

LOCAL AUTHORITY MAJOR SCHEMES BEST AND FINAL FUNDING BID SEPTEMBER 2011

Scheme Name	North Fringe to Hengrove Package
Local Authority	South Gloucestershire Council

SCHEME COST SUMMARY (£m)

	Scheme As Previously Configured (from section 1.4)	Revised Scheme (from section 4.4)
LA contribution	£3.292m	£31.903m
Third Party Contribution	£20.000m	£14.037m
DfT Funding Contribution	£164.898m	£51.101m
Total	£188.190m	£97.041m

CONTACT DETAILS FOR FURTHER ENQUIRIES

Lead Contact: Position: Tel: E-mail:	Chris Sane Senior Responsible Owner 01454 86 3402 chris.sane@southglos.gov.uk
Alternative Contact: Position: Tel: E-mail:	Alistair Rice (after 26 th September)* Project Manager 01454 86 4617 alistair.rice@southglos.gov.uk * Before 26 th Sept, Bethan Colman, 01454 86 3785, bethan.colman@southglos.gov.uk

NOTE: Bids should be received by the Department by Noon on 9th September 2011.

SENIOR RESPONSIBLE OWNER DECLARATION

As Senior Responsible Owner for the North Fringe Hengrove Package I hereby submit this Best and Final Funding Bid to DfT on behalf of South Gloucestershire and Bristol City Councils and confirm that I have the necessary authority to do so.

Name:

Chris Sane

Position:

Strategic Head of Transport
South Gloucestershire Council

Signed:

**SECTION 151 OFFICER DECLARATION**

As Section 151 Officer for South Gloucestershire Council, I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Bristol City and South Gloucestershire Councils have the intention and the means to deliver this scheme on the basis of its proposed funding contribution at section 4.3 (a) above, as well as meeting any ongoing revenue requirements on the understanding that no further increase in DfT funding will be considered beyond the maximum contribution requested at 4.3 (c) (including if third party contributions should no longer be available)..

Name:

Dave Perry

Position:

Directorate of Corporate Resources
South Gloucestershire Council

Signed:



Please Note: The promoting authority should ensure that a copy of this BAFB form and all supporting information is available on its website by 5pm on 12 September 2011. Please detail the appropriate location where these documents can be located. The Department may provide a link to these pages from its own website.

The BAFB and supporting documents for the North Fringe Hengrove Package (and for all the West of England major schemes) can be found at:

<http://travelplus.org.uk/>

SECTION 1: THE SCHEME AS PREVIOUSLY CONFIGURED

i.e. BEFORE 10 JUNE 2010

This section should EITHER describe the scheme as approved at Programme Entry OR as submitted in a business case bid for Programme Entry OR on the latest design on which the last QMR submitted to the Department was based.

Note: this information should be consistent with what was included in previous EoI with any differences explained.

Date of Programme Entry or PE Bid or last QMR Submission <i>(where applicable)</i>	March 2010
Estimated total scheme cost <i>(inclusive of eligible preparatory costs)</i>	£188.190m
DfT contribution <i>(excluding the costs of Part 1 Claims that were included)</i>	£164.898m
Local Authority Contribution	£3.292m
Third party contribution	£20.000m

1.1 Brief description of the scheme as previously configured *This should clearly state the scope of the scheme and describe all of its key components.*

The North Fringe to Hengrove Package [NFH Package] is one of 3 rapid transit schemes in Bristol, the other two being the Ashton Vale to Temple Meads Rapid Transit scheme and the South Bristol Link. Rapid Transit will provide a step change improvement in the quality and reliability of the public transport network in the West of England, to tackle congestion, deliver economic growth and reduce carbon emissions. The vision for rapid transit is a network of sustainable transport corridors connecting key areas of employment, retail, leisure, regeneration and housing that offer fast, reliable and comfortable journeys and an attractive alternative to the private car.

The network delivered by the three rapid transit major schemes is shown below. The vision will be delivered through an emphasis on segregation and priority over general traffic, high profile stops and interchanges, much improved passenger information and new, low emission, accessible vehicles. In addition, where possible the rapid transit network will also include further, significant improvements for pedestrians and cyclists

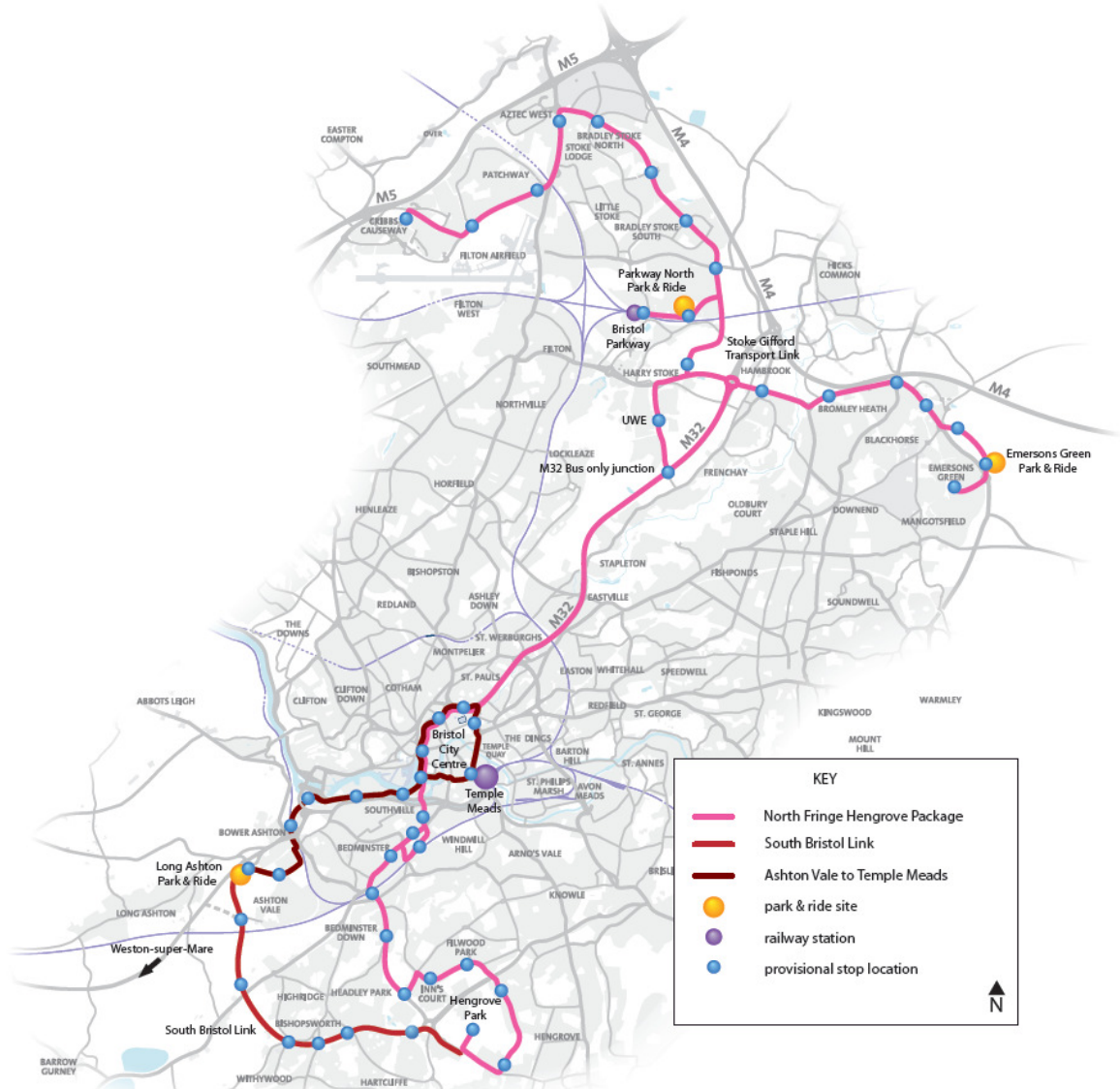
NFH Package links areas of housing and economic growth in the North and East Fringe of the Bristol urban area, with a major regeneration area in south Bristol via Bristol City Centre. The rapid transit network will provide a fast, frequent and reliable public transport service. Services will run on a combination of segregated busways and bus lanes, separate from car traffic, and will be given priority over other road users at traffic signals.

The key components are:

- **A North Fringe Rapid Transit** route which connects the main residential and employment areas in the North Fringe with Bristol City Centre, South Bristol and the East Fringe. This rapid transit route will serve the Cribbs Causeway Regional Shopping Centre; Aztec West Business Park; Bradley Stoke; new and planned residential developments (Harry Stoke; Charlton Hayes (Filton Northfield)); the

University of the West of England; Bristol Parkway Railway Station and the Parkway North and M32 park and ride sites. The route will use the **Stoke Gifford Transport Link [SGTL]**, a combined highway/rapid transit link, funded through the NFH Package that will provide the direct link between Bradley Stoke and Harry Stoke;

Current Scheme:



- An **East Fringe Rapid Transit** route which connects the main employment areas in the East Fringe with Bristol City Centre, South Bristol and the North Fringe. This rapid transit route will serve the Emerson's Green District Centre; the Emerson's Green East development; the Science Park (SPark); the University of the West of England; and the Emerson's Green East and M32 park and ride sites;
- A **South Bristol Rapid Transit** route which connects the main residential and employment areas in South Bristol with Bristol City Centre with onward connections into the North and East Fringe areas. This rapid transit route will serve Bedminster, Parson Street Railway Station, Imperial Park, Knowle West Regeneration Area and new and planned mixed use developments at Hengrove Park;

- A new **Park and Ride Site on the M32** to enable and encourage interchange to public transport for regional traffic approaching from the strategic road network and thus reduce congestion in the M32 corridor and Bristol City Centre; and
- A **Bristol City Centre route** serving Cabot Circus, Broadmead and The Centre. The City Centre is a pivotal point of the proposed rapid transit network and will include substantial public transport and urban realm integration / improvements to provide high levels of priority for public transport services. The NFH Package includes a new bus interchange in The Centre combined with significant streetscape/urban realm improvements that will provide increased shared space for pedestrians and cyclists.

The rapid transit network will provide a high quality passenger experience with:

- accessible, comfortable, and low-emission bespoke rapid transit vehicles that combine the quality and feel of a high quality tram-style system;
- high quality stop design including user-friendly electronic information displays, CCTV and lighting, safe and secure access to stops and ticket machines;

The Authorities are committed to exploring the range of alternative fuel sources with potential operators. These would offer considerable environmental improvements with lower noise levels, fewer greenhouse gas emissions and less harmful local pollutants. Access to the rapid transit infrastructure would be open to other operators of bus services provided that they meet strict quality thresholds which will govern vehicle and service standards.

The NFH Package also delivers a series of wider improvements, with parallel walking and cycling routes provided wherever possible and augmented with new links to existing cycling and pedestrian routes, such as those delivered by Cycling City and Connect2 initiatives.

1.2 What are/were the primary objectives of the scheme?

Please limit this to the primary objectives (ideally no more than 3) the problems to which this scheme is the solution. If the primary objectives have changed please explain why. Do not include secondary objectives i.e. things to which the scheme will contribute.

The core NFH Package Programme Objectives can be summarised as follows:

- To support a **buoyant economy**, improve quality of life for sub-regional residents and improve local and national travel;
- To **tackle congestion** and encourage the shift to new forms of public transport and realise the associated economic, environmental, climate change, safety and health benefits; and
- To enhance the opportunities for **regeneration** and sustainable growth through the linking of areas of economic and housing expansion, promoting equality of opportunity and security through improved connectivity to education, employment, leisure, health and retail facilities.

There is also a secondary layer of project specific objectives that are shown in Table 2.1 of the Major Scheme Business Case (MSBC) of March 2010.

1.3 Please describe the process by which this scheme came to be the preferred option for meeting those objectives including reasons why alternatives were not progressed.

This may simply be an extract from what has already been described in previous Major Scheme Business Cases. However please take the opportunity to expand on that previous material as necessary.

The origins of the scheme come from the Greater Bristol Strategic Transport Study [GBSTS], Atkins 2006, commissioned by the West of England authorities, Government Office for the South West, the South West RDA and the Highways Agency. GBSTS recommended a network of cross-Bristol bus-based rapid transit routes, which were incorporated into the major schemes programme of the Joint Local Transport Plan. The authorities immediately started looking at delivery options, with two studies of corridor options and studies to determine the best technology for the corridors. These recommended that a route between Hengrove and the North Fringe be prioritised for delivery, along with a route from Ashton Vale; the technology review endorsed a bus-based system.

The next stage of the scheme development culminated with the NFH Package Option Assessment Report and a further Technology Review, both submitted with the March 2010 MSBC. The former described the shifting process to derive a 'Central case', a 'Next Best Alternative' and a 'Lower Cost Alternative'; it was submitted in draft form to the DfT in autumn 2010 to enable early discussion and agreement (as part of the fast-track 'pilot project' status of the project). The Technology Review re-confirmed bus-based technology as the most appropriate for the project.

The Central Case is described in Section 1.1; the Next Best Alternative differed in that the rapid transit lanes were removed from the SGTL, the North Fringe route was diverted off the SGTL to existing parallel highways and out of Aztec West to the A38 whilst the South Bristol route was adjacent to Whitchurch Lane with a guided busway and subsequent bus lanes on Hartcliffe Way. The Lower Cost Alternative excluded the M32 P&R site, the Cribbs Causeway extension, Bradley Stoke Way route segregation and the New Cut bridge and ran exclusively on-street throughout South Bristol.

These three alternatives were appraised and submitted in the March 2010 MSBC. This demonstrated that the 'Central Case' Package provided the best value for money scheme option which also meets all the objectives identified for the package. The BCRs of the 3 alternatives were:

- Central Case 2.85
- Next Best Alternative 2.39
- Lower Cost Alternative 2.18

Section 2.5 explains how elements of each alternative were re-packaged to produce the revised scheme described in Section 2.

1.4 What was the last total estimated cost of the scheme as previously configured including where changed since the award of Programme Entry?

Please provide the latest cost of the scheme with a summary and where, appropriate, an explanation of the key changes from the previous cost breakdown. Please use this section to identify any cost savings that you have already made since the award of Programme Entry. Figures should be outturn costs. Please adjust to exclude the costs of any Part 1 Claims that you may have included at this time.

The following table shows the bid (£-outturn) as per March 2010 submission, with forecast Part 1 Claims removed; no further work was undertaken on this scheme after March 2010, rather work was undertaken on the revised scheme that was submitted to the DfT in the Expression of Interest [EoI] of December 2010 and is described further in Section 2.

£m outturn Excl. Pt1	Pre 2011/2	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Total	%
LA contribution	0.000	0.632	1.411	0.844	0.130	0.033	0.242	0.00	0.00	3.292	2%
Third Party contribution	0.000	3.839	8.574	5.127	0.791	0.202	1.467	0.00	0.00	20.000	11%
DfT funding requested			3.710	19.000	58.781	61.211	22.196	0.00	0.00	164.898	87%
TOTAL	0.000	4.471	13.695	24.971	59.702	61.446	23.905	0.00	0.00	188.190	

1.5 Please describe any developments (such as housing) linked with the scheme as described above and explain any changes impacting on these developments (eg policy changes such as housing allocations, changes to redevelopment plans)?

This should explain any links that the planned scheme had to major developments and provide details of changes to these plans such as through changes in policy relating to housing, changes to developer plans etc

The West of England Local Enterprise Partnership (LEP) ambition is to deliver 95,000 new jobs by 2030. Key to this will be the realisation of the challenge of delivering 72,000 new homes and 74,000 new jobs by 2026, as set out in the West of England authorities' Core Strategies.

The MSBC submission of March 2010 and Expression of Interest of December 2010 were based on the Submission Version South Gloucestershire Core Strategy and the Bristol City Core Strategy; both set the framework for development through to 2026.

The Submission Version South Gloucestershire Core Strategy was submitted to the Secretary of State in March 2011 and will be subject to Examination in Public in 2012. The Bristol City Council Core Strategy (publication version November 2009) was approved by Council in November 2009.

The two Core Strategies identify a number of major sites that the NFH Package would serve, these are shown on the following plan and described below:

North Fringe:

- Charlton Hayes (Filton Northfield), mixed-use (14ha employment, 2,200 dwellings), construction ongoing to 2020;
- Harry Stoke, 1,200 dwellings with consent, construction 2012 to 2020;
- East of Coldharbour Lane, 500 dwellings, concept statement published, application expected 2011/12 for completion 2018;
- Cheswick/Wallscourt Farm, mixed-use (~6ha employment and 800 dwellings), construction ongoing;
- University of the West of England [UWE], ongoing master-planning for 11ha expansion to its campus, including a new stadium for Bristol Rovers FC, application expected 2011;
- East of Harry Stoke New Neighbourhood; a mixed-use development including 2,000 dwellings, first occupation anticipated from 2015/16;
- Cribbs/Patchway New Neighbourhood, a mixed-use development including 1,750 dwellings, first occupation anticipated from 2014/15;
- Since MSBC submission, the main change has been at Filton Airfield, a large site in the North Fringe that was not identified for development in the Submission Core Strategy; its future will be considered in the forthcoming EiP. Given its current level of uncertainty, it is not included in the forecast scenarios; however, the site could easily be served by an extension of the North Fringe rapid transit route.

East Fringe:

- Emerald Park at Emerson's Green, 30ha employment, nearly complete;
- Emerson's Green East, mixed-use (30ha employment, 3,000 dwellings), with outline consent, construction ongoing to 2024;
- Science Park [SPark] at Emerson's Green, 25ha employment, construction commenced summer 2010.

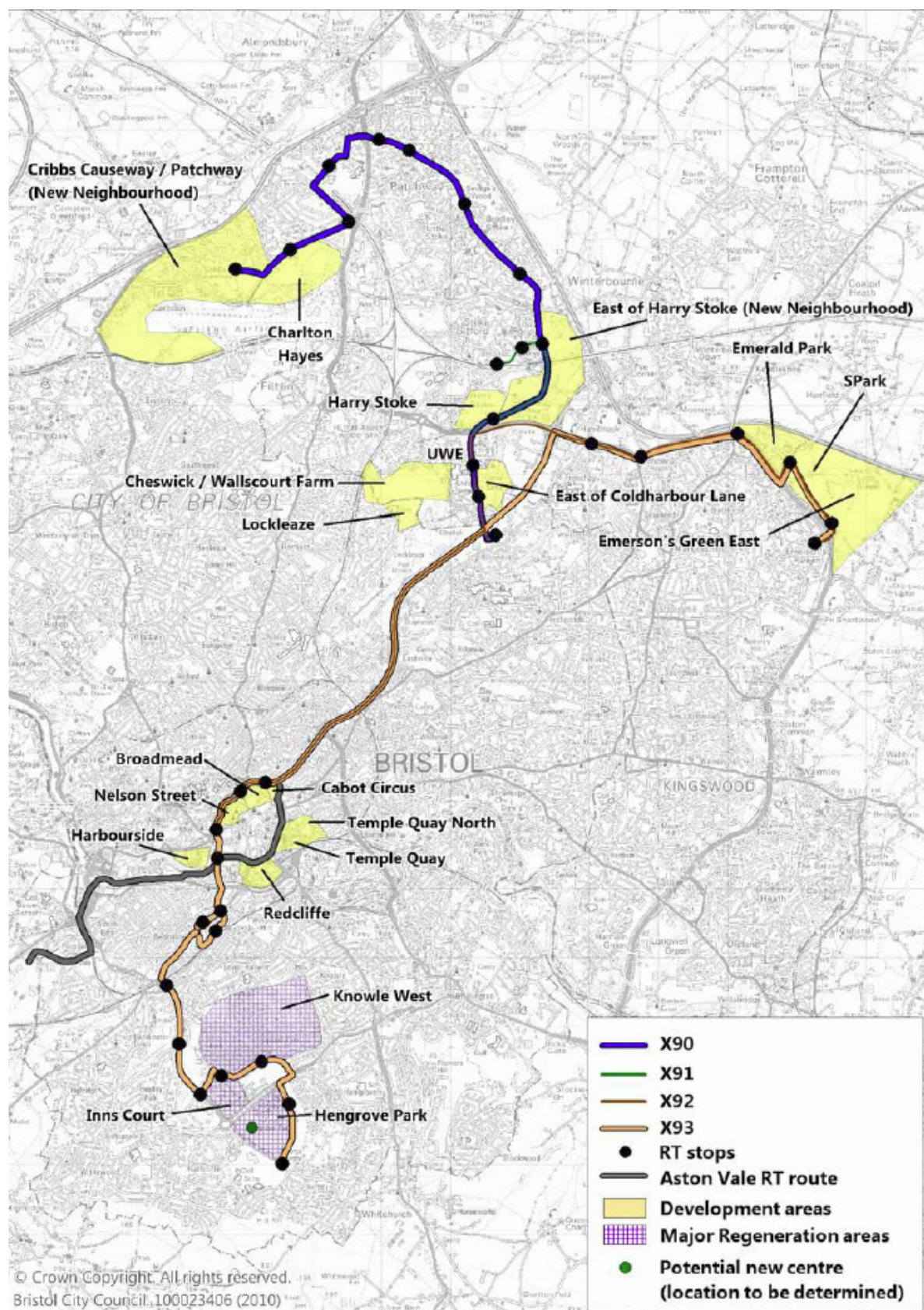
South Bristol:

- Knowle West – potential for 2,000 new homes, 900 new jobs and two schools with over £500m of development value for completion by 2031;
- South Bristol – potential for a new Centre in the area in or adjacent to Knowle West / Hengrove Park with retail, service, leisure and employment potentially for development in parallel with the Knowle West and Hengrove Park developments;
- Hengrove Park Phase 2 – potential development of a 40 hectare area for mixed use development and Park which could include substantial residential properties and new employment opportunities with full completion by 2031;
- Nover's Hill / Vale Lane – Five to 10 hectares of new industrial and warehousing land potentially by 2015.

Bristol City Centre:

- Aiding in the further redevelopment and regional focus of the City Centre which will bring up to 150,000m² of new office space and 9,000 new homes. This includes Nelson Street mixed use development for completion by 2016 and recently confirmed Temple Quarter Local Enterprise Zone (17,000 new jobs by 2026).

Development Sites Served by the NFH Package



SECTION 2: REVISED SCHEME PROPOSAL

This section should describe the changes you are proposing to make for the purposes of your Best and Final Funding Bid.

2.1 Are you proposing any changes of scope from the scheme as described in Section 1? *If yes, please describe in detail the changes you are proposing. Please also attach explanatory maps, diagrams etc. as appropriate.*

Yes. In autumn 2010 an opportunity was taken to produce an alternative, focussed revised scheme incorporating a substantial reduction in capital cost, which is described below. A range of changes were considered, such as including/excluding park and ride sites, the routes for rapid transit and the location/extent of bus lanes; as well as value engineering the scheme components that survived this process.

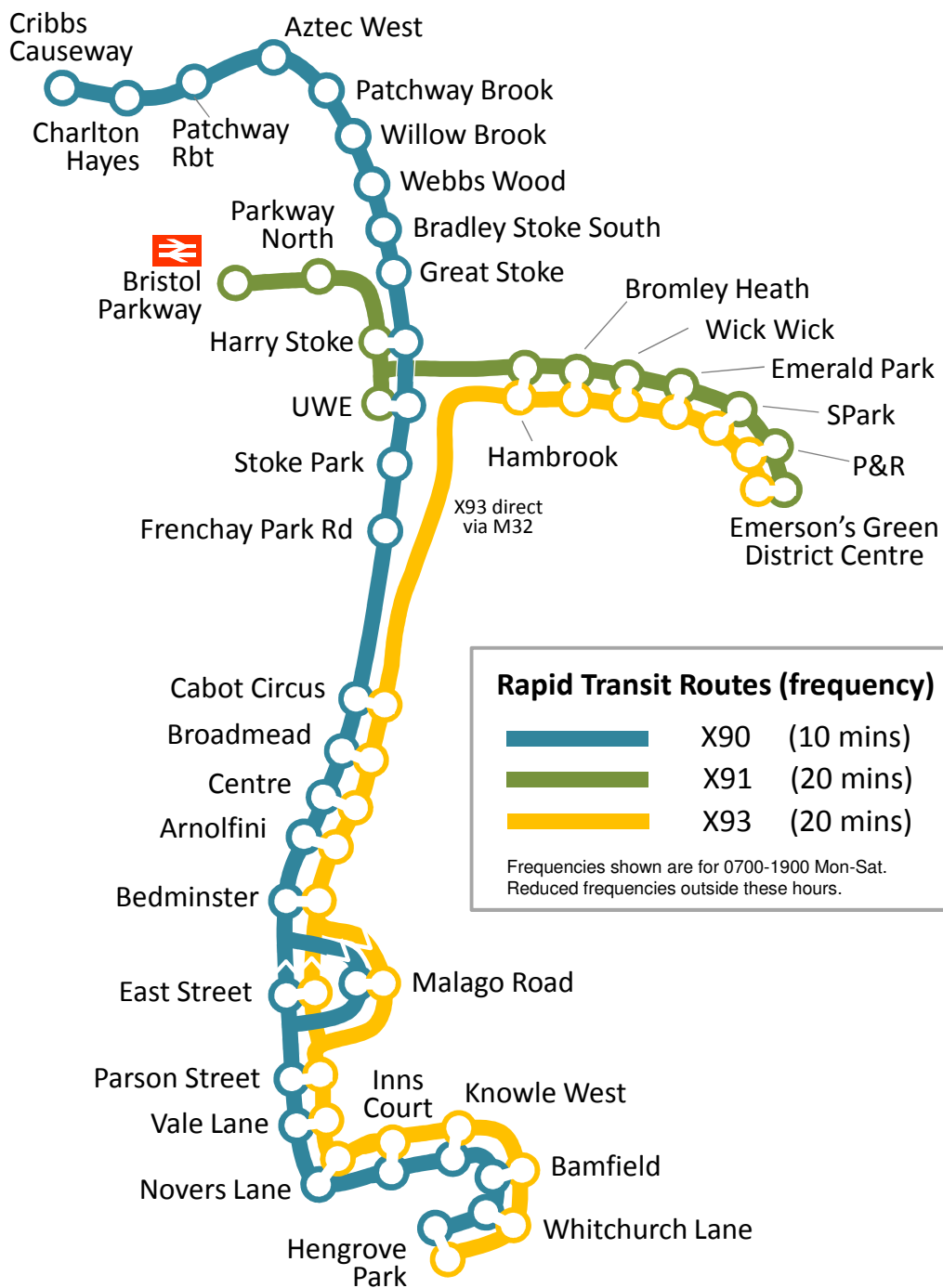
A substantially revised scheme was submitted in the Expression of Interest of December 2010; thereafter, further changes have been made to produce the scheme described below.

The basis of the revised preferred option is the central case as submitted with the major scheme business case, but revised to substantially reduce cost and improve performance using elements from the Low Cost and Next Best Alternatives (described in the March 2010 MSBC).

An overview plan of the NFH Package and its relationship with the other major schemes is shown in section 1.1 and a full set of drawings is contained in **Appendix A**, consistent with the level of detail submitted for the central case in March 2010. The main changes compared to the central case as submitted in March 2010 are as follows:

- Re-routing the North Fringe rapid transit route to The Mall via existing highway (A38/Highwood Road from the Next Best, Bradley Stoke Way from the Low Cost Alternative).
- The extent of segregated running for rapid transit services in the North and East Fringe has been reduced and targeted at areas most affected by congestion, ensuring that this is sufficient to maintain a rapid and reliable public transport service and retain the necessary uplift in the quality of the rapid transit offer. This has included:
 - use of the Next Best Alternative route between Aztec West and Cribbs Causeway (via the A38, making use of GBBN infrastructure);
 - replacement of guided busway with conventional bus priority and the retention of existing roundabouts along Bradley Stoke Way (from the Low Cost); and
 - the removal of westbound bus lanes on the rapid transit route to Emerson's Green (rapid transit using existing priority vehicle lanes).
- The SGTL would be reduced to a single carriageway with additional bus priority in one direction either north or southbound. An additional bus-only link through the Harry Stoke development would be omitted and the alignment of the SGTL amended in this area to more directly link both car and public transport movements with the new development.

- From the Low Cost Alternative, the M32 park and ride site would be deferred to be funded separately and does not form part of the BAFB scheme. A bus-only junction onto the M32 for rapid transit services from the North and East Fringe has been retained to enable priority movement for rapid transit vehicles to and from the motorway, whilst permitting park and ride at a future date.
- The scope of park and ride facilities at Emerson's Green and Parkway would be simplified.
- The layout of the city centre scheme component and the scope of materials, landscaping and associated pedestrian upgrades have been re-visited, to reduce cost whilst still providing uplift in the quality of the public domain and retain the benefits to public transport passengers.
- The extent of segregated running for rapid transit services in South Bristol between the city centre and Hengrove has been reduced in scope to reflect current, peak congestion levels. The vehicles are now proposed to run on-street from the terminus in Hengrove Park, then along Whitchurch Lane, Bamfield, Creswicke Road and Nover's Lane, before joining with Hartcliffe Way.
- The proposed bus, cycle and pedestrian bridge over the New Cut have been revised to deliver a more affordable structure whilst still meeting appropriate design criteria. Public realm enhancements in the Bedminster district centre would also be deferred to be funded from separate sources.
- The scope of rapid transit stop infrastructure has been reduced, but still represents an improvement over existing provision in respect of shelters, information, security and accessibility.
- The capital costs of the revised central case have been re-based to a 2010 base line, taking account of trends in construction rates since the submission of the business case.
- Opportunities to further refine risk budgets have been taken whilst still ensuring a sufficient and appropriate allowance for risk.
- Reductions in rapid transit operating costs facilitated by revised routes and frequencies (shown below).



2.2 What, if any, additional changes of scope have you ruled out for the purposes of your Best and Final Funding Bid? Please give reasons.

The extent of scope change achieved for the EoI was very significant and resulted in a capital cost reduction of nearly 50%, whilst retaining ~75% of the benefits; the success of this was acknowledged by the '**Local Partnerships Gateway Review 1: Business Justification Gateway Review**' of 29th July 2011.

The potential for further substantial reductions in scope and cost (from those in the EoI) is very limited, without fundamentally affecting the scheme's performance against objectives and therefore the revised scheme for the BAFB is largely as submitted in the EoI. That having been said, the project team did consider further reductions, such as:

- Omitting the New Cut Bridge - rejected because of the adverse impact on rapid transit journey times to/from Hengrove Park;
- Removing the Hartcliffe Way bus lanes – rejected because of the adverse impact on rapid transit journey times between Hengrove Park and the City Centre;
- Removing the Great Stoke Way northbound bus lane – rejected because of the adverse impact on rapid transit journey times to/from the North Fringe (when considered with the higher traffic flows as a consequence of diversion to the SGTL).

2.3 Whether or not you are proposing a change of scope, please identify any savings that have been made to the total cost of the scheme, for example through value engineering.

Please provide details with a summary and explanation of the further savings beyond those already identified at 2.1 above or, if no scope changes are proposed, with reference to the cost breakdown provided in the latest cost estimate at 1.4 above.

The proposed scheme would reduce the overall, predicted cost of the scheme from £194 million (outturn) to £102 million. **Appendix B** contains the details of the revised scheme costs and how they were achieved, but in summary, the savings by route section are:

£m outturn Scheme Section	MSBC Central Case (March 2010)	BAFB (September 2011)	% Saving
1. Cribbs Causeway - Aztec West	4.892	0.557	89%
2. Bradley Stoke - Parkway	25.957	11.136	57%
3. Stoke Gifford Transport Link - Coldharbour Lane	37.764	25.654	32%
4. East Fringe	12.005	8.383	30%
5. M32 and Bus Lane	36.556	15.816	57%
6. City Centre	14.666	6.657	55%
7. South Bristol	20.990	12.973	38%

The aforementioned Local Partnership's Gateway Review states:

"The Business Case has been re-worked to improve value for money (increase Benefits/Cost Ratio) and reduce overall costs. A comprehensive value engineering exercise has been undertaken with support from external advisors to identify measures to optimise costs. This has concentrated on revising the scope of the scheme in a targeted manner to ensure that the majority of scheme benefits are retained. This has included replacing sections of guided busway with conventional bus lanes while ensuring functionality is retained. In addition further sections of segregated running have been completely removed from the scheme in those locations where they were not significantly contributing to improved journey times. A major cost saving has also been made through the removal of the M32 Park and Ride site, however the opportunity to develop this site in the future will be protected with a dedicated bus-only junction installed.

The value engineering process has been managed very well and has resulted in a reduction of the overall scheme costs of almost 50%..... Despite this level of cost saving the Councils have managed to ensure that scheme benefits have not been significantly eroded and have actually improved the Benefit/Cost Ratio...."

In addition, the **Strategic Case** overview sets out a range of joint initiatives to reduce scheme cost across all five major schemes in the programme including re-profiling of DfT spend to reduce inflationary pressures and balance planned spend across programme; an integrated procurement strategy for the West of England schemes, which includes the establishment of a Programme Delivery Board to co-ordinate procurement activities; co-ordination of work programmes across the major scheme programme to minimise disruption during construction, optimise service diversion works and maximise the sustainable disposal or re-use of excavated materials; and a targeted re-evaluation of the strategic risk to eliminate any overlap with scheme-specific allowance.

2.4 Please provide separate details of any further changes you are proposing to the scheme from that submitted in January 2011.

There have not been any substantive changes to the scheme since January 2011, but extensive design optioneering and business/stakeholder engagement has refined the preferred layout in the city centre, the design for the new bridge over the Avon New Cut and confirmed the route for rapid transit in South Bristol.

2.5 What is your latest assessment of the cost, feasibility and value for money of any alternatives to the proposed scheme?

This should include any previous options subsequently discarded and / or those proposed by third parties. Please explain why this / these options have not been progressed. Please detail any elements that have been included in your proposed scheme. Please make reference to any material differences with the preferred scheme in costs or benefits such as carbon impacts.

As stated previously in Section 2.1, the opportunity has been taken to incorporate some elements of the Low Cost and Next Best alternatives into the revised, proposed scheme. Therefore, no further appraisal of the Low Cost and Next Best alternatives has been undertaken in their own right since the March 2010 submission and the rationale for their rejection remains as stated in the MSBC.

SECTION 3: IMPACT OF CHANGES PROPOSED AND DELIVERY OF THE SCHEME

This section should describe the impact of the changes you are proposing in Section 2 above compared to the previously configured scheme as described in Section 1

3.1 What impact, if any, would the proposed changes have upon achievement of your primary objectives? *This should refer to the scheme as identified in section 2.1*

By retaining many of the quality and reliability improvements of the rapid transit network, the proposed scheme still meets the primary objectives stated in Section 1.2. Examples relating to the three primary objectives, and based on the updated scheme appraisal, are as follows:

To support a **buoyant economy**, improve quality of life for sub-regional residents and improve local and national travel

- The revised scheme will provide benefits to all road users, with journey time savings for public transport users (arising from the new rapid transit services and associated priority infrastructure) and car drivers/passengers (with the SGTL). Infrastructure for pedestrians and cyclists will also be improved.

To **tackle congestion** and encourage the shift to new forms of public transport and realise the associated economic, environmental, climate change, safety and health benefits

- By providing congestion relief at a number of key locations across the sub-region, the revised scheme is forecast to improve journey time reliability, with benefits valued at £37m (2002 prices) over the appraisal period. The congestion relief benefits will also lead to a reduction in carbon emissions.
- The revised scheme will improve public transport options for 18,400 households in the Bristol urban area. These households will be within 400 metres of a new rapid transit stop.
- The proposed NFHP rapid transit services are forecast to carry 5.4 million passengers per year by 2031. This compares to forecasts of 5.9 million per year for the MSBC central case.

To enhance the opportunities for **regeneration** and sustainable growth through the linking of areas of economic and housing expansion, promoting equality of opportunity and security through improved connectivity to education, employment, leisure, health and retail facilities.

- The revised scheme will connect major areas of economic and housing expansion in the North and East Fringe with existing major residential areas in south Bristol.
- Wider impacts from NFHP alone are valued at £13m (2002 prices) over the appraisal period are forecast in relation to agglomeration, labour market and economic output benefits.

Further details on the scheme appraisal are contained in **Appendix C**.

3.2 Please provide a short description of your assessment of the value for money of the revised scheme including your estimate of the Benefit Cost Ratio.

This should cover both monetised and non-monetised costs and benefits and should briefly explain the reasons for significant changes since your most recent Business Case submitted to the Department. The full assessment, as set out in the Value For Money guidance should be provided as an Appendix. Valuation of any dependent development should be reported here, separately from the central value for money evidence and supporting evidence, and a full description of the approach taken should be included in the Appendix.

The summary of the Cost-Benefit Analysis shows the following performance:

Indicator (2002 prices)	BAFB (September 2011)	MSBC Central Case (March 2010)
Highway Benefits	£97.345m	£304.972m
Public Transport Benefits	£155.882m	£285.674m
Private Sector Provider Benefits	£24.857m	£37.168m
Other Business Impacts	£8.780m	£1,752m
Carbon Benefits	£4.069m	£1.603m
Accident Benefits	£5.574m	£0.728m
Wider Impacts	£13.031m	N/A*
Reliability	£37.020m	N/A*
Indirect Taxation Revenues	£16.439m	N/A**
Present Value of Benefits (PVB)	£301.411m	£626.937m
Present Value of Costs (PVC)	£83.808m	£220.353m
Net Present Value (NPV)	£217.603m	£406.584m
Benefit to Cost Ratio (BCR)	3.60	2.85

* Wider Impacts and Reliability not reported in MSBC BCR.

** Reduced Indirect Tax Revenue (from lower fuel consumption) is now treated as a scheme benefit reduction (BAFB), rather than an increase in scheme costs (MSBC).

The forecast BCR for the revised NFHP is 3.60 indicating that the scheme offers high value for money. Compared with the MSBC, the improved BCR is a result of several key factors:

- Significantly reduced investment, maintenance, operating and capital renewal costs which have arisen following a detailed scheme review and optimisation process;
- The journey time improvements generated by the package produce Wider Impacts valued at an estimated £13.031m PVB (2002 prices) over the appraisal period (agglomeration benefits of £4.329m, labour market impacts of £1.327m and benefits of increased output in imperfect markets, £7.375m). Wider Impacts were not included in the MSBC BCR (of March 2010);
- Carbon savings have increased from £1.603m to £4.069m as a result of the new higher values of carbon; and
- Reliability benefits, which were not included in the MSBC BCR (March 2010), are estimated at £37.020 million (PVB, 2002 prices).

Key non-monetised benefits include:

- Major beneficial impacts on Journey Quality. Modern vehicle designs with good heating, ventilation, seating, luggage space and ride quality will improve traveller care and the provision of better travel information, while real time public transport information, and improvements in personal security, will reduce stress for travellers. Operation and ease of use of the public transport system will be improved by creating new direct journey opportunities with new rapid transit routes as well as providing greater interchange opportunities with the remainder of the public transport network and other modes;
- Option Values: The NFHP will increase the transport options available to approximately 18,400 existing households in the sub-region; and
- Physical Fitness: The NFHP will improve facilities for pedestrians and cyclists alongside the rapid transit routes and within the City Centre, encouraging increased levels of walking and cycling.

The full assessment is contained in **Appendix C**.

In addition, since submission of the major scheme bid the West of England authorities have commissioned consultants to estimate the Gross Value Added (GVA) of the major scheme programme in the sub-region in terms of contribution to economic performance directly enabled by the revised central case, and the results of these studies are outlined in the **Strategic Case** overview report.

The NFH Package would make a significant contribution to maintaining and increasing employment in the sub-region by improving transport links between the North and East Fringe, Bristol City Centre and Hengrove Park. The North Fringe and Bristol city centre already comprise the most significant employment areas within the South West; the scheme would provide links to priority employment generation areas in the North/East Fringe and South Bristol, which aim to provide over 23,000 new jobs by 2026. Further jobs creation across the area would be supported through the wider benefits of the rapid transit network, contributing to the forecast 72,000 new jobs by 2026 set out in the councils' core strategies.

3.3 What impact, if any, would the proposed changes have on the statutory orders or permissions required or the timetable for obtaining these?

For example would fresh planning consent need to be sought?

To reduce the risk to timetable and delivery, both promoting authorities have already secured Member approval to commence statutory procedures; negotiations with some land owners have started and Requisitions for Information issued to owners in the North and East Fringe. The proposed scheme would require statutory powers, planning permissions and the acquisition of land; the latter through negotiation, but with use of Compulsory Purchase Powers if needed.

3.4 What are the procurement arrangements for the revised scheme and what, if any, changes have been made from the arrangements or timetable proposed for the original scheme? For example would any retendering be required? Have you supplied details of your procurement strategy and arrangements to the Department?

The authorities have developed a **Joint Procurement Strategy**, which has been

submitted as part of the **Strategic Case**. Key aspects of the Joint Strategy include:

- ‘Alliance Charter’ - all the parties sign up to an overarching agreement providing for a common approach for the design, construction and implementation of the Rapid Transit schemes.
- Package Approach to construction procurement - put design and construction where best placed to manage costs and reduce risks through Design and Build and Task Order Packages.
- Area wide smartcard ticketing building on established procurement processes.
- Merge major scheme procurement with renewal of existing joint frameworks.
- Area wide Quality Partnership Scheme (QPS) approach to Rapid Transit services incorporating appropriate, targeted contract arrangements.

The Joint Procurement Strategy uses a programme level approach to procurement to maximise delivery economies and efficiencies. The strategy comprises of three main procurement elements; infrastructure, rapid transit and feeder bus operations and ticketing.

The Joint Procurement Strategy has guided the development of the outline procurement strategy for the NFH Package; its application to this scheme is described below.

Infrastructure

- Design - use of the Council's in-house design teams and Regional Improvement and Efficiency Programme (RIEP) framework;
- consultants already procured under existing frameworks;
- Main works (including the City Centre, SGTL) - use of existing and forthcoming term/framework contractors;
- Motorway junction - use of the Highways Agency Asset Support Contract;
- Network Rail Stoke Gifford Transport Link over-bridge – procurement route pending outcome of on-going dialogue with Network Rail;
- Avon New Cut Bridge - procured through design & build contractors as part of a programme wide structures design and build package of works;
- Hardware & systems such as traffic signals, shelters, RTPI, CCTV – procured through existing and replacement framework contracts including use of the Direct Labour in-house pool of resource;
- Infrastructure maintenance and vehicle recovery - procured through existing (replacement) Framework contracts.

Rapid Transit and Feeder Bus Operations

A Quality Partnership Scheme covering the rapid transit network (and feeder services) would provide the overarching standards for all operations across all the

local authorities. The NFH Package services would primarily be provided through a Statutory Quality Partnership Scheme [SQPS] with one or more operators.

Building on our proven track record through the Greater Bristol Bus Network [GBBN], branding, vehicle and service standards, fares and frequencies will be set out in the SQPS, with an emphasis on commercial operation of the network as demonstrated through forecast patronage levels. Where applicable, this approach will be augmented by targeted revenue support from either council or third party sources where services need initial pump-priming to maintain service levels.

The provision of rapid transit services for the NFH Package will be fully complement those for the Ashton Vale - Temple Meads and South Bristol Link routes, including promotion of high profile interchanges and initial, selected use of cross-subsidisation of routes where appropriate.

Since submission of the Expressions of Interest in December 2010, the councils have pro-actively engaged with potential operators of the rapid transit network including an Operator Engagement Day in July 2011. This has demonstrated strong interest in the proposals and a willingness to engage further.

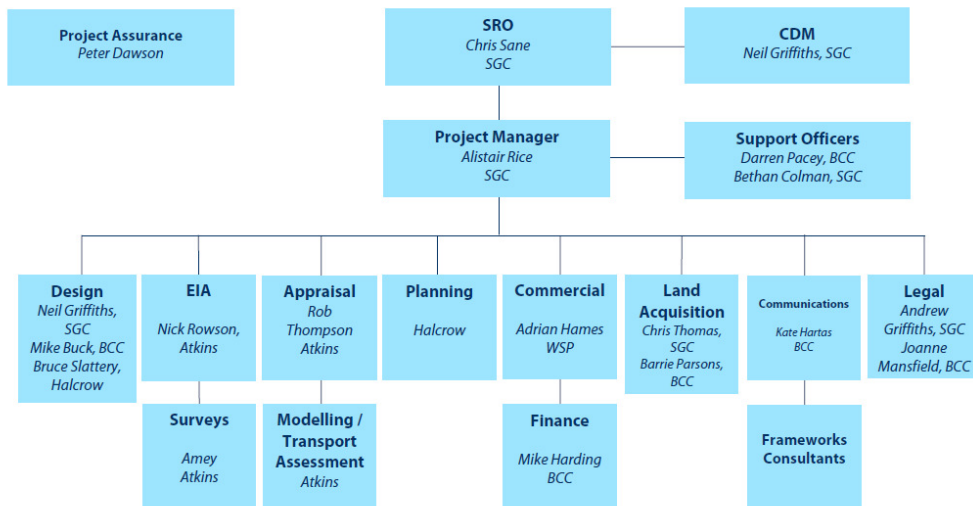
Ticketing

The ticketing strategy is in line with the DfT guidance by seeking to build upon the existing ITSO ticketing architecture via the sub-regional technological platform Host Operator Processing System (HOPS) and Card Management System (CMS). This is already supported by all of the commercial and tendered service operators of the West of England. The strategy is to build on this further and incorporate EMV capability (EMV is the Europay, MasterCard and VISA - global standard for the inter-operation of contact and contactless credit and debit account transactions). By utilising a combination of both ITSO for interoperable ticketing products and smartcard payments via an E-Purse, with the convenience of EMV for single operator journey payment, the Strategy will provide the best solution for maximizing off bus transactions and reducing bus stop dwell times.

3.5 Please describe the internal / external expertise & skills that will be assigned to the project to allow for its effective delivery. *This should detail who / what roles will have overall responsibility for the project and what other skills will be available.*

The project is fully resourced and already mobilised with the necessary expertise to deliver a scheme of this nature. The project team uses a blend of internal local authority staff and external support with the appropriate skills and capabilities. The organisation chart below sets out the staff and organisations that are currently working on the NFH Package and in what capacity.

North Fringe to Hengrove Package – Project Structure



Senior Responsible Owner

The Senior Responsible Owner [SRO] is Chris Sane of South Gloucestershire Council; he represents both SGC and BCC in this context. Chris has wide-ranging experience in transport major schemes and is currently the SRO for the GBBN, as well as being the Strategic Head of Transport for South Gloucestershire.

Project Manager

For the NFH Package, the Project Manager is Alistair Rice from SGC. Alistair is currently the Project Manager for the North and East Fringe NFH Package scheme components. Prior to joining South Gloucestershire in 2010, Alistair had responsibilities for several major scheme bids in North Somerset (the A38-A370 Link Road, Weston Package and South Bristol Link). Through Alistair's involvement on the NFH Package, he is well placed to draw on his experience of scheme development and appraisal as well as consultation, to provide the necessary project and programme management for this scheme.

Alistair will be supported by Darren Pacey (BCC) and Bethan Colman (SGC). Darren is currently the Project Manager for the M32, City Centre, New Cut Bridge and South Bristol scheme components; Bethan is managing the statutory planning processes and environmental assessment work for the North and East Fringe as well as providing project management support on the NFH Package. Darren and Bethan have been closely involved with workstream project management and technical aspects of the project since its inception in 2008.

Project Team

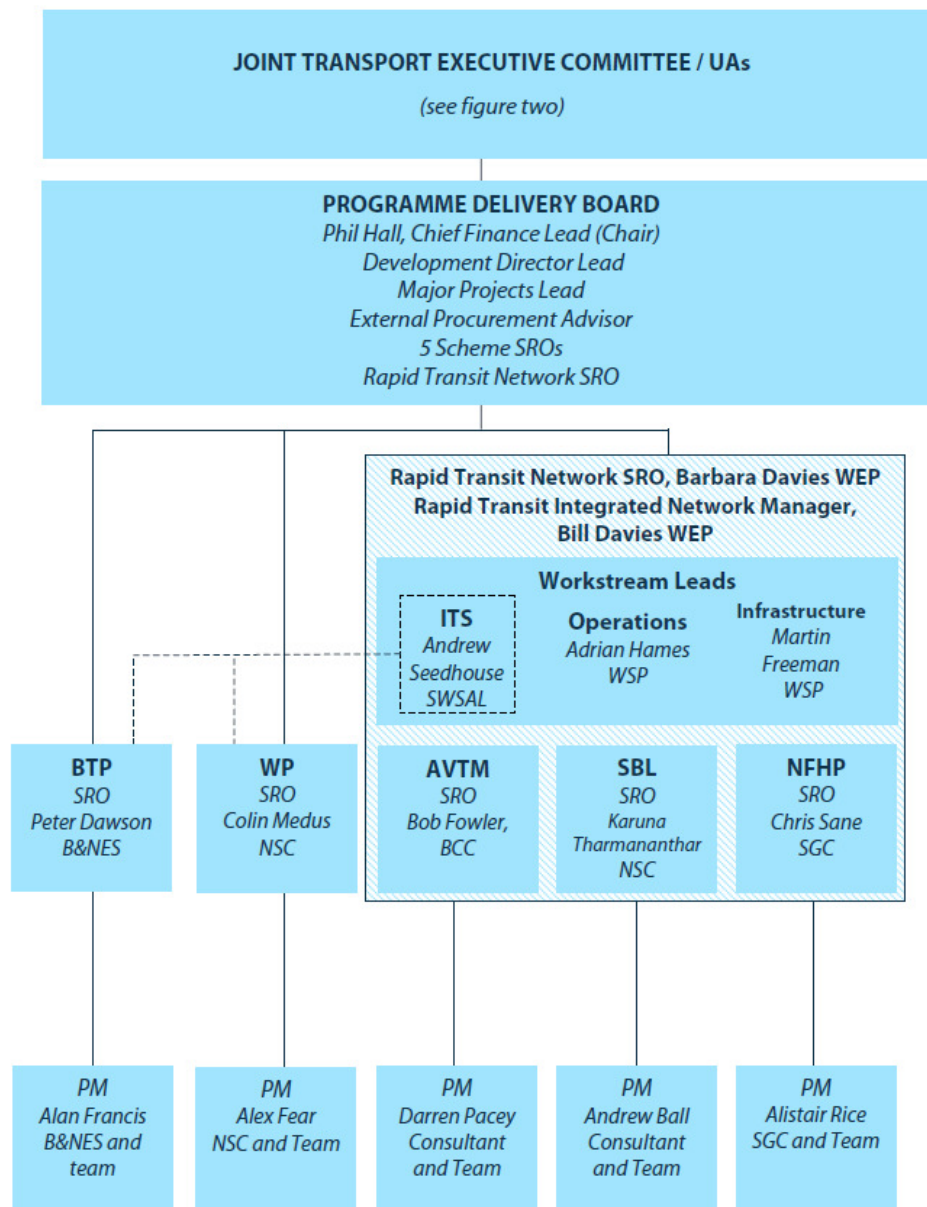
The Project Team includes nominated representatives from the Authorities and West of England Office as well as external advisors. The Project Team is the point of contact for information and liaison with colleagues within each particular organisation and a source of experience and connection to other organisations.

Project Team members are responsible for communications about the project within their own organisations.

The project team includes officers and consultants with experience of major schemes, such as the Avon Ring Road and GBBN, as well as JLTP and S106-funded capital and maintenance schemes. The same team has been working on the NFH Package since its inception and, hence, has developed an in-depth knowledge of the scheme.

The services of several consultancies have been retained to provide ongoing specialist support to the Project, namely:

- Atkins (strategic modelling, appraisal and environmental assessment);
- Halcrow (design, cost, risk, surveys, and detailed traffic modelling);
- Parsons Brinkerhoff (rail structure);
- Steer Davies Gleave (project management);
- WSP (procurement).



Programme Delivery Board

The councils, via the Programme Delivery Board [PDB], have put in place the structure (above) to resource project delivery and ensure consistency between the major schemes. Governance for the three rapid transit schemes is further strengthened through the provision of a Rapid Transit Network SRO and Integrated Network Manager. These posts will direct the promotion of the rapid transit network with a consistent set of vehicle, interchange and service standards, and co-ordinate integration between the new mode and the wider commercial, supported bus network and rail network, working closely with the scheme SROs, project managers and the public transport teams in the councils. In addition, the SRO and Network Manager will co-ordinate engagement with operators, service provision and procurement, ticketing and fares strategy.

3.6 Please supply a note setting out the governance arrangements for the scheme. *This should also link roles and responsibilities with accountability and arrangements for Reviews as appropriate.*

The creation of the Joint Transport Executive Committee [JTEC] in April 2009 brought together the four authority Executive Members with responsibility for transport in a forum legally constituted via a Joint Working Agreement. The governance and project arrangements for the scheme are shown below.

The Councils set the framework for policy and scheme development which is enacted by the JTEC with challenge and advisory roles provided by the Local Enterprise Partnership [LEP] and Joint Scrutiny Committee.

Meeting quarterly, one of the first actions of the Committee was to approve the governance arrangements, SROs and other key responsibilities across the major schemes programme. This has provided a consistent approach to the project management and governance across the major schemes.

North Fringe to Hengrove Package Governance Chart



Project Board

The Project Board (PB) is the group which guides and steers the direction of the scheme and is responsible for its delivery. The PB consists of representatives of the Authorities at sufficiently senior level to have the authority to act on behalf of their organisation. Representation of the Board is shown below. Meetings of the PB are linked to key milestones, where they consider highlight and exception reports, changes to the risk log and other key deliverables as defined in the Project Plan.

The PB nominates the Senior Responsible Owner (SRO) who is responsible for chairing Project Board meetings and providing guidance and direction to the Project Manager. The SRO ensures the scheme progresses in line with the Project Plan and that outputs and milestones agreed by the PB are achieved.

The Project Manager is responsible for delivering the project in line with the agreed controls and procedures set out in the Project Plan. The Project Manager reports to the SRO and PB. The primary focus of the Project Manager will be to define the Project Plan and to ensure that the project is delivered on time and within specification and budget, seeking additional authorities as necessary. The Project Manager is supported by the Project Team and its workstream leaders, who are responsible for delivering their scope of work to programme and budget.

3.7 What is the estimated start and completion date of the scheme as now proposed, taking into account any of the impacts described above?

For the purposes of this question assume that decisions on BAFB will be made in December 2011 and that no DfT funding will be available before 2012/13. Please complete the list of milestones below adding any additional ones where appropriate and setting out separate start and completion dates where there are separate elements in the schemes. Please enter "n/a" if not applicable rather than deleting lines.

Milestone	Expected Completion Date
Approval of BAFB from DfT	Dec 2011
Statutory Orders published	June 2012
Public Inquiry Starts	December 2012
Confirmation of Orders	July 2013
Complete Procurement <i>(include separate elements if appropriate)</i>	August 2013
Submit Full Approval application to DfT	September 2013
Work Starts on Site	December 2013
Work Completed	December 2016
<i>Significant intermediate milestones:</i>	
South Glos. Core Strategy EiP	March 2012
Draft Orders submitted to NULAD	January 2012
South Glos. Core Strategy Adopted	June 2012
Advertise Orders	June 2012
Opening / commencement of operations <i>(including phases of opening as appropriate)</i>	December 2016

3.8 What are the key risks to the delivery to this timetable, aside from the availability or otherwise of DfT funding?

Please list the biggest risks (ideally no more than three) that have a potentially significant impact on the timing of the scheme. For each risk please describe its likelihood, quantify the potential time delay, and explain how you are mitigating the risk including how risks are transferred as part of your procurement strategy?

The 3 main risks to the NFH Package programme are as follows:

- Delay in securing of requisite statutory powers;
 - Likelihood before mitigation - 'High' (maximum possible RAG score of 9);
 - Impact on programme – delay of up to 12-months;
 - Mitigation measures – close working with members to maintain cross-party political support, robust technical case in preparation for CPO Inquiry and for South Gloucestershire Core Strategy EiP, ongoing public and stakeholder engagement to maximise support;
 - Likelihood after mitigation - 'Medium' (RAG score of 6).
- Delay and/or failure to achieve permissions from Highways Agency for the new bus-only junction on the M32;
 - Likelihood before mitigation - 'High' (RAG score of 9);
 - Impact on programme – delay of up to 12-months;
 - Mitigation measures – maintain ongoing discussions with the network operators, undertake technical work to allay operator's concerns, Memorandum of Understanding with Highways Agency and technical work ongoing to respond to safety and operational issues
 - Likelihood after mitigation - 'Medium' (RAG score of 6)
- Delay and/or failure to achieve permissions from Network Rail (for SGTL bridge);
 - Likelihood before mitigation - 'High' (RAG score of 9);
 - Impact on programme – delay of up to 12-months;
 - Mitigation measures – Engagement letter received from Network Rail August 2011; Basic Asset Protection Agreement signed with Network Rail; ongoing negotiations with Network Rail in respect of design & build options and possessions;
 - Likelihood after mitigation - 'Medium' (RAG score of 6)

The scheme risk register is in **Appendix E**.

3.9 Please indicate the level of allowance you have made within your own budgets to cover the cost of scheme evaluation including your initial estimates of the costs of:

- a) full scheme impact evaluation**
- b) pre and post scheme opening monitoring reports**

The councils place a strong emphasis on scheme evaluation, both during and following delivery of the scheme. A robust package of performance indicators would be assessed, linked to the scheme objectives, against a clear set of targets including:

- Direct Indicators – patronage, reliability, passenger satisfaction;
- Indirect Indicators – decongestion, casualty reduction, cycling, rail patronage, carbon emissions and air quality; and
- Complementary Indicators – including assessment of economic impact and jobs creation

A budget of £150,000 has been identified to assess the impact of the NFH Package, comprising:

- a) Full scheme impact evaluation undertaken following scheme opening in late-2016 (~£135k);
- b) 1 pre- and 2 post-scheme opening monitoring reports, for 2013, 2017 and 2018 respectively (~£5k per report).

All evaluation and reporting will also be undertaken alongside, and with clear reference to, that for the Ashton Vale and South Bristol Link elements of the rapid transit network.

Please note that funding for scheme evaluation and monitoring will not be available from DfT.

SECTION 4: FUNDING FOR REVISED SCHEME PROPOSAL

This section is to detail the cost, revenues and funding requirements for your revised proposal as described in Section 2 above. Please quote all amounts in £m to three decimal points (i.e. to the nearest £1000)

4.1 What is your estimate of the total outturn cost of the revised scheme? *After taking into account all the proposed changes described in Section 2 above. Do not include any pre-Programme Entry costs. Please provide a breakdown of the total cost, split between different elements of the scheme and separately identify preliminaries, project management, risk and inflation. Please also provide your full cost breakdown as an annex.*

Scheme Cost Item (£-2010 unless stated)

Engineering Works	£50.909m
Land Costs	£11.637m
Site Supervision Costs *	£2.000m
Preliminaries	£5.109m
Part 1 Claims *	£3.766m
Sub-total	£73.421m
Preparatory Costs *	£5.110m
Project Management	£0.910m
Scheme Evaluation *	£0.150m
Inflation	£10.852m
Outturn Risk Budget *	£11.163m
Sub-total	£28.185m
Total	£101.606m

* Cost items funded from local contribution; all other costs shared between DfT grant and local contribution.

A full cost breakdown is provided in **Appendix B**.

4.2 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.

A range of assumptions were adopted for the different elements of the outturn investment and operating costs associated with the scheme. These are set against a general base inflation rate of 2.79%.

Investment Cost Inflation

Preparation, supervision and land costs – 2.79% pa

Engineering/construction up to and including 2014/15 – 2.79% pa

Engineering/construction post 2014/15 – 6.00% pa

Private Operator Investment Cost Inflation

(Costs associated with the purchase of new vehicles and their replacement)

Up to and including 2014/15 – 2.79% pa

<p>Post 2014/15 – 6.00% pa</p> <p><u>Renewal, Maintenance and Operating Cost Inflation</u></p> <p>Capital renewals up to and including 2014/15 – 2.79% pa</p> <p>Capital renewals post 2014/15 – 6.00% pa</p> <p>Maintenance costs up to and including 2014/15 – 2.79% pa</p> <p>Maintenance costs post 2014/15 – 6.00% pa</p> <p>Operating costs 2016 onwards – 4.5% pa</p>	
<p>4.3 Please provide a breakdown of the proposed funding sources for the scheme</p>	
<p>(a) Local Authority contribution</p> <p><i>This needs to cover the difference between the total cost of the scheme as stated above and the total of the requested DfT and agreed third party contributions. It should include the LA costs incurred or expected to be incurred after Programme Entry excluding ineligible preparatory costs as defined by previous guidance. Where a local authority is promoting more than one scheme, please detail the level of contribution required if all schemes are successful as part of this funding process. Please do not include the cost of any Part 1 Claims.</i></p> <p>Bristol City Council is promoting 3 schemes. Details of its contribution to each are as follows:</p> <p>Ashton Vale to Temple Meads (BCC Lead) Bristol City Council's total financial contribution is £11.890m (exc. Part 1). This will be funded from Business Rate Supplement; Workplace Parking Levy, Local Transport Plan or Community Infrastructure Levy.</p> <p>North Fringe to Hengrove Package (SGC Lead) Bristol City Council's total financial contribution is £19.485m (exc. Part 1). This will be funded from Business Rate Supplement; Workplace Parking Levy, Local Transport Plan or Community Infrastructure Levy.</p> <p>South Bristol Link (NSC Lead) Bristol City Council's total financial contribution is £8.470m (exc. Part 1). This will be funded from Business Rate Supplement; Workplace Parking Levy, Local Transport Plan or Community Infrastructure Levy.</p> <p>If all three schemes are successful, Bristol City Council's total local contribution will be £39.845m (exc. Part 1), £40.800m (inc. Part 1). Bristol City Council propose to contribute a minimum of £5.000m from its own resources and will raise the balance of the local contribution of £35.800m (including Part 1) from either a Business Rate Supplement or from a Workplace Parking Levy focussed on central Bristol. Further explanation is provided in section 4.10.</p>	<p>£31.903m outturn (excluding Part 1, £34.737m including Part 1)</p>

<p>(b) Agreed third party contributions <i>Please name each contributor on a separate line and provide evidence of agreement (e.g. a letter from the funder outlining the degree of commitment, timing for release of funds and any other conditions etc). Note: you will be required to underwrite all third party contributions should these not materialise.</i></p> <p>The anticipated 3rd party contributions are categorised below; more information and evidence of commitment is provided in Appendix D. This information is provided to DfT in confidence and not for publication, as it contains some information that is, or will be subject to, negotiations with third parties or is currently commercially confidential; hence, Appendix D will not be published on the Travel+ website.</p>	
	£-outturn
S106 obligation received by local authority	£2.043m
S106 complete, development commenced	£4.249m
Heads of S106 agreed in principle	£3.732m
Concept master-planning and negotiations ongoing	£0.731m
Concept master-planning started	£4.742m
Windfall sites	£0.271m
Sub-total (including Part 1)	£15.768m
Total (excluding Part 1)	£14.037m
<p>(c) DfT funding requested <i>You are reminded that, as set out in the document "Investment in Local Major Transport Schemes" the risk layer cost sharing mechanism is being discontinued and the figure you enter here will, if accepted, be the maximum funding that DfT will provide for the scheme. If you wish eligible preparatory costs (as defined by previous guidance) to be paid these will need to be consolidated within this funding request.</i></p>	<p>£51.101m outturn</p>

4.4 What is the estimated funding profile.

Assume that no DfT funding will be available before 2012/13. Please specify the third party contributor(s) and list each one (if more than one) on a separate line. 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 total level of DfT funding will be fixed, profiles across years may be subject to further discussion and agreement. Please do not include the cost of any Part 1 Claims.

The funding profile shown below is based on that submitted for the EoI, which sought to maximise DfT contributions in the current CSR period ending April 2015. This profile enables the local authorities to maximise both their contribution and that from third parties and, hence, has been retained for the BAFB. Please see Appendix D for details of the third party contributions.

The forecast over-commitment of the DfT's budget in 2013/14 is noted, so the extent to which the local authorities can be flexible is described in Section 4.6.

Pre-Programme Entry costs incurred by the authorities to December 2011 are excluded. Anticipated Part 1 Claims (£4.566m outturn) are excluded, but form part of the Quantified Cost Estimate (Section 4.1).

£m outturn	Pre 2011/ 12	2011/ 12	2012/ 13	2013/ 14	2014/ 15	2015/ 16	2016/ 17	2017/ 18		Total	%
LA contribution		0.650	1.944	1.854	4.400	20.100	2.893	0.062		31.903	33%
Third Party contribution		0.000	1.444	1.554	6.084	3.803	1.090	0.062		14.037	14%
DfT funding requested		0.000	0.000	14.488	30.601	3.022	2.990	0.000		51.101	53%
TOTAL		0.650	3.388	17.896	41.085	26.925	6.973	0.124		97.041	100%

4.5 If any DfT funding were available in 2011/12 would you be in a position to reach Full Approval and begin claiming such funding and if so how would your funding profile change?

(If appropriate please set out a funding profile similar to that in section 4.4)

No.

4.6 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.

Through programme management, the West of England authorities are well placed to provide flexibility in the delivery of the schemes, drawing upon local funding sources to best fit with the DfT's budgetary position. The authorities would be happy to discuss funding issues with the DfT should the need arise.

4.7 Please set out the efforts you have undertaken to obtain (additional) third party funding and, where appropriate, why it is not available.

Secured and anticipated contributions from developments in the North/East Fringe and South Bristol have been pooled to contribute towards the scheme. The 3rd party contributions identified in Section 4 already amount to 16% of the funding and have been achieved in an economic environment that remains challenging for developers. Hence, the level of contributions sought from S106 obligations have to be at a level that does not prejudice the viability developments and the delivery of jobs and homes.

A description of the funding options considered by Bristol City Council, including third party funding, is contained in Section 4.10.

4.8 Please supply details of likely revenue generated, any ongoing revenue liability associated with the operation of the scheme (other than routine maintenance) and how you intend to fund it. If revenues fall short of those forecast (especially in the early years after implementation) how will these be funded? *(This is of particular relevance to public transport schemes but could apply to package schemes.)*

Patronage forecasts indicate that the fare-box revenues from the established rapid transit network will exceed operating costs. Once patronage has had time to stabilise following scheme opening, fare-box revenues for the NFH Package rapid transit routes are forecast to be approximately £8.4 million per year (2016 prices), with an operating surplus of approximately £1.6 million per year (2016 prices). This level of return is expected to be attractive to private sector operators.

The revenue forecasts take account of both initial growth in patronage following scheme opening and the build out and completion of subsequent housing and employment developments. In the short term (prior to forecast revenue surpluses) this may, however, result in a need for a combination of measures to pump-prime appropriate frequencies including:

- initial cross-subsidy from routes with higher patronage;
- re-structuring of existing revenue-supported networks (necessary in any event as part of the delivery of the rapid transit network);
- use of agreed revenue contributions from development sites served by the network.

The revised scheme demonstrates a stronger commercial case from the private sector bus operators' point of view (when compared to the MSBC Central Case). Rapid transit revenues have been maintained at a reasonably high level, as the service remains attractive given its extensive geographical coverage and the level of bus priority infrastructure provided. At the same time, the revised scheme includes an optimised service pattern which reduces over-provision of capacity and therefore reduces private sector operating costs.

The authorities have or will have secured S106 contributions from for pump-priming public transport services from development sites that would be served by the NFH

Package; in the event that network operating costs are not covered by income in early years, these would be used to support services.

4.9 Please detail any other funding information you think to be of relevance to the bid

(For example other costs or revenue risks etc being taken by the local authority or other parties but not included within the funding table above.)

To compress the time required to secure Full Approval, the local authorities have already committed significant funding to tasks that would, under normal circumstances, been undertaken post-Programme Entry; these include detailed design for planning applications, starting of statutory processes and habitat, topographical and geotechnical surveys. The value of this work is not now formally recognised in the BAFB appraisal, but does illustrate the authorities' commitment to the NFH Package.

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

Explain where local contributions are dependent on a particular source of income and contingency plans if that income is not forthcoming. Please also include any contingency plans for meeting third party costs that fail to materialise.

Section 5 of the **Strategic Case** describes the programme level financial strategy; South Gloucestershire and Bristol City Councils have different mechanisms for the funding of the NFH Package, which are described in the following paragraphs.

South Gloucestershire Council

The details of the South Gloucestershire Council local authority are described in **Appendix D**; given that these are subject to ongoing negotiations, these are provided to DfT in confidence and not for publication at present. In the event that either these sources of funding are not forthcoming or are delayed, the use of income from New Homes Bonus and/or prudential borrowing would be considered.

Bristol City Council

Section 4.3 sets out Bristol City Council's contribution to NFH Package. It is proposed that a portion of the scheme costs will be funded through a share of its Local Transport Plan and Community Infrastructure Levy resources (standing at £5.000m across AVTM, SBL and NFHP) and through a Business Rate Supplement or a Workplace Parking Levy used to raise the balance of the local contribution (standing at £35.800m across AVTM, SBL and NFHP, including Part 1). Further detail on these two options on these two options is set out below.

Because of the impact either of these options might have on businesses in the city, early discussions were held with business representatives and some initial feedback was sought from the business sector by way of seminars arranged to explain the funding position and options being explored. It is clear from this that further work is needed to establish the impact on different kinds of business in various parts of the city for both BRS and WPL options, but the most significant challenge from business is that it should not be charged with finding all the potential Bristol contribution but that the Council should look again to allocating more of its own resources to the major schemes.

From the other options considered, a combination of funding from the Council's own Local Transport Plan and future anticipated Community Infrastructure Levy resources

of £5 million would be set aside. Over the period of the funding the Council will use all reasonable endeavours to identify other funding to minimise the overall requirement.

It is proposed that the balance of the local contribution is raised from either Business Rate Supplement (BRS) or a Workplace Parking Levy (WPL). For example, based on £37m being required (as per the Bristol City Council Cabinet Report dated 1 September 2011) this equates to 19% of the total project costs for the three schemes and 45% of the £83m local contribution for the three major schemes across the West of England. Indicative figures from the Public Works Loans Board indicate that around £2.6m per annum would be required to repay this amount over a 25 year period. Repayments over 20 and 15 years would require annual repayments of £3m & £3.6m respectively. The earliest that any BRS or WPL would be levied is 2015.

The Bristol City Council Cabinet report on funding of the rapid transit options was endorsed by the Bristol City Council Cabinet on 1 September 2011 subject to call-in. It was recommended that BRS and WPL are taken forward for further development alongside a contribution of £5m taken from the Local Transport Plan and Community Infrastructure Levy.

SECTION 5: STAKEHOLDER MANAGEMENT

5.1 Consultation

Please provide a brief overview of the consultation you have undertaken to date with

- (a) the public,*
- (b) statutory environmental bodies and*
- (c) other stakeholders;*

*This should include dates detailing when consultation was carried out
Please also summarise any further consultation you plan to undertake.*

Strategic Engagement

Working under the Travel+ brand the authorities, together with the Local Enterprise Partnership, have continued to build on the high level of public and stakeholder awareness across the major schemes programme.

Joint information leaflets, meetings and events have helped the public and stakeholders to understand the linkages between the schemes, the importance they have to supporting the future growth of the area, and the promotion of consistent messages.

Each SRO has developed a scheme specific communications strategy to manage contact with local public and stakeholders to their scheme. These are shared via the PDB and West of England Joint Communications Officer ensuring that the interrelationship between the schemes is not forgotten, duplication is avoided and no gaps are left.

There has been widespread, cross-party support for the NFH Package scheme.

(a) Public Consultation

Full public consultation on the NFH Package was undertaken in winter 2009/10. There was widespread support for the NFH Package and one specific outcome, whereby the route of the North Fringe rapid transit was extended from Aztec West to terminate at The Mall.

There remained a number of minor outstanding design issues in the city centre and South Bristol and M32 areas following the 2009/10 consultation and, hence, meetings have been held with representative groups, particularly the Neighbourhood Planning Network, Bristol Chamber of Commerce, other city centre business groups and allotment gardeners/smallholders/local residents in the M32 area to resolve these.

Information leaflets on all the West of England major transport schemes were published in June 2011; that for the NFH Package was incorporated into an over-arching rapid transit leaflet. The leaflets were published via authority websites and advertised in other council outlets; in addition, copies were sent to direct Members, key stakeholders and members of the public who had expressed an interest during the winter 2009/10 consultation.

Further community engagement will be undertaken as part of the pre-application

processes for scheme components that require planning consent in 2012. A detailed involvement strategy has been prepared across the NFH Package. For the SGTL, this would be co-ordinated with the community engagement for the East of Harry Stoke New Neighbourhood SPD.

(b) Statutory Environmental Bodies

The first meeting (held in conjunction with the South Bristol Link project) was held with the statutory environmental bodies (SEBs) on 12th August, with further meetings to be undertaken on a regular basis during scheme development. The meeting briefed the SEB's on all relevant elements of the NFH Package with the key issues identified. The SEB's were very supportive of our work to obtain their buy-in by engaging with them at this early stage.

(c) Other Stakeholders

The councils have been meeting with key delivery partners, including Network Rail and the Highways Agency; these will continue. A letter confirming Network Rail's position is appended in **Appendix F**.

The councils have maintained contact with businesses served by the scheme and, in conjunction with the LEP, have sought their estimates of the benefits in respect of growth and jobs. The continued support of the business community for the scheme is important and, hence, the authorities (with the LEP) will continue to seek their views as the scheme develops.

The owners of land required for the scheme and those owning land adjacent to it have been contacted and updated on progress with the scheme. Most land owners have already granted access to their land so that habitat and species surveys can be undertaken.

There are a range of other stakeholders that we continue to engage with on a periodic basis in accordance with the wider needs of the project. This will remain ongoing through scheme delivery, at key milestones, and in particular, during the run up to the Public Inquiry in late 2012. This will include elected representatives, utility companies, emergency services, developers and special interest groups.

A public and stakeholder involvement plan has been produced for the various project phases to guide it through to the start of construction.

5.2 Letters of support

Please append any letters of support explaining strategic importance of scheme especially from the Local Enterprise Partnership and business groups.

These should detail, where possible, the particular outcomes they believe the scheme will deliver. Where a LEP includes more than one scheme it will be important that they differentiate between schemes, and prioritise if possible.

We have over 100 letters in support of all the five West of England schemes.

These include the Local Enterprise Partnership, Business West, the CBI, Bristol Airport, Forum for the Future, North Bristol Sustainable Commuting Partnership, Bristol Zoo, SETsquared, HFT Trust Ltd, Quantum Science Park, Elizabeth Shaw Chocolates, Hotel du Vin, Bristol City FC, architects Stride Treglown, the SS Great

Britain Trust and the new National Composites Centre.

In addition, we have 13 letters in support of the rapid transit network that this scheme forms part of including from the University of the West of England, Goodman, Savell Bird & Axon (owners of Cribbs Causeway shopping centre) Bristol Rovers FC, Cater Business Park Traders Group, Highridge Neighbourhood Forum, Better Transport Links 4 South Bristol, Withywood Community Forum, South Bristol Business Group, Cllr Collinson on behalf of constituents in Barrow Gurney, Flax Bourton, Backwell and Brockley.

Letters in support of the network from a number of potential operators are attached (First, Stagecoach, National Express and Go Ahead).

All the above letters are appended to the **Strategic Case**.

As well as the Network Rail letter, letters of support for the NFH Package in particular are contained in **Appendix F** and are as follows:

- North Bristol SusCom (North Fringe employers)
- SPark (Science park, Emerson's Green)
- Goodman (Aztec West & Filton business parks)
- University of the West of England
- PRUPIM (The Mall)
- Bristol Rovers Football Club
- Bristol Zoo (at Cribbs Causeway)
- Crest (Harry Stoke developer)
- HF Trust (Emerson's Green)

5.3 Opposition

Please describe any significant opposition to the proposed scheme, the reasons for this opposition and how you are dealing with their concerns?

Please describe any mitigation measures you have included in your plans in response to these concerns.

The proposed bus only junction on the M32 has been raised as a limited issue locally in respect of the impact to the Stapleton small-holdings/allotments and the perceived traffic impacts on local roads. As well as our significant previous consultation, we undertook four drop-in sessions for interested local residents, small holders and allotment gardeners in July and August 2011 to understand the concerns of these parties and to ensure that we presented all the facts of the revised scheme which, as previously mentioned, does not now include a new Park & Ride site on the M32.

The effect on the allotments will be minimal with all allotments being relocated within the existing site. New facilities and all moving of the allotments will be provided for the allotments from the scheme budget. This will include new gardening haul roads, security fencing, environmental screening, water/electricity supplies, meeting huts, additional storage and the like. The number of smallholders likely to be moved has been considerably reduced within the revised scheme. However, the scheme budget does include provision for land acquisition for

alternative sites for smallholders. Additional environmental screening and landscaping will be used to minimise the visual impact of the bus only junction.

Only buses meeting our quality standards will be able to use the M32 bus only junction. We will not be adding to the traffic levels in the area, but hope to decrease it given that buses will help to promote a shift in mode from cars to buses. However, we are proposing to improve the Frenchay Park Road/Stoke Lane junction with new signals (including additional lane capacity and pedestrian crossings) and signal the access to the bus only junction. This will help to ease the existing congestion problems at the Frenchay Park Road/Stoke Lane junction as we will be able to control it better, especially during the peak hours when congestion occurs.

SECTION 6: ADDITIONAL INFORMATION

6.1 Please add any additional information that is relevant to your Best and Final Funding Bid that is not covered elsewhere in the form.

The **Strategic Case** overview provides further detail on the strategic context and the way in which the authorities will develop, procure, deliver and fund the schemes, deriving additional benefit at the programme level. Key points include:

- The schemes are closely aligned with the Area's forecast to deliver 72,000 new homes and 74,000 new jobs by 2026.
- The schemes directly serve the Local Enterprise Zone, Enterprise Areas and other major employment sites which are expected to deliver 60,000 new jobs by 2026.
- By improving connectivity between businesses, and between businesses and their workers, the schemes are forecast to deliver £356m of Gross Value Added (2010 prices), a £1.10 GVA return on every £1 of transport investment.
- The Area has well-established governance arrangements built around a Joint Transport Executive Committee and a track record for delivery. This Committee is being integrated into new LEP structures involving business.
- The authorities are developing a programme level approach to procurement and risk management to drive down cost and increase delivery certainty.
- The programme is also sufficiently flexible to complement national priorities and the availability of funding.
- The authorities are committed to bringing forward these schemes and have an innovative, coordinated funding package to provide significant local contributions to ensure they are delivered.

The appendices referred to in this BAFB form are:

- A. Revised scheme drawings;
- B. Revised scheme detailed costings;
- C. Revised scheme Value for Money;
- D. Local and third party contributions (not for publication);
- E. Risk Register;
- F. Letters of support.

6.2 Please provide details of any other information that has been submitted to the Department since January 2011 that forms part of your submission *(This should include name of the document and date of submission.)*

Document Title	Date Submitted in 2011	Location on Promoter Website
a) SBL / NFHP Transport Data Collection Report	8 September	
b) NFHP Highway Local Model Validation Report	8 September	
c) NFHP Public Transport Assignment Model Development Report	8 September	

d)	NFHP Demand Model Development Report	8 September	All files located at: http://travelplus.org.uk/ (unless not for publication)
e)	DfT Engagement – Modal Constant Assumptions	8 September	
f)	DfT Engagement – Annualisation Factors Review	8 September	
g)	DfT Engagement – Matrix Methodology	8 September	
h)	DfT Engagement – Proposals for Treatment of Wider Impacts	8 September	
i)	DfT Engagement – Do Minimum MSB Schemes and Sensitivity Tests	8 September	
j)	NFHP Forecasting Report	8 September	
k)	Local Partnerships Gateway Review 1: Business Justification Gateway Review (not for publication)	8 August	
l)	DfT Interim Proforma June 2011	23 June	

Notes:

BAFB Form and Link to the 5 Case Model

The following section provided to bidders to detail which elements of the form relate to the 5 cases used in decision making.

Case	Elements of the BAFB Form
Strategic Case	1.1, 1.2, 1.3, 1.5, 2.1,2.2, 2.4, 2.5, 3.1, 3.2, 5.1, 5.2, 5.3
Financial Case	1.4, 2.2, 2.3, 2.4, Section 4
Economic Case	3.2 (and Appendices)
Management Case	3.3, 3.5, 3.6, 3.7, 3.8, 5.1, 5.3
Commercial Case	3.4, 3.5,3.7,3.8