

LOCAL AUTHORITY MAJOR SCHEMES APPLICATION FOR FULL APPROVAL

Scheme Name	A380 South Devon Link Road (Kingskerswell Bypass)
Local Authority	Devon 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? <i>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.</i>	NO
1.2. Has the scope of the scheme changed from that described in the Best and Final Funding Bid? <i>If so please provide details, including any changes resulting from conditions attached to statutory powers granted.</i>	NO

ECONOMIC CASE

2.1 What is the latest BCR of the scheme? <i>Please provide updated AMCB, TEE and Public Accounts Tables. 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.</i>	11.58 (central)
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? <i>If you have already agreed with DfT that no update is required beyond that included in your BAFB please state here.</i> The Social and Distribution Impacts of the scheme were described in the BAFB submission. No further work is required. See Annex 2 for copy of relevant correspondence.	Not required

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.

See Annex 3 for the Detailed Cost Estimate and Annex 4 for the QRA.

Cost Heading	As per BAFB (including any adjustments advised by DfT)	Currently Estimated Cost
Value of land already owned	1.424	1.424
Preparation and supervision to March 2011.	0.000	0.000
Preparation and supervision to March 2012.	1.200	1.200
Sub-total 1	2.624	2.624
Ancillary and Advance Works (Q3/2011)	1.042	1.042
Statutory Undertakers Works (Q3/2011)	4.514	4.465
Preparation and Supervision (Q3/2011)	4.663	4.663
Land and Compensation. (Q3/2011)	9.516	9.516
Part 1 Claims (Q3/2011)	0.000	0.000
Local Contribution	0.000	0.000
Base Operating Costs	0.000	0.000
Sub-total (Q3/2011)	19.735	19.686
Allowance for construction inflation.	0.000	0.000
Allowance for general inflation.	0.817	0.928
Sub-total 2	20.552	20.614
Cost of Works excluding Preliminaries (Rates include inflation risk)	59.652	62.249
Cost of Works Preliminaries (includes detailed design)	19.587	18.743
Sub-total 3	79.239	80.992
Allowance for Quantified Risk Assessment (Q3/2011)	6.374	4.648
Allowance for construction inflation	0.000	0.000
Allowance for general inflation	0.369	0.280
Sub-total 4	6.743	4.928
Estimated total scheme cost (1+2+3+4)	109.158	109.158

3.2 Please state what inflation assumptions you are using.

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

We have considered two options: a) the simplified assumption contained in WebTAG 3.5.9 (dated April 2011) at paragraph 2.1.2; and b) by examination of Bank of England and Building Cost Information Service (BCIS) forecasts of inflation.

WebTAG 3.5.9

A simplified approach where all costs are brought up to a current price base (in this case Q3/2011) using published data on actual increases. Thereafter applying zero inflation for Construction Costs and 2.7% per annum for General inflation, in accordance with suggestions in WebTAG 3.5.9, paragraph 2.1.2.

Bank of England and BCIS Forecasts

General inflation

Year on year rates for general inflation have been determined from analysis of the Bank of England Inflation Report February 2012. The centre of the range forecasts presented in the report are as below for each Quarter 4:

Q3/2011 to Q4/2012: 2.0%

Q3/2012 to Q4/2013: 1.7% (say 2%)

Q3/2013 to Q4/2014: 1.9% (say 2%)

And assumptions as follows for future years:

2014 to 2015: 2%

2015 to 2016: 2%

2016 to 2017: 2%

2017 to 2018: 2%

Construction inflation:

Year on year rates for construction inflation have been determined from analysis by Building Cost Information Service (BCIS) of the UK economic and construction outlooks, as summarised in 'Construction Inflation Report February 2012' by Faithfull and Gould. The Base Cost Estimate should include an allowance for construction price inflation that is over and above inflation that is forecast by Treasury / Bank of England, currently the CPI.

Year on year and 'extra over' forecasts are:

2011 to 2012: 0.2% Extra over rate: -1.8% (assume 0)

2012 to 2013: 1.5% Extra over rate: -0.2% (assume 0)

2013 to 2014: 2.5% Extra over rate: 0.6% (say 1%)

And assumptions as follows for future years:

2014 to 2015: 3% Extra over rate: 1%

2015 to 2016: 3% Extra over rate: 1%

2016 to 2017: 3% Extra over rate: 1%

2017 to 2018: 3% Extra over rate: 1%

Comparison

A comparison of the two approaches showed negligible difference in outturn scheme costs, therefore the simplified WebTAG approach has been adopted.

Operating cost inflation

Not applicable

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

The significant remaining risks (other than inflation and those risks identified in the risk register referred to in 4.4) are typically strategic risks outside the control of the authority, for example:

- Statutory changes e.g. aggregate tax, EU legislation changes, UK Government tax
- Change in design standards, eg Network Rail standards
- Political - Change of Government / Secretary of State
- Political - Change in Government strategy, policy and targets
- Foot and mouth or other disease outbreak leads to restrictions on access to land, etc.
- Contractor goes into receivership
- Change in environmental designations
- Civil unrest, riots, strikes

Other risks are identified in the Risk Register attached in Annex 4.

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>£27.998 million</p>
<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>£4.770 million (see Note below)</p>
<p>(c) 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> <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>£76.390 million</p>

Note:
 It is planned that there will be financial contributions to the scheme from adjacent developments as identified in the Local Development Frameworks. To date there is one development with planning permission subject to a contribution of £240k to the scheme, but other planning applications are at the pre-application stage. Teignbridge District Council agreed in principle at its Executive on 6th September 2011 to make a contribution of up to £500,000. The sum of £500,000 was confirmed at its Executive on 9th February 2012. See Annex 11.

The Councils will underwrite the balance of the third party contributions.

3.5 What is the estimated funding profile?

- Please assume that the DfT and LA contributions will be in the same proportion in each year from 2012/13 and provide an explanation if this is not the case.
- 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 not include ineligible 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	Costs already incurred	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Total	% of total
LA contribution	1.424	1.200	4.855	3.996	10.438	6.085			27.998	25.6
Third Party contribution						3.710	0.997	0.063	4.770	4.4
DfT funding requested			14.617	12.031	31.425	18.317			76.390	70.0
TOTAL	1.424	1.200	19.472	16.027	41.863	28.112	0.997	0.063	109.158	100
DfT : LA ratio			75:25	75:25	75:25	75:25				

Notes:

1. The funding profile presented above indicates the same proportional contributions each year for the local authorities and the DfT, commencing in 2012/13.
2. See Section 3.4 and note relating to Third Party contributions.

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 funding profile presented in 3.5 is based on proportional contributions, the preferred suppliers most recent tender programme, planned land entry dates and the date by which Statutory Undertaker orders are to be placed and funds committed. We have taken into account the information provided in the DfT letter dated 3rd August 2011 in connection with pressure on the availability of DfT funds in FY 2013/14 and sought to reduce the requirements for DfT contribution in that year by:

1. Serving Notice to Enter on all landowners in FY2012/13, therefore incurring most land costs earlier than previously planned.
2. Delaying Land Entry to the contractor to certain sections of the works, therefore deferring the need for some contribution until FY 2014/15.

There is further scope to bring forward spending from 2013/14 to 2012/13 by placing orders with statutory undertakers early. The effect is shown below together adjustments to match the funding profile presented in the BAFB.

In addition to this cost reprofiling there is also some flexibility in the financial profiling of the LA contribution. 3.5 sets out the starting point for the authorities, however, it would be possible, for instance, to reduce the contribution in 12/13 and transfer this to 13/14, thereby increasing the DfT contribution in 12/13 and reducing it in 13/14. The authorities would be willing to consider any helpful rescheduling of their contributions.

It should be noted that the model creates varying annual grant intervention rates which need to be agreed should the profile change again.

£m	Costs already incurred	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Total	% of total
LA contribution	1.424	1.200	4.186	5.458	4.293	11.437			27.998	25.6
Third Party contribution						3.71	0.997	0.063	4.770	4.4
DfT funding requested			18.120	9.570	35.760	12.940			76.390	70.0
TOTAL	1.424	1.200	22.306	15.028	40.053	28.087	0.997	0.063	109.158	100
DfT : LA ratio			81:19	64:36	89:11	53:47				

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

During the life of the project, Devon County Council will finance the cash-flow of the costs in line with current practice where projects are funded by grants and contributions in arrears. The DfT grant and contribution from Torbay will be recovered under the terms and conditions of each funding agreement. See Annex 9 for the legal agreement between Devon and Torbay. Devon County Council's contribution will be funded from borrowing.

Affordability:

The suggested funding fully complies with government guidance. The borrowing required meets both authorities' tests of prudence and affordability. The majority of the Devon County Council funding for this project went through the appropriate financial planning processes in 2007/08, of which application of the prudential code is a key principle and tests of affordability include the impact on Council Tax and the ratio of financing cost to net revenue stream. The recent adjustments which have also been through the formal planning process represent a minor variation to the County's capital programme.

Torbay Council has revised its capital plan by increasing its capital budget allocation for the project to match the 50% cost share arrangement with DCC. Funding for this will be via prudential borrowing. The Section 151 officer has identified the revenue impact of increased principal and interest payments and received Council approval to these future commitments.

Accounting Implications:

The relevant element of the asset situated within both Devon County Council and Torbay Council will be accounted for on the respective balance sheets. There are no extraordinary accounting entries and all entries follow the local authority code of practice for capital accounting.

Balance Sheet Impact:

Each authority will represent the value of the asset on their individual balance sheet. The depreciated historic cost of the road that falls within the administrative county of Devon will be shown on DCC's balance sheet with identical treatment being adopted for Torbay Council's element on its balance sheet. Historic cost accounting of transport infrastructure assets such as the South Devon Link Road will be withdrawn from 2012/13 and will instead be revalued regularly. DCC and Torbay Council have assessed the VAT implications regarding the partial exemption calculations (financial risk).

COMMERCIAL CASE

4.1 Was the procurement carried out as described in your Best and Final Funding Bid (BAFB). **YES**

If not please provide a simple explanation of what was different. For Supported Pool schemes, where this information was not requested on the BAFB form, please provide a simple description of the procurement that was carried out.

4.2 Please state contract type used (e.g. NEC3)

You may have included this information in the BAFB but please state here for ease of reference.

Design and Build using NEC3 Option A: Lump Sum Priced Contract with Activity Schedule.

4.3 Was the procurement conducted by appropriately qualified staff in accordance with public procurement law? **YES**

4.4 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.

Procurement Arrangements for Main Works – Preferred Supplier’s Offer for Original Scheme and Revised Scheme

In anticipation of the delay to the scheme programme, Devon County Council sought agreement from the preferred supplier to extend the period of validity for their offer. In response, the preferred supplier confirmed an inflation adjusted price and that the offer was valid until 31st March 2012. This offer was incorporated in the scheme cost presented in the BAFB.

Procurement Arrangements for Main Works – Preferred Supplier’s Current Offer

Founded on their offer for the original scheme, the preferred supplier has examined updated tender documents and provided an updated offer in February 2012, taking account of the scheme delay, changes in inflation, further progress in meeting planning conditions, and changes in Network Rails’ possession booking process. The total value is £80,992,426 and the period of validity (120 days) extends to 28th June 2012.

The price is based on the following programme, which is reflected in updated tender documents upon which the offer is based:

- Notice of Award of Contract: April 2012
- Contract Starting Date: May 2012
- Commence Construction: October 2012
- Scheme Open: December 2015

The preferred supplier’s indicative design and construction programme is appended at Annex 6.

4.5 Is this a fixed price or target price contract?

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

Fixed price.

4.6 Please provide details of any incentive arrangements or staged payment terms that may affect the total cost or the timing of payments?

The Conditions of Contract contain incentivisation clauses, in particular:

- A 'value engineering' clause which incentivises the contractor to look for innovation and savings in outturn cost through acceptable revisions to the Employer's Requirements; and
- A 'statutory undertakers management' clause which incentivises the contractor to seek savings in the quoted statutory undertaker C4 estimates

There are no spend profiling clauses that effect the timing of payments due to the contractor.

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

Contractor's Risks:

The procurement strategy adopted (lump sum Design and Build) incorporates Employer's Requirements containing risk mitigation measures to be retained by the Contractor, including delivery and programme risks, which will substantially rest with the Contractor. Other risks retained by the Contractor are:

- 'force majeure' clause which covers events that either stop the Contractor completing the works or make it impossible for him to complete on time, whatever measures he might take
- Price fluctuation (inflation)
- Unforeseen physical conditions
- Exceptional weather
- Inaccuracies or incompleteness of any of the data or information related to services
- Delay damages
- Meeting the special requirements in relation to Statutory/Privatised bodies and other companies
- Discharging a number of planning conditions
- Environmental constraints

These risks have clearly been evaluated by the tenderers in their original offers and in the updated pricing.

Risks Retained by the Authority

The approach adopted for the procurement of the works has been to seek to achieve full risk transfer. With this approach a successful outcome depends on a combination of the adequacy of the lump sum, the robustness of the Employer's Requirements and the Contractor's ability to assess and manage the risk. In practice it is very difficult for the Employer to transfer all risk particularly where the Employer owns specifications and standards and is involved in the assessment or approval of designs produced by the Contractor.

The main risks retained by the Employer in following this approach are:

- Failure by the Employer to deliver obligations such as land entry and timescales for contractual processes.
- The need for Employer's changes.
- The Contractor reverting to claims and dispute procedures if they have not recovered their costs through the contract.
- Employer's pre-contract advance works progress which might result in delivery and programme delays to the Contractor.
- Employer's pre-contract arrangements with Others/third parties.

- Employer's delay in procuring in advance the Statutory Undertakers' diversions detailed in the Employer's Requirements in accordance with the New Road and Street Works Act 1991.
- Employer's liability for reimbursing Network Rail additional costs of services resulting from disruptive and prolonged possessions.
- Change in the law.

The costs of managing these risks and allowances for the realisation of these risks have been provided for in the estimates for 'preparation and supervision' and 'risk'. See 3.1.

4.8 Please describe how you will ensure effective contract management

Include details of reporting and liaison requirements, meeting frequency, interface of contractor and contract manager within internal governance arrangements (you may refer to management case if covered there)

Project Governance Arrangements

The Governance arrangements for this project are described in 5.6. This section describes arrangements for management of the main works construction contract and the interfaces between the contractor and other parties to the main contract (See interface arrangements overleaf). The roles and responsibilities of the Project Steering Board, The Project Delivery Board and the Project Delivery Team are fully described in BAFB, Section 3.6.

Contract Management Arrangements

The main works will be procured under Option A: Lump Sum Priced Contract with Activity Schedule using the NEC3 form of contract. The Contract Data sets out the roles and responsibilities of each party to the contract and the Works Information stipulates the management and communication arrangements.

In NEC3 there are the following defined roles:

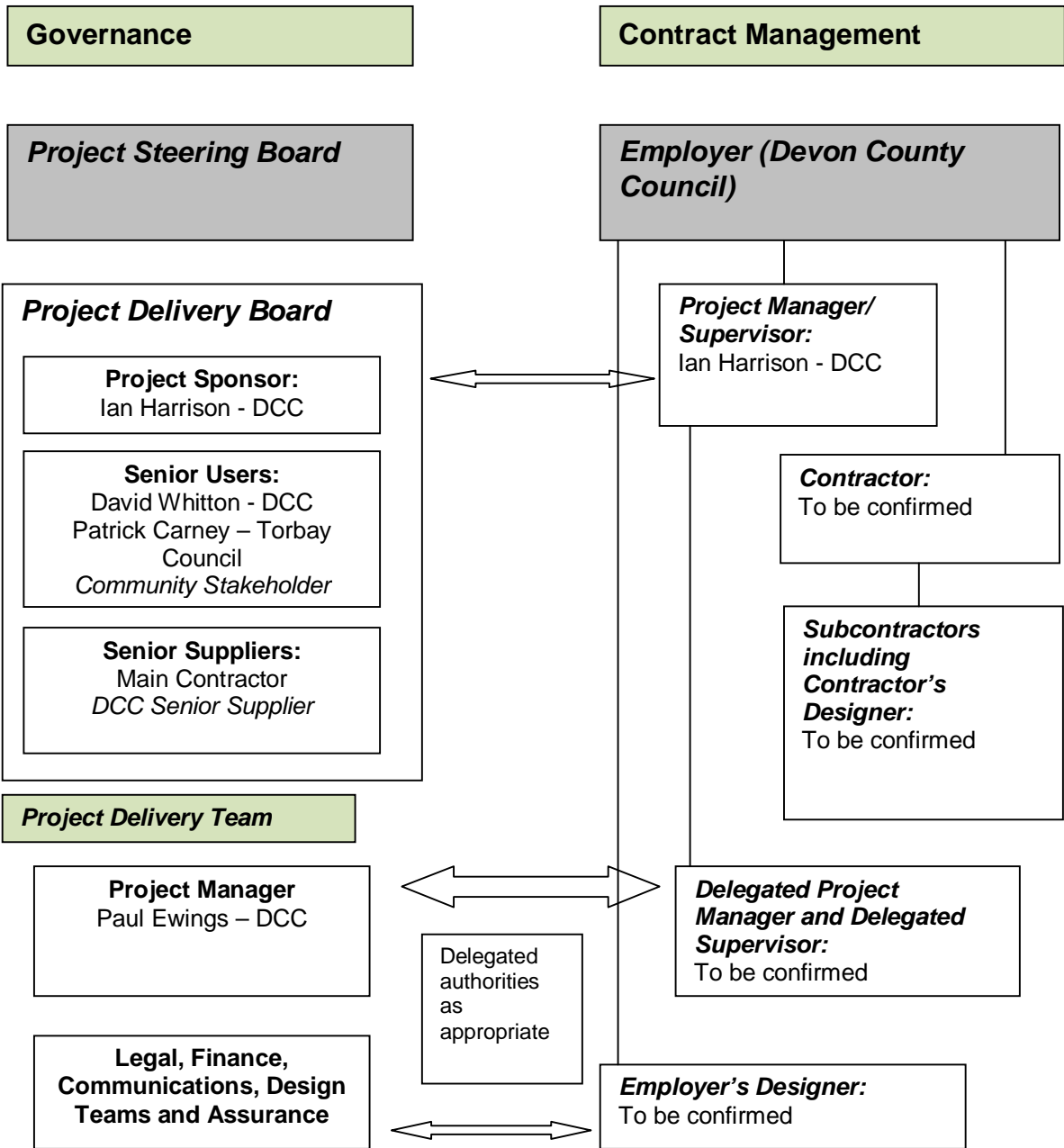
- The Employer
- The Project Manager (this is a different role/responsibility than that defined for the Project Manager under the Governance Arrangements)
- The Supervisor
- The Contractor
- Subcontractors

Separate functions of the Employer's Designer and the Contractor's Designer are also assumed but are not specifically defined in NEC3.

The detailed requirements for reporting, progress meetings, liaison meetings and consultations are set out in section 8 of the NEC3 contract Works Information and include, for example, requirements for:

1. The Contractor to attend progress meetings with the Project Manager/Supervisor every month.
2. The Contractor to provide detailed progress reports to the Project Manager/Supervisor every month.
3. The Contractor to attend traffic liaison meetings with the Project Manager/Supervisor every two weeks.
4. The Contractor to hold liaison meetings with local councillors every month.
5. The contractor to appoint a Public Liaison Officer and to hold public exhibitions at the commencement of the contract.

Governance / Contract Management Interface



4.9 Are there any TUPE issues? NO

If yes please state how many staff involved

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

Summary details of other works (and services) include:

1. Statutory Undertaker diversion works. Work ordered directly by Devon County Council in accordance with C5 process to commence in April 2012. See programme for procurement of Statutory Undertaker works at Annex 6.
2. Archaeological Mitigation Work. Draft tender documents prepared. Work due to commence in August 2012. See Outline Project Plan at Annex 6.
3. Advance accommodation works (Elmcroft Re-build). Tenders were returned on 5th March 2011. Works start on rebuild in July 2012.
4. Advance accommodation works (Mrs Porter's barn replacement). Planning permission sought. Tender documents to be prepared. Works start planned for May 2012.
5. Advance accommodation works (Kingskerswell Parish children's playground). Planning permission granted. Tender documents to be prepared. Works start planned for May 2012.
6. Advance exchange common land works. Tender documents to be prepared. Works start planned for May 2012.
7. Network Rail project management and other services. Ongoing commission throughout Design and Construction period.

Note: Tenders for the various works described above will be procured in accordance with Devon County Council's Standing Orders and Financial Regulations.

MANAGEMENT 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 scheme requires a number of powers, permissions, and licences. The status of each is indicated below.

Exchange Land Certificate: an area of Exchange Land is included in the Order Land. Devon County Council made an application for the Secretary of State's consent pursuant to Section 19 (1) (a) of the Acquisition of Land Act 1981. The case for the application was heard by the Inspector during the Orders Inquiry in 2009. The Secretary of State for Environment, Food and Rural Affairs confirmed on 1st December 2011 that a certificate should be issued. The certificate is dated 20th January 2012.

The Devon County Council (A380 South Devon Link Road (Kingskerswell Bypass) Classified Road) (Side Roads) Order 2008.

The Devon County Council A380 South Devon Link Road (Kingskerswell Bypass) Compulsory Purchase Order 2008.

The Devon County Council (A380 South Devon Link Road (Kingskerswell Bypass) Classified Road) (No. 2 Side Roads) Order 2009.

The Devon County Council A380 South Devon Link Road (Kingskerswell Bypass) Supplementary Compulsory Purchase Order 2008.

These were made by Devon County Council and examined at Public Inquiry in 2009. The Secretary of State for Transport confirmed confirmation of the Orders on 1st December 2011. The Orders were advertised on 3rd February 2012. The High Court Challenge period ends on 16th March 2012. The notices to treat must be served within 3 years of publication of the notice of confirmation, therefore the CPO expires on 3rd February 2015.

Planning permissions: conditional approval was granted by Devon County Council in August 2005 and by Torbay Council in April 2007. Extensive pre-construction and other conditions apply to each grant. Both Councils have now discharged all pre-construction planning conditions. Works must start before August 2012

Land Drainage Consent: consent was granted by the Environment Agency in October 2005.

Flood Defence Consent: consent for all appropriate structures was granted by the Environment Agency in May 2009.

Salmon and Freshwater Fisheries Act Consent: consent was granted by the Environment Agency in October 2005.

Marine Licence: (this is a licence to work in the marine environment, which is required for the culvert works at Sainsbury's car park). Application for licence made and Notices published in August 2011. Licence granted on 3rd February 2012. Conditions are attached to the licence.

European Protected Species Disturbance Licences: (Bats and newts) licences granted.

Devon County Council has all necessary powers, permissions and licences to construct the scheme, subject to expiry of the High Court Challenge period.

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.

Paragraph 5.1 of the BAFB described the extensive and ongoing consultation process with the Statutory Environmental Bodies. In summary there were no outstanding objections to the planning application from statutory environmental bodies and no objections from statutory environmental bodies to the scheme Orders. Since September 2011, consultation with each of the Statutory Environmental Bodies has been minimal whilst the decision on programme entry was awaited. Informal consultation has been / is planned as follows:

Natural England: Informal consultation in respect of badger survey work recently completed (February 2012) in accordance with the agreed Ecological Mitigation and Monitoring Scheme (condition 9 of the Planning Consent)

Environment Agency: Further informal consultation planned in March 2012 following receipt of analysed ground water samples for evidence of contamination. This work is part of an ongoing commitment to monitoring by Devon county Council in order to establish the nature of mitigation measures for the discharge run-odd to surface waters.

English Heritage: Further informal consultation planned at the commencement of the programme of archaeological mitigation work planned for summer 2012.

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

Three key outputs of the evaluation are anticipated as follows:

- Collection of Pre-Opening Baseline Data – The collection of pre-opening data associated with the Scheme to support a post opening evaluation following scheme opening;
- One Year After Study – production of a One Year After Report which sets out a comparison of the forecast and outturn impacts of a scheme against each of the five NATA objectives (and sub objectives) one year after opening; and
- Three Years After Study – Expands on the findings of the One Year After Report and sets out a comparison of the forecast and outturn impacts of a scheme against each of the five NATA objectives (and sub objectives) three years after opening.

Both the One Year After and Three Years After studies will be supplemented by a standalone summary report (2 to 4 pages) outlining the main findings from the evaluation. The content of this document mirrors the Executive Summary in the One/Three Years After Report.

The detailed evaluation plans are included in Annex 5.

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.

An outline Project Plan that explains the inter-dependencies of the milestones set out below with all other significant project activities is included at Annex 6 together with the preferred suppliers latest outline construction programme.

	Date estimated in BAFB	Current estimated date
Receive Full Approval from DfT	Mar 2012	Apr 2012
Ancillary Works (Elmcroft) Start	May 2012	May 2012
Ancillary Works (Elmcroft) Complete	Jun 2013	Jun 2013
Other Ancillary / Advance Works Start	Apr 2012	Apr 2012
Other Ancillary / Advance Works Complete	Sep 2012	Sep 2012
Complete Procurement – Main Works	Apr 2012	Apr 2012
Main Works Starting Date (Design Phase)	May 2012	May 2012
Main Works Starts on Site	Oct 2012	Oct 2012
- Milestone 1 – Elmcroft Link Road		Aug 2013
- Milestone 2 – Sainsbury's Car Park		Mar 2014
- Milestone 3 - Kingskerswell Playing Field		Apr 2014
- Milestone 4 – Landscape & Ecological Works		Dec 2016
Completion date for Works		Dec 2016
Tenderer's Programmed Opening date *	Dec 2015	Dec 2015
Tenderer's Main Works Completed *	Dec 2015	Dec 2015
Tenderer's Main Works Aftercare Completed *	Dec 2020	Dec 2020

* Tenderer's programme indicates completion 12 months ahead of contract completion date

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).

At the time of this submission, the most significant risk is the timing of Full Approval from DfT. The Inspector's Report has been published and the Orders advertised (on 3rd February). The next significant milestones are the end of the High Court Challenge period (16th March) and thereafter receipt of Full Approval from DfT. This milestone is on the programme critical path, its achievement on 6th April 2012 will enable:

1. Main Works Contract Award programmed for 16th April 2012 and thereafter Main Works Contract Starting Date of 14th May 2012.
2. Ordering Statutory Undertaker works: SU company lead times for critical diversions determine that C5 Notices should be issued in April 2012.
3. Issue of Notices to Treat: Planned for May 2012 in order to secure land entry for commencement of the works.
4. Completion of of exchange common land with the Parish Council.

High Court Challenge

The likelihood of this risk is assessed as 'Medium'. If realised, the impact on time is assessed as 12 months delay to Full Approval (assuming a positive outcome to the HCC). The risk would also lead to cost increases due to delayed construction.

This risk has been mitigated by ensuring compliance with planning and Orders processes, engagement with parties in responses to correspondence and through the informal and formal consultation periods since the closure of the Public Inquiry in 2009.

5.6 Do you have a risk management strategy/plan in place? YES

A yes or no answer is sufficient. The documentation does not need to be provided.

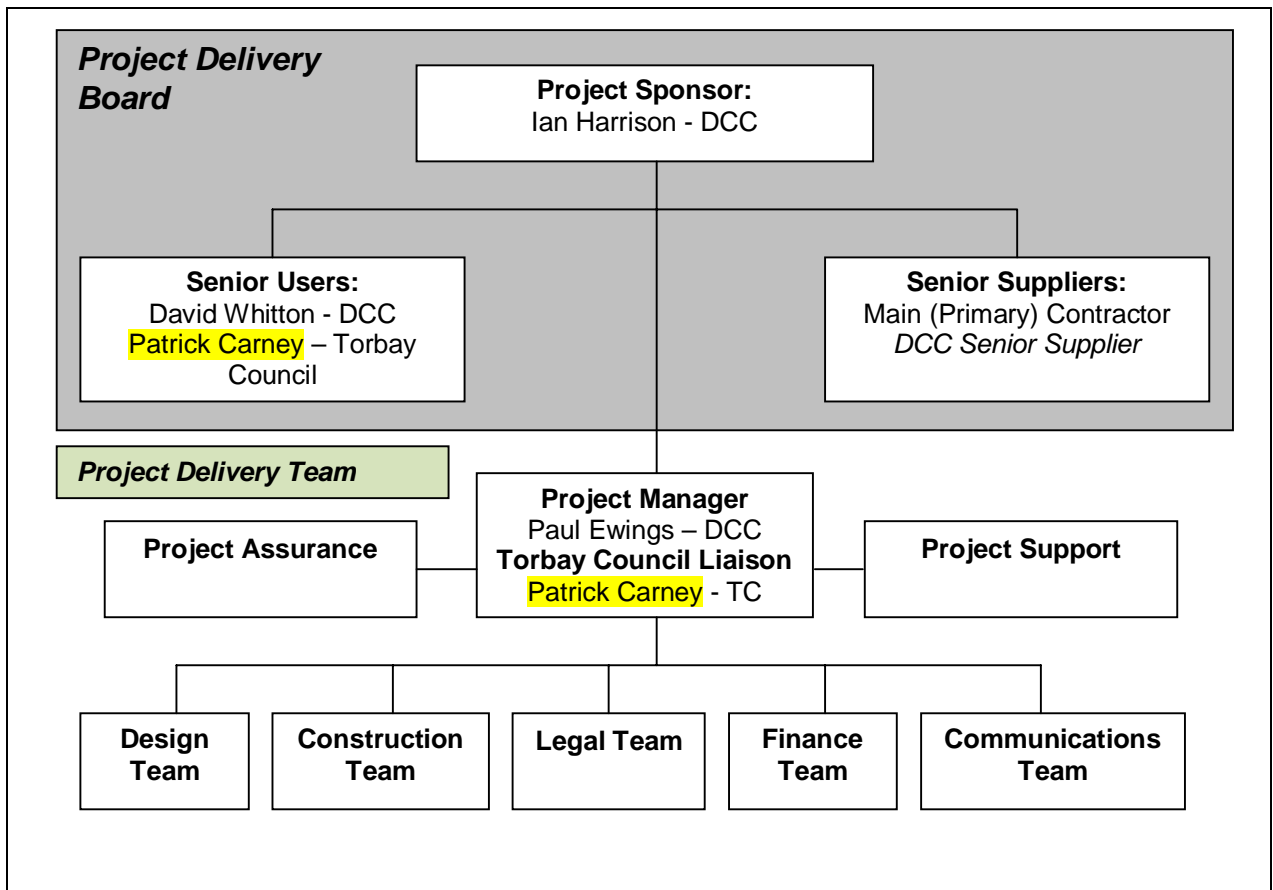
5.7 Have your governance arrangements changed since submission of your BAFB?

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

The Governance arrangements for the scheme are described in paragraph 3.6 of the BAFB and remain unchanged except that staff highlighted yellow are new to the team.

There are two tiers above the Project Delivery Team: The higher tier Project Steering Board and lower tier Project Delivery Board. The Project Manager reports to both boards and attends meetings but only in the capacity of the Project Manager (as indeed does the Finance Manager). The diagram shown overleaf indicates the membership of the Project Delivery Board. It is the Project Sponsor as chair of the Project Delivery Board ('Executive' in PRINCE2 terms) who holds the Project Manager to account.

Upon award of the main works contract, the Contractor will join the Project Delivery Board and become part of the Project Delivery Team, as shown diagrammatically overleaf:



5.8 Please provide details of the results of any project assurance reports since your BAFB, including any resulting action taken or planned.

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

A project assurance review is arranged for 1st, 2nd and 3rd April 2012. A copy of the summary recommendations will be forwarded as soon as the report is delivered to Devon County Council.

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

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.

There has been no major stakeholder and public engagement since that undertaken prior to the submission of the BAFB in September 2011 other than informal discussions with stakeholders to provide updates. However, media press releases have been used to update on the successful outcome of the BAFB and scheme newsletters will be published as the project progresses.

Further public engagement is planned once Full Approval has been achieved and the Contractor is appointed. This would take the form of public exhibitions with particular emphasis on the construction programme and public contact support.

There have been no major shifts in stakeholder opinion that we are aware of except for an enormous sense of relief expressed by the residents of Torbay that the scheme is to proceed.

OTHER

6.1 Please include any further relevant information here, including any specific DfT requirements not covered by the other sections of this form

Programme Milestones

The programme milestones are shown below:

Milestone	Expected Completion Date
Confirmation of Orders	03-Feb-2012
Allow for High Court Challenge	16-Mar-2012
Submit Full Approval application to DfT	13-Mar-2012
Receive Full Approval from DfT	6-Apr-2012
Ancillary works (Elmcroft) start	27-Jun-2012
Ancillary works (Elmcroft) complete	23-Aug-2012
Other ancillary/advanced works start	30-Apr-2012
Other ancillary/advanced works complete	28-Sep-2012
Complete procurement - main works	13-Apr-2012
Main works starting date (design phase)	14-May-2012
Main works starts on site	15-Oct-2012
Main works completed	15-Dec-2015
Opening/commencement of operations	15-Dec-2015
Main works aftercare completed	15-Dec-2020
Submission of evaluation plan to Dft (Mandatory)	13-Mar-2012
Submission of 1-year-after evaluation report to Dft (Mandatory)	15-Jun-2017
Submission of 3-year-after evaluation report to Dft (Mandatory)	15-Jun-2019

Sustainable Transport Measures

The DfT programme Entry letter dated 7th December requested details of 'plans for sustainable transport measures in Kingskerswell. These are described in Annex 10.

SENIOR RESPONSIBLE OWNER DECLARATION

As Senior Responsible Owner for A380 South Devon Link Road I hereby submit this request for Full Approval to DfT on behalf of Devon County Council and confirm that I have the necessary authority to do so.

I confirm that [name of authority] has acquired all the statutory powers (Traffic Regulation Orders excepted) necessary to construct the scheme.

Name: Ian Harrison

Signed:

Position: Head of Economy and Enterprise,
Devon County Council



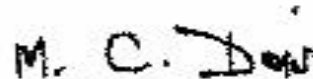
SECTION 151 OFFICER DECLARATION

As Section 151 Officer for Devon County Council I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Devon County Council

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution at section 3.4(a) above
- 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 scheme
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested

Name: Mary Davis

Signed:



SECTION 151 OFFICER DECLARATION

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

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution at section 3.4(a) above
- 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 scheme
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested

Name: Paul Looby

Signed:



CONTACT DETAILS FOR FURTHER ENQUIRIES

Lead Contact: Position: Tel: E-mail:	Paul Ewings Chief Engineer (Highways and Traffic) 01.39 382656 paul.ewings@devon.gov.uk
Alternative Contact: Position: Tel: E-mail:	David Whitton Head of Capital Development and Waste Management 01392 382701 david.whitton@devon.gov.uk

SUMMARY OF ANNEXES REQUIRED

Annex No	Description	Form Ref
1	Revised TEE, AMCB and Public Accounts Tables	2.1
2	Social and Distributional Impacts analysis (if required)	2.2
3	Detailed cost estimate	3.1
4	Quantified Risk Assessment	3.1
5	Evaluation Plan	5.3
6	High Level Project Plan (Programme)	5.4
7	Not used	5.5
8	Project Assurance recommendations	5.7
9	Devon CC / Torbay Council Legal Agreement	3.7
10	Proposed Sustainable Transport Measures in Kingskerswell	6.1
11	Agreed Third Party Contributions	3.4