus Station Note: Application superseded by 10/12/0616 below	30 th December 2009
Ainsworth Street Blackburn BB1 6AD	10/12/0616	New Bus Interchange and associated work	21 st September 2012
Land at Gorse Street, Burnley Road and Burnley Close	10/12/0694	New link road. Work comprising new roundabout, link road connecting the proposed roundabout to existing roundabout. New segregated bus and cycle lanes westbound from Burnley Road to Burnley Close. New signalised junction at Burnley Street/Burnley Close with bus priority. New access to allotments	25 th September 2012 (Decision Notice Not Available Online)

Side Roads Order process: The paperwork supporting the development of the majority of SROs for Pennine Reach has been produced but the execution of consultations will take place post confirmation of Full Approval from the DfT. The confirmation of FA will allow the Councils to close out land and property purchases which will reduce the likelihood of objection from land and property owners.

The major SRO for Pennine Reach will take place once the Option Agreement for the purchase of B&E Boys has been executed, following FA from the DfT. Further SROs will accompany the CPO for Accrington Bus Station.

There is a risk of challenge to this process but the Councils will be in a stronger position to progress Side Road Orders once they are the major landowner, which can only be the case once Full Approval has been reached with the DfT.

Statutory Quality Bus Partnership: The Councils have formally consulted on the detailed Statutory Quality Bus Partnership and the accompanying Voluntary Partnership Arrangement. The main issue has been that some operators would like to see quality thresholds increased, whilst others see these as being quite onerous. The Councils have taken a view on all responses from our local operators and these have been summarised

within a SQBP consultation document, which is appended to this application as Annex 15.

Post FA the Councils will continue the process with the publication of the Section 15 notice which formalises the SQBP process.

For both Blackburn with Darwen Borough Council and Lancashire County Council, TRO schedules have been prepared for revised and new orders together with plans showing the proposed extent of changes. The TROs will be advertised following receipt of Full Approval from the DfT.

5.2 Please provide details of further engagement since the BAFB with the Statutory Bodies (Environment Agency, Natural England, English Heritage)

Please include evidence of how you have taken account of their views and any requirements for mitigation etc.

The Environment Agency have been consulted over the presence and implications of a culverted watercourse which runs across the site being developed for the new Blackburn Bus station as part of the planning process. All necessary consents have been obtained.

Statutory bodies were consulted as part of the Accrington Bus station planning application and no objections were raised.

5.3 Please provide brief details of your evaluation plans for the scheme and attach your full evaluation plan as an Annex.

The Councils have submitted the Monitoring and Evaluation Plan for Pennine Reach in line with the DfT's "Monitoring and Evaluation Framework for Local Authority Major Schemes", published in September 2012.

The plan has been produced to demonstrate to the DfT, members of the general public and stakeholders that the scheme:

- Will be delivered effectively and efficiently
- Will deliver anticipated outcomes
- May realise unintended affects (positive or negative)

The following measures (covering inputs, outputs, outcomes and impacts) have been measured and quantified for the Pennine Reach scheme:

- Scheme build
- Delivered scheme
- Costs
- Scheme objectives
- Travel demand
- Travel times and reliability of travel times
- Impacts on the economy
- Carbon impacts

5.4 Please provide details of your construction milestones below

Please include interim milestones (at least one but no more than 5 or 6) between start and completion of works. If the completion date has slipped from the date estimated in your BAFB please provide an explanation. Please provide a copy of the latest project plan (programme) as an Annex.

	Date estimated in BAFB	Current estimated date
Approval of Final Application from DfT	January 2013	June 2013
Award Contracts for tendered works	February 2013	June 2013
Works Start on Site	April 2013	August 2013
Making of CPO for Accrington Bus Station	N/A	June 2013
Completion of Blackburn Bus Station	December 2014	July 2014
Completion of Accrington Bus Station	October 2014	November 2015 (based on 54 week CPO process)
Completion of all Highway Works	August 2015	March 2016

5.5 Please briefly describe the most significant risk remaining to the above timetable and attach the latest version of your project risk register (if different from the QRA risk register).

There is a risk that the CPO for Accrington Bus Station will not be confirmed in the event that a public inquiry is held. However, given that much of the site is presently a public car park; the remainder of the site, with 2 exceptions, is derelict; and having obtained independent expert opinion, Lancashire County Council remains of the view that there is a low risk of the CPO not being confirmed. The major title owner within the site is Hyndburn Borough Council which has formally agreed to transfer its interests to Lancashire County Council to progress the new bus station, subject to agreement on Terms and Conditions which are close to conclusion.

http://www.hyndburnbc.gov.uk/site/scripts/meetings_info.php?attachmentID=6194

The possibility that there could be irresolvable statutory objections to the Accrington Bus Station CPO and the timeframes for a public inquiry have been taken into account in the August 2014 projected start date for Accrington Bus Station (see Section 5.4).

Land and compensation costs for Accrington Bus Station are professionally priced estimates but remain a risk.

5.6 Have your governance arrangements changed since submission of your BAFB?

If so please provide details, including changes to SRO, Project Manager, Project Board composition, approval processes and, in particular, details of how your contractor will fit into your governance structure.

The Pennine Reach Governance strategy and structure outlined in the Best and Final Bid has been further developed by the Councils and Capita Symonds. The focus of the strategy has been to maintain the level of project controls without reducing the importance of ensuring delivery.

The project has taken on board the issues raised in the 4P's reviews undertaken in 2009 and 2012 and improved the governance arrangements to address those issues and bring greater rigour to the project. The improved strategy has considered the project

management structure, management methodologies, skills and capabilities of all lead project staff and resources required to manage the delivery of the project effectively and efficiently.

The governance arrangements continue to ensure that there is clarity and certainty to the decision making process during the final stages of development of the project but perhaps more importantly during the procurement and delivery phases. Appropriate levels of delegation have been given to named individuals to empower their capabilities to drive and deliver the project to the project cost and time constraints. Any issues which require elevation to the Project Board for a decision are dealt with effectively and efficiently. This provides a high level of project assurance through the projects life.

Given the nature of the Pennine Reach scheme, it is important that the Councils' members and all stakeholders continue to be involved as the project progresses through the delivery stage. The project team will ensure appropriate member engagement and interaction throughout the delivery stage of the project.

The project governance arrangements call for regular meetings with the appointed contractors and weekly meetings with identified stakeholders. The project will continue to be co-ordinated by Capita Symonds with the issue of regular Project management reports covering all elements of the scheme. This report will continue to be tabled at the monthly Project Board meetings.

5.7 Please provide details of the assurance process you have undertaken including results of any project assurance reports since your BAFB, with any resulting action taken or planned.

Please attach a copy of the summary recommendations of the most recent project assurance report.

The Council has produced an Integrated Assurance Plan for Pennine Reach which defines the strategy for the management of the project within a pre-defined scope, and the procedures for its successful completion and implementation. By using a comprehensive methodology, the aim is to ensure successful implementation and delivery of the project.

The Integrated Assurance Plan is attached in Annex 7.

In May 2012 the Council published a "Health Check" Gateway review of Pennine Reach which had been undertaken by Local Partnerships on behalf of the project team. The review team found that:

- There is strong commitment and real enthusiasm for this project
- This is evidenced through the depth and understanding of the immediate and wider benefits to be achieved from this project
- There is good documentation to support the delivery of this project including appropriate records of meetings at a Board and project level.
- There is confidence in the teams from Lancashire County Council and Blackburn and Darwen Borough Council to deliver this project.

However, the Review Team produced four recommendations which required attention from the Pennine Reach project team. These have now been completed:

- Strengthen Governance arrangements and clarify roles and responsibilities of the Project Board. This has been clarified with some roles and responsibilities altered ie Senior Responsible Owner and Project Sponsor roles now more clear to the DfT. Linkages with Hyndburn Borough Council have also been strengthened at a senior level.
- Land acquisition associated with the Accrington Bus Station Sites clarified, risks quantified and the project plan revised.
- A strategic level Integrated Assurance Plan has been completed and agreed with the Project Board
- Risk register updated to include wider strategic issues.

This Health Check is attached in Annex 11.

5.8 If not provided in previous submissions, please provide a copy of your benefits realisation plan.

The Benefits Realisation Plan is attached within Annex 8.

5.9 Please provide brief details of major stakeholder and public engagement carried out since the BAFB and further engagement planned during construction.

Please provide a copy of your Stakeholder Analysis and Communications Plans.

Please also highlight whether any significant shifts of stakeholder opinion have taken place or new issues have arisen and describe and how you are responding to them.

CONSULTATION SINCE THE BAFB AND PROGRAMME ENTRY

Extensive Consultations have been undertaken in the last 12 months to ensure that the final designs for critical areas of Pennine Reach are more acceptable to Members, the local community and local businesses and there has been regular engagement with Hyndburn Borough Council at Leader and Senior Officer level.

The areas of Ewood, Earcroft, Accrington Road, Great Harwood and Accrington Bus Station have been focussed on and are described in more detail below:

Ewood: The design of the scheme has been changed significantly following the original Summer 2008 consultation which saw bus stops relocated (to the north) to minimise the impact for local residents and the northbound bus lane removed opposite Ewood Park in front of Community Shops and Amenities. The Ewood element is a key part of the Pennine Reach project and will improve overall traffic flows, provide better pedestrian facilities and enable greater use of public transport in the future on match and non-match days, and delivers significant benefits. Blackburn with Darwen Borough Council has sought residents' views on the resubmitted Planning Application for Ewood as part of the planning process which was approved by Blackburn with Darwen Borough Council's planning committee on the 24th January 2013.

Concerns have been aired about:

- Access to Ewood Park and associated car parks on match days: a Match Day Traffic Management Plan has been produced following consultations with Blackburn Rovers Football Club, Lancashire Traffic Police and Ward Councillors which addresses concerns over how the system will operate
- Condition of the A666: Pennine Reach will address this through the delivery of

new road infrastructure

- Traffic in the Ewood area on matchdays: Pennine Reach will deliver improvements to public transport in the borough which will result in more people catching the bus
- Access via Fernhurst Street / Catterall Street: junction improvements are planned to Catterall Street where there are difficult sightlines: a full safety audit has been carried out at this junction. Blackburn with Darwen Borough Council pledges to improve this junction as part of this project in the form of a signalised junction funded by Pennine Reach
- Lack of pedestrian crossing facilities at Aqueduct Road: pedestrian movements will be improved as part of Pennine Reach
- Anti social behaviour: the incorporation of shelters will be taken on the advice of Ward Members
- Customer and household parking in front of shops and houses (300 and 348 Bolton Road). Blackburn with Darwen Borough Council will ensure as much parking as possible is provided to the south of the new Ewood bus stops.

Earcroft: On site meetings with property officers, local Ward Members and the Executive Member for Regeneration have taken place in the Earcroft area where alternative sites for car parking have been investigated.

The purchase of Lancashire Laminators in the Earcroft Area which will enable the construction of a 29 space off-street resident's car park for parking relocated as a result of adjacent public transport improvements.

Negotiations are underway to purchase this property as part of the Pennine Reach project. The Executive Board is being asked to approve the purchase of this property via a separate report.

Accrington Road: Amendments have been made to the Pennine Reach scheme on Furthergate at junctions of Lambeth Street and Newton Street to better serve adjacent businesses including ATS Euromaster and Philip Youles Motorcycles.

The Closure of St Clement Street has also been removed from the scheme following consultations with local Ward Members and the local community.

Great Harwood: Pennine Reach has facilitated the provision of additional funding towards environmental improvements through a S107 agreement and as a result the proposals for Great Harwood have been further developed since the best and final funding bid.

Environmental enhancements and public realm improvements are proposed at Town Gate Square, an architectural, civic and historical feature of Great Harwood. There will be improved paving, street geometry, levels and drainage and street furniture to allow inclusive access, greater connectivity, fewer barriers and a more inviting space.

The proposals have been developed through close consultation with Hyndburn Borough Council at Leader and senior officer level and through liaison with Great Harwood Area Council.

Accrington Bus Station: Full statutory consultation has been carried out as part of the Planning application, local business and affected properties have been contacted and a consultation event clearly showing the proposals was carried out in January 2013 at Accrington Town Hall

FURTHER ENGAGEMENT PLANNED DURING CONSTRUCTION

Members, stakeholders and the wider community will be kept updated throughout the delivery process. Reliable information on when and where works will take place is critical to this process.

The Stakeholder Analysis Plan and Communications Plan are attached in Appendix 9.

SENIOR RESPONSIBLE OWNER DECLARATION

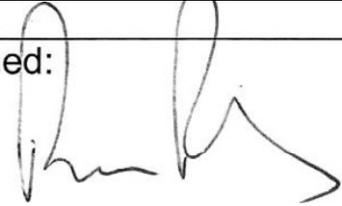
As Senior Responsible Owner for Pennine Reach I hereby submit this request for Full Approval to DfT on behalf of Blackburn with Darwen Borough Council and confirm that I have the necessary authority to do so.

I confirm that Blackburn with Darwen Borough Council has acquired all the statutory powers (Traffic Regulation Orders excepted) necessary to construct the scheme, and as explained within the FA application.

Name: Brian Bailey

Position: Director of Regeneration

Signed:



SECTION 151 OFFICER DECLARATION

As Section 151 Officers for Blackburn with Darwen Borough Council and Lancashire County Council we 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 and Lancashire County Council

- have allocated sufficient budget to deliver this scheme on the basis of their proposed funding contributions at section 3.4(a) above
- accept 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
- accept responsibility for meeting any ongoing revenue requirements in relation to the scheme
- accept that no further increase in DfT funding will be considered beyond the maximum contribution requested

Name: Elizabeth Hall
Blackburn with Darwen Borough Council

Signed:



Name: Gill Kilpatrick
Lancashire County Council

Signed:



CONTACT DETAILS FOR FURTHER ENQUIRIES

Lead Contact: Position: Tel: E-mail:	Mike Cliffe Strategic Transport Manager 01254 585 310 Mike.cliffe@blackburn.gov.uk
Alternative Contact: Position: Tel: E-mail:	Chris Anslow Public Transport Development Manager 01254 534673 Chris.anslow@lancashire.gov.uk

CONTACT DETAILS OF YOUR CHIEF FINANCE OFFICER

(If the scheme is granted Full Approval we will need these details for the formal offer of DfT grant)

Name:	Elizabeth Hall
Job Title:	Director of Finance
Full Postal Address:	D Floor, Tower Block, Blackburn with Darwen Borough Council, Town Hall, Blackburn, BB1 7DY
E-mail:	Elizabeth.hall@blackburn.gov.uk

SUMMARY OF ANNEXES REQUIRED

Annex No	Description	Form Ref
1	Revised TEE, AMCB and Public Accounts Tables (in Excel form)	2.1
2	Social and Distributional Impacts analysis (Not Required)	2.2
3	Detailed cost estimate	3.1
	Quantified Risk Assessment Incl in Cost Plan (Annex 3)	3.1
4	Evaluation Plan	5.3
5	Project Plan (Programme)	5.4
6	Project Risk Register (if separate from QRA above) Not Provided	5.5
7	Project Assurance recommendations	5.7
8	Benefits Realisation Plan	5.8
9	Stakeholder Analysis Plan	5.9
10	Communications Plan	5.9
11	Project Healthcheck	5.7
12	Memorandum of Understanding	5.7
13	Procurement Report	4.1
14	Scheme Overview & General Arrangement Drawings	1.2
15	Statutory Quality Bus Partnership	5.1
16	Section 106 Agreements	3.4