

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)*: Derby City 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: Tara McKenna, Transport Planner

A project manager will be identified.

Contact telephone number: 01332 641755 **Email address:** tara.mckenna@derby.gov.uk

Postal address:

**Derby City Council
Council House
Corporation Street, Derby
DE1 2FS**

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:

Contact telephone number:

Email address:

Postal address:

When authorities submit a bid for funding to the Department, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within two working days of submitting the final bid to the Department. The Department reserves the right to deem the business case as non-compliant if this is not adhered to.

Please specify the weblink where this bid will be published:

<http://www.derby.gov.uk/transport-and-streets/transport-policy/>

SECTION A - Project description and funding profile

A1. Project name: Derby Bus Station Extension

A2 : Please enter a brief description of the proposed project (no more than 50 words)
To extend the bus station building providing additional waiting area within the interchange facility and 9 additional bus bays to accommodate new/increased services from new housing sites. The scheme includes additional space for buses entering the concourse to remove congestion from the highway network.

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

The bus station is in the city centre adjacent to commercial/leisure facilities and important employment sites. The bus network provides local accessibility linking outlying residential areas to the city centre and regionally to the airport and planned HS2 station. The bus network will expand across the Derby Urban Area to accommodate housing growth.

OS Grid Reference: **SK35580 36204**

Postcode: **DE1 2AY**

Please append a map showing the location (and route) of the project, existing transport infrastructure and other points of particular relevance to the bid, e.g. housing and other development sites, employment areas, air quality management areas, constraints etc.

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.

Strategic Bus Partnership meetings are held quarterly. Bus operators are co-located at the bus station interchange and regular consultation and exchange of information already takes place. Regular consultation particular to the project will be established. We will work in partnership with developers and neighbouring authorities to implement the project.

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
- Incentivising skills and apprentices

- Other(s), Please specify – Support regeneration of city centre and improve accessibility for residents of new housing development.

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

a) What is the problem that is being addressed?

The Derby Urban Area is set to grow by 18,000 new homes up to 2028. Bus travel is a sustainable alternative to the private car, essential for accessibility within the city. The existing bus station is very busy already accommodating over 500,000 departures per year and is operating at capacity; this can result in congestion within the concourse and back out on to adjacent highway network. A number of services already terminate on street, this creates congestion on city centre streets and there is no opportunity to increase the frequency of on street services. Passengers using these services do not benefit from the interchange facility.

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

Doing nothing is not an option. If residents of new housing sites are to have access to a range of facilities a bus service is essential. It is a long term strategy LTP3 2011-2016 to invest in measures to support people who choose to travel by sustainable modes and to continue to develop our bus interchange. A do minimum option would be to accommodate more services on street; however, there is no available kerb space in accessible city centre locations to accommodate further services or to increase the frequency of existing services using on street stops.

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

Benefits include supporting housing growth by providing accessibility, helping manage congestion by providing an alternative to the private car, supporting regeneration of the city centre including providing access to Derby Performance Venue (capacity 5,000) and proposed ice rink and linking housing growth to strategic employment sites. A bus network is important regionally linking Nottingham and Derby and Derby to a HS2 station and East Midlands Airport and important regional employment sites. The project is in line with policies CP23 and 24 of the Derby City Local Plan Part 1 Core Strategy. The proposed bus station will retain a developable area of approximately 3.2 hectares.

c) 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?

Extension of the bus station would require planning permission. As the land is already in Derby City Council land ownership acquisition/Compulsory Purchase Order will not be required.

d) 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)?

Without a bus station extension it would be necessary to locate services on street. This would result in congestion and bus services starting/terminating in less accessible locations away from interchange facilities. It may not be possible to provide the number of new services or frequency of services required because of a lack of capacity on street this would have an impact on congestion and accessibility.

e) 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 bus station is adjacent to the inner ring road Air Quality Management Zone and the network will impact on the Outer Ring Road and the zone A52 around Spondon. Impacts on air quality would be assessed in the business case, it is anticipated that the scheme would have a beneficial effect reducing congestion by providing an alternative to the private car.

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		3600
Local Authority contribution	2500	
Third Party contribution		
TOTAL	2500	3600

Notes:

1) Department for Transport funding must not go beyond 2019-20 financial year.

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.

Local contribution - the land identified for the preferred design was purchased by Derby City Council for £2,500,000. As the construction costs have been estimated at an early stage potential for costs to increase is considered a major risk to the project and will be managed by seeking additional funding from developers and by managing the scope of the project.

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.

N/A

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

** 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:

Derby is one of five cities selected by DEFRA to implement Air Quality interventions and, subject to a revised national AQ plan, possibly implement a chargeable access restriction for part of the city. The bus station is on the edge of a possible charging zone. We have secured DEFRA funding to work in partnership with the local bus operators to obtain significant AQ improvements by changing the bus fleet to cleaner units, and revise timetabling and routing. The public transport network is a critical part of the city's sustainable travel and clean air plans, and the bus station is a critical focal point for accessibility to the central area of the city, helping to reduce total vehicle movements, and reducing CO₂ and NO₂.

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

Yes No N/A

- Please supply further details:

The City Council prioritises local skill development and apprenticeships, and is a proactive partner with local businesses to ensure skills development and opportunities through the supply chain. The project also supports world leading businesses and is aimed at retaining and adding to high quality employment opportunities.

-

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
Detailed design complete/planning submitted	October 2018
Planning application decision	February 2019
Target Price set and contract signed	February 2019
Construction Start	April 2019
Opening date	March 2020
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)

The following major schemes were completed on time and to budget:

- London Road bridge replacement – an essential scheme to replace a 130 year old road bridge over the Derby to Birmingham railway to ensure that our network continues to flow
- £2.176 million improvement works for ‘Better Buses’ to tackle barriers which discourage commuting and business travel by bus in the city between 2012 and 2014. Including 26 key junctions benefitting from bus priority, business engagement to encourage bus travel, multi operator ticketing and bus infrastructure improvements.

A further major highways scheme has been taken through detailed design and full business case – A52 Wyvern Transport Improvement Scheme.

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.

Council Cabinet gave their approval to approve the submission of a bid to increase capacity at the bus station on 21 June 2017.

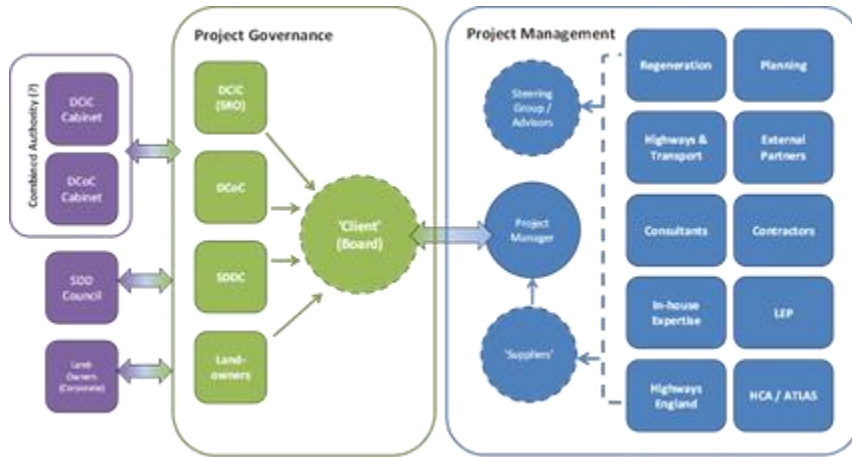
b) Please list if applicable any outstanding statutory powers / consents etc. including the timetable for obtaining them.

Planning permission will be sought on completion of detailed design October 2018 with a decision anticipated February 2019.

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.

Project governance is established within Derby City Council and the same governance would be used as for major transport scheme A52 Wyvern Transport Improvement Scheme. Scheme approvals would be sought from Council Cabinet as required and the scheme would be managed under the Highways and Transportation Work Programme. Updates and key decisions would be reported to/made by Infrastructure Board. An SRO and Project Manager would be appointed to manage the project day to day and ensure it progresses on time and to budget.



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?

Risk allowance would be applied at detailed design stage when more robust cost estimates are available.

b) How will cost overruns be dealt with?

Detailed design of the project will provide more robust construction cost estimates and risk allowance would be applied as part of risk management. We would seek additional third party funding for a robust scheme and manage the scope of the project to bring in within budget. Framework options such as the Midlands Highways Alliance will be investigated and enable Early Contractor Involvement and value engineering.

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

The main risk to timescale is the completion of detailed design to enable a planning application to be made Autumn 2018. In addition, progress of the scheme will be depended on gaining planning approval.

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.

A Stakeholder Communication and Engagement Strategy will set out how we engage with stakeholders. Key stakeholders include bus operators, members of the public, local businesses, developers, user groups, Council officers and local politicians. We will build on existing communication on a project basis.

b) Can the project be considered as controversial in any way? Yes No
If yes, please provide a brief summary in no more than 100 words

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);

Name of MP(s) and Constituency

1 Yes No

2 Yes No

3 Yes No

Due to elections it has not been possible to seek MP approval to include with the bid, we will seek this support and send on a response.

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 following outputs would be monitored:

- Number of new bus bays provided
- Additional internal floor area within the interchange facility

The following outcomes would be monitored:

- Number of passengers using interchange facility
- Number of journeys made by bus
- Number of new bus services serving new housing development

A fuller evaluation for large projects may also be required depending on their size and type.

SECTION D: Declarations

D1. Senior Responsible Owner Declaration

As Senior Responsible Owner for Derby Bus Station Extension I hereby submit this request for approval to DfT on behalf of Derby City Council and confirm that I have the necessary authority to do so.

I confirm that Derby City Council will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.

Name: Nigel Brien

Signed:

Position: Head of Traffic and Transport

D2. Section 151 Officer Declaration

As Section 151 Officer for Derby City Council I hereby declare that the project cost estimates quoted in this bid are accurate to the best of my knowledge and that Derby City Council

- 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: Mark Taylor

Signed:

HAVE YOU INCLUDED THE FOLLOWING WITH YOUR BID?

Combined Authority multiple bid ranking note (if applicable)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" 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 type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" 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