



Unlocking Pinch Points - Growth without Gridlock in Kent

North Farm Improvements

Local Pinch Point Fund Application Form





Source: Photos were taken by Jacobs Engineering Consultancy for developing Tunbridge Wells and Tonbridge LMVR



Preface

I am delighted to submit this bid for Local Pinch Point Funding. In Kent we are passionate about delivering growth and boosting both the local and regional economies while positively contributing to the wider national picture. We fully recognise the vital role transport can play in unlocking potential growth and as such welcome this opportunity to fund projects currently holding up the delivery of jobs and homes across Kent.

North Farm Estate is a successful retail and industrial area. It's main access however is via an extremely congested road network which is currently preventing any further development at this key employment site. Our proposal is to relieve this pinch point which will not only improve the situation for existing retailers, but more importantly will open up the opportunity to deliver 10,000 square metres of industrial space.

Our proposal is fully aligned to Kent's Local Transport Plan and 20 year transport delivery plan, ***Growth without Gridlock***, our economic strategy and the South East LEP's agenda for economic growth. As such I commend it to Government.

A handwritten signature in black ink that reads "Bryan Sweetland". The signature is written in a cursive, flowing style.

Bryan Sweetland
Cabinet Member for Environment Highways and Waste

Checklist

SECTION A		Section/Page
A3	Have you appended a map?	Section A3/ p8,9
A6	Have you included supporting evidence of partnership bodies' willingness to participate in delivering the bid proposals?	Appendix A/ p36
A7	Have you appended a letter from the relevant LTB(s) / LEP(s) confirming the priority of the proposed scheme?	Appendix B/ p37

SECTION B		
B4	Have you enclosed a letter from an independent valuer to verify the market value land if land is being included as part of the non-DfT contribution towards scheme costs?	N/A
B4	Have you enclosed a letter confirming the commitment of external sources to contribute to the cost of the scheme will be required?	Appendix C/ p38
B6	Have you provided a completed Appraisal Summary Table in a format readable by Excel 2003?	Appendix F/ p46
B6	Have you provided a completed Scheme Impacts Pro Forma in a format readable by Excel 2003?	Appendix D/ p39
B6	Have you provided relevant supporting material – and for large schemes – a WebTAG compliant bid?	Appendix E/ p40
B7	Have you attached a joint letter from the local authority's Section 151 Officer and Head of Procurement confirming that a procurement strategy is in place that is legally compliant and is likely to achieve the best value for money outcome?	Appendix G/ p47
B8	Has a letter been appended to demonstrate that arrangements are in place to secure the land to meet the construction milestones?	No
B8	Has a Project Plan been appended to your bid?	Appendix H/ p48
B11	Has a QRA been appended to your bid?	Appendix I/ p50
B11	Has a Risk Management Strategy been appended to your bid?	Same as above

SECTION D		
D1	Has the SRO declaration been signed?	Section D1/ p35
D2	Has the Section 151 Officer declaration been signed?	Section D2/ p35

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Tunbridge Wells Borough Council ©

Applicant Information

LOCAL AUTHORITY NAME

Kent County Council

BID MANAGER NAME AND POSITION

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WEBLINK FOR PUBLISHED BID

www.kent.gov.uk/transportfunding



Source: Kent County Council

Section A -

PROJECT DESCRIPTION AND FUNDING PROFILE

A1. PROJECT NAME

North Farm Improvements

A2. HEADLINE DESCRIPTION

The proposed scheme aims to improve existing highway capacity by:

- Widening Longfield Road between Dowding Way Roundabout and the A21 Roundabout
- Introducing a new roundabout at Kingstanding Way/Longfield Road junction
- Introducing a new roundabout to replace T-junction at Knights Park /Longfield Road junction and
- Providing a gyratory style junction at Great Lodge/Longfield Road junction.

Without the £3.5m of the Local Pinch Point Fund investment, the proposed scheme will be unable to generate £53.9m of traditional economic benefits, safeguard existing jobs and deliver £25.2m per year of wider economic benefits.

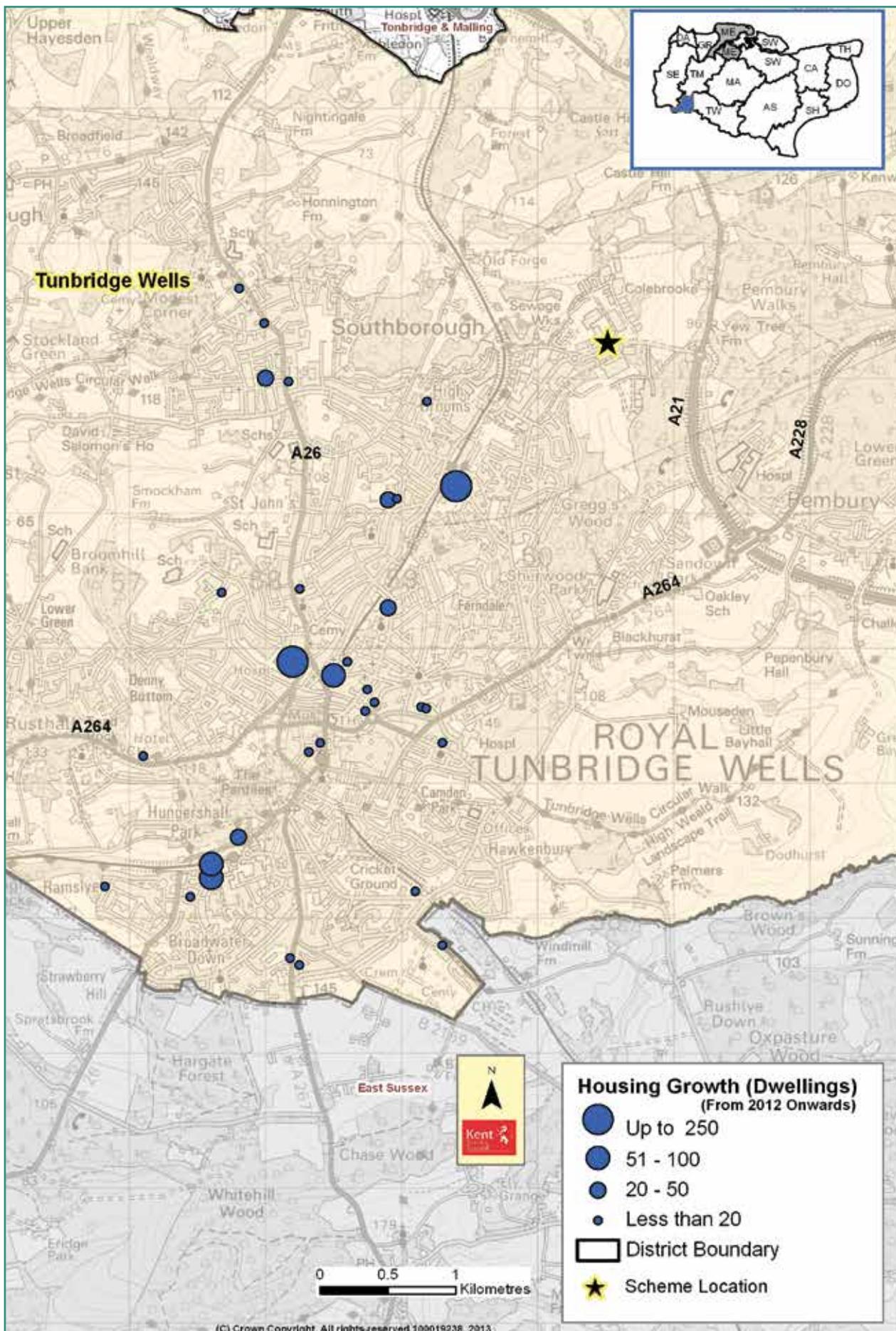
A3. GEOGRAPHICAL AREA

The proposed scheme is located within North Farm Commercial Estate, which is a major out of town shopping area and strategic employment site, around two miles from Royal Tunbridge Wells. North Farm Estate is connected with the A21 through Longfield Road, and is used as a through route for traffic travelling from the A21 into Royal Tunbridge Wells. Longfield Road is currently restricted to a single carriageway road, with a series of traffic signal junctions. **Figure A.1** and **Figure A.2** below illustrate the location of the proposed scheme and its links with the surrounding road network.

OS Grid Reference: X 560624 Y 142301

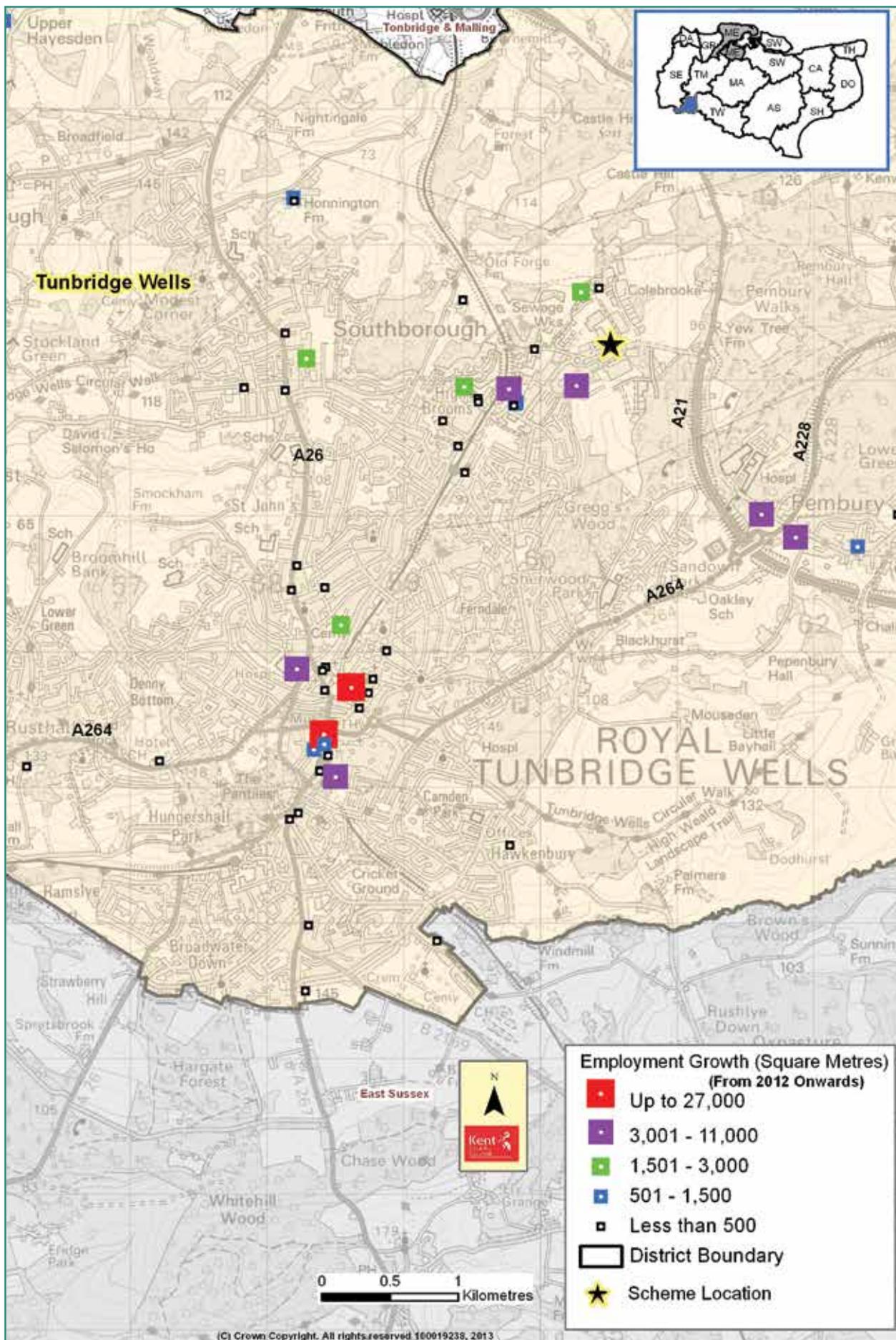
Postcode: TN2 3EY

Figure A.1 Potential Housing Growth and Proposed Scheme



Source: KCC Research and Evaluation, March 2012 allocated and permitted development within affected area, South East Plan 2009.

Figure A.2 Potential Employment Growth and Proposed Scheme



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Source: KCC Research and Evaluation, March 2012 allocated and permitted development within affected area, South East Plan 2009.

A4. TYPE OF BID

Small project bids (requiring DfT funding of between £1m and £5m)

Scheme Bid Structure Maintenance Bid

Large project bids (requiring DfT funding of between £5m and £20m)

Scheme Bid Structure Maintenance Bid

A5. EQUALITY ANALYSIS

Has any Equality Analysis been undertaken in line with the Equality Duty?

Yes No

A full Equality Impact Assessment has been completed for the Tunbridge Wells Borough Council 2012 Transport Strategy, with the proposed scheme being a key priority. An Equality Impact Assessment has not yet been carried out specifically for this scheme.

A6. PARTNERSHIP BODIES

A governance structure (given in **Section B10**) has been established to develop this bid that will fully involve the partnership bodies designing and delivering the works. It is our intention to manage the scheme through to completion via this governance structure. We shall work closely with **Tunbridge Wells Borough Council** building on our existing strong relationships with them in order to maximise the benefits of the investment to the local community and businesses in Tunbridge Wells and wider Kent.

Tunbridge Wells Borough Council has confirmed their support for this bid in writing. Their letter of support is attached to this bid as **Appendix A**.

A7. LOCAL ENTERPRISE PARTNERSHIP / LOCAL TRANSPORT BODY INVOLVEMENT

Have you appended a letter from the LEP / LTB to support this case? Yes No

Appendix B shows a support letter from the LEP.



Section B – THE BUSINESS CASE

B1. THE SCHEME - SUMMARY

- Improve access to a development site that has the potential to create housing
- Improve access to a development site that has the potential to create jobs
- Improve access to urban employment centres
- Improve access to Enterprise Zones
- Maintain accessibility by addressing the condition of structures
- Ease congestion / bottlenecks
- Help to unlock major development of more than 11,000 square metres of gross external floor area, 660 housing units and 10,000 square metres of vacant industrial floor area.

B2. THE STRATEGIC CASE

a) Problems, barriers to growth and reasons not been addressed previously

The proposed scheme exists in an area of Tunbridge Wells with a large potential for substantial employment growth. The Borough of Tunbridge Wells is **one of the least deprived areas in Kent**. This is demonstrated by the fact that this area has fewer than 17% of households living in poverty¹, the percentage of Job Seeker Allowance is 1.3% (in comparison with 2.4% for the South East) and 73.1% of people are economically active as shown in **Figure B.1** below. Tunbridge Wells has a high level of car use, with over 80% of households owning one car or more. The need for a car is evident in that 24% of the employed population of Tunbridge Wells **commutes over 12.5 miles to work** compared to the 13% England average². The overall impact of higher car ownership and longer commuter trips is severe congestion along many routes in the Borough of Tunbridge Wells during weekday peak hours and weekends.

Figure B.1 JSA Claimants and Economically Active Persons in Tunbridge Wells

Economic Activity Statistics	England	South East	Tunbridge Wells
% JSA Claimants	3.7%	2.4%	1.3%
% Economic Active (persons)	69.7%	72.1%	73.1%

* ONS, Census 2011 accessed 06 February 2013

North Farm Estate is a key commercial and industrial area in the Borough of Tunbridge Wells. The growing popularity of North Farm over previous years has led to an increased number of journeys to the commercial estate. Constraints on the existing road network in and around North Farm Estate are causing considerable delays in the morning and evening peak weekday journeys, as well as for weekend journeys. Consequently, more than 300 businesses located at the estate are losing

¹ KCC Statistics, November 2012

² Tunbridge Wells Borough Council Transport Strategy 2012-2024, consultation document, January 2013.

customers because they cannot get to these businesses. A working group has been set up specifically to deal with congestion related issues; this reflects that there is considerable willingness from the businesses to find a robust solution to congestion in the North Farm area.

North Farm Estate is designated as a Key Employment Areas in Tunbridge Wells Borough Council's Core Strategy (June 2010). It is safeguarded by Core Policy 7 which seeks to retain and encourage new floorspace on allocated and vacant sites, through intensification and redevelopment. The estate currently holds 30.5% of Tunbridge Wells Borough's vacant industrial floorspace; however, development is not able to come forward as a result of the existing constraints on Longfield Road and surrounding road network. For instance, the following local and wider development sites cannot be delivered until the congestion issues in and around North Farm Estate are fully resolved:

- Courier House development - blocking up to 60 new jobs
- Nando's restaurant – blocking up to 30 jobs
- North Farm Estate – more than 10,000 square metres of vacant floor area
- Dandra – 600 housing units and a primary school.

There have been challenges in securing potential highways funding through Section 106 agreements. For example, in some cases where planning applications have been sought for redevelopment on existing brownfield sites, trip rates for the proposed redevelopment are lower than that of the existing use and therefore it has not been possible to capture a pooled Section 106 Contribution.

Given that options for small scale mitigation measures have already been utilised, new developers and existing retailers are unable to fund the larger scale measures which are required to create additional capacity to the North Farm Estate's local road network. The willingness of retailers/developers to contribute land towards the proposed scheme for capacity improvements along Longfield Road is currently being investigated.

The combination of these problems has led to a shortfall in the funding required for the necessary improvements to Longfield Road. It is expected that in light of the problems experienced by businesses in North Farm as a result of the severe congestion along Longfield Road, businesses will contribute the land required for the proposed local road improvements. As a result, existing businesses in North Farm will not be expected to make a contribution towards the construction cost of the scheme. Whilst KCC has committed £1.5 million towards the cost of the scheme, this still leaves a shortfall of £3.5m required for the delivery of the scheme. The congestion along Longfield Road continues to be a barrier to the growth of North Farm commercial estate and a real opportunity to deliver new jobs is being missed.

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

A radical change in the existing road network in North Farm area is required to tackle the existing congestion problems in the area. Our modelling work³ considered the capacity problem on the local road network through North Farm Estate and proposed possible short and long term solutions. **Most of the short term solutions have already been implemented, but these solutions have had minimal impact in relieving congestion.** A list of short term solutions, which were implemented in 2012, is given below:

- Installation of CCTV cameras at Great Lodge/Longfield Road and Kingstanding Way/ Longfield Road, to react quickly to incidents
- Changes to traffic signal phases at the Great Lodge/ Longfield Road junction, to improve the junction's capacity
- Implementation of 'Keep Clear' markings at the Knights Park/ Longfield Road junction and at the Dowding Way/ Longfield Road roundabout.

The widening of Longfield Road and introduction of three new roundabouts is proposed as the best long term solution to address congestion problems in the North Farm area. **There are no alternative measures to the proposed Longfield Road improvements.**

c) GVA Benefits

The benefits of the proposed scheme are widespread, in filling in existing vacant floor area and opening up new development housing and employment sites (see **Figure A.1** and **Figure A.2**), supporting the economy of Tunbridge Wells and delivering new jobs in the borough. Existing businesses in North Farm Estate will be more competitive through improved access and their productivity will further grow, which will have positive impact on safeguarding existing jobs in the area.

Whilst the scheme offers substantial benefits in terms of job creation and safeguarding existing jobs at North Farm Estate, the scheme will also improve access along Longfield Road into Royal Tunbridge Wells and to vital services such as Pembury Hospital and K College (for higher education).

Section B2(a) above describes that the Courier House development, Nando's restaurant, North Farm Estate's vacant floor area and Dandra sites cannot be delivered until the congestion issues in and around North Farm Estate are fully resolved. The proposed scheme provides a long term solution to congestion issues in the area and subsequently will help delivering these on-hold development sites. **Figure B.2** below illustrates the associated wider economic benefits, in terms of improvement to local GVA.

³ North Farm Estate Options Report 2011

Figure B.2 Growth in Housing, Job and Subsequent GVA Benefits

Development	Use Type	Floor area (sqm)/ Housing Units	Expected job creation	Expected GVA benefits (£) per year in 2008 prices
North Farm	Vacant industrial units	10,138* sqm	81	3,597,777
Courier House	Employment	10,470 sqm**	60***	2,665,020
Nando's	Refreshment/cafe	1,000 sqm**	30***	1,332,510
Dandara	Housing	660	396	17,589,132
Total	-	-	567	25,184,439
Assumptions				
Net internal area = 75% Gross Area. Assume 100% occupation. Area per full-time job (sqm) B1(c)-47. Source: Homes and communities Agency (2010). Employment Densities Guide, 2nd Edition. 50% of the vacant space will be developed and occupied due to the scheme.		For every new home built, up to 2 new jobs can be created for a year. Assume 60% new jobs materialise and remaining 40% to safe-guard existing jobs. Source: HM Government (2011). Laying the Foundation: A Housing Strategy for England. GVA contribution of £44,417 per filled job in 2008 in Kent County. Source: Office of National Statistics. GVA benefits are at 2008 prices and undiscounted.		

* Estates Gazette Interactive – source data from Companies House at 1st February 2013

** Gross External Area

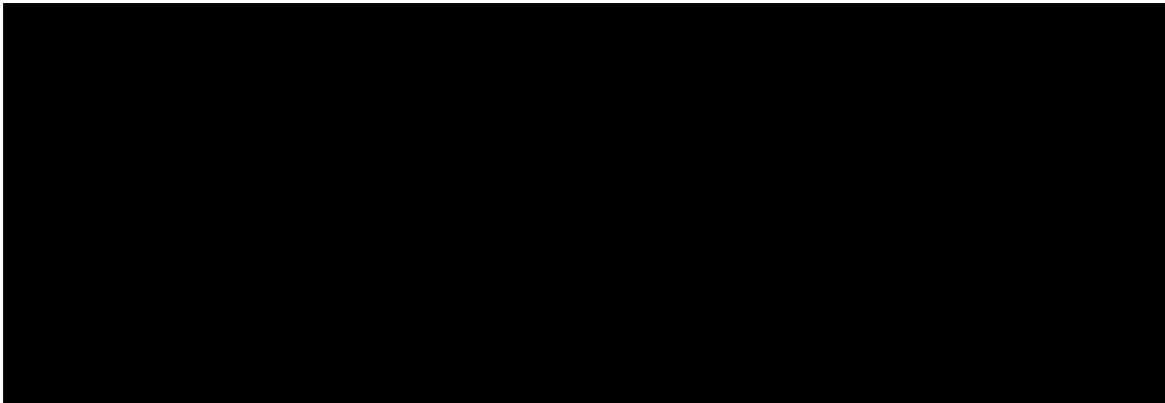
*** Source: Tunbridge Wells Borough Council

Figure B.2 shows that the proposed scheme will assist in **unlocking 567 new jobs** and subsequent **£25.2m GVA benefits per year** for local people in the Borough of Tunbridge Wells and wider Kent. In addition, the proposed scheme will help to safeguard existing jobs, provide opportunities for existing businesses to grow and will improve businesses' level of satisfaction with the road network. These wider economic benefits of creating new jobs (£25.2m per year), safeguarding existing jobs and increasing businesses' satisfaction from our road network would not be realised without the **£3.5m funding from the Local Pinch Point Fund** to deliver the proposed scheme.

d) Potential to reduce costs

The proposed scheme is at an outline design stage and offers a lowest possible investment option to reduce the notorious congestion problems in the North Farm area. Where possible the scheme utilises the existing road network and a 'doing more for less' philosophy has been adopted. As a result the scheme offers extremely high value for money, with a cost benefit ratio of over 13. Through the detailed design and delivery process, value engineering principles will be applied. In addition, a sensitivity test with an allowance for 40% optimism bias in scheme cost is provided in **Section B6** to examine the impact of an underestimation of scheme cost.

e) Any obstacles in realising the scheme's full economic benefits



f) Consequences of failing to secure funding

No alternative lower cost solution to address severe congestion problem in the North Farm area is currently available. There is very limited scope to get any developer contribution as outlined in **Section B2(a)**. If the Local Pinch Point investment is not secured then there is no alternative source of funding for the proposed scheme. The scheme will not go ahead. Consequently, the local people and businesses will continue to suffer from congestion problems and we will be unable to generate 567 new jobs, retain existing jobs and subsequent £25.2m of wider economic benefits.

g) Impact on any statutory environmental constraints

Site surveying work is currently being completed by Jacobs Engineering consultants, including a geotechnical and geo-environmental desk study, archaeological and ecological screenings. Once the surveying work has been completed, it can be determined whether a full Environmental Impact Assessment will be required, which will examine the impact of the scheme on any statutory environmental constraints.

B3. THE FINANCIAL CASE – PROJECT COSTS

Figure B.3 Funding Profile (Nominal terms)

£000s	2013-14	2014-15	2015-16	Total
DfT funding sought	600	2,900	-	3,500
Local Authority contribution	500	1,000	-	1,500
Third Party contribution	-	-	-	-
TOTAL	1,100	3,900	-	5,000

Figure B.4 Cost Estimates (Nominal terms)

Cost heading	Cost (£000s)	Date estimated	Status
Preparatory	500	2nd Quarter 2012	Indicative
Design	600	2nd Quarter 2012	Indicative
Construction work	3,800	2nd Quarter 2012	Indicative
Site Supervision	50	2nd Quarter 2012	Indicative
Finishes (e.g. landscaping, streetlights)	50	2nd Quarter 2012	Indicative
TOTAL	5,000	2nd Quarter 2012	Indicative

B4. THE FINANCIAL CASE - LOCAL CONTRIBUTION / THIRD PARTY FUNDING

a) The non-DfT contribution

A 30% contribution of £1.5m will be made by Kent County Council from the Capital Programme Fund towards North Farm Improvements. This funding will be made available to be spent as of 1st April 2013, until 31st March 2016. The funding can be spent at any point during this time period.

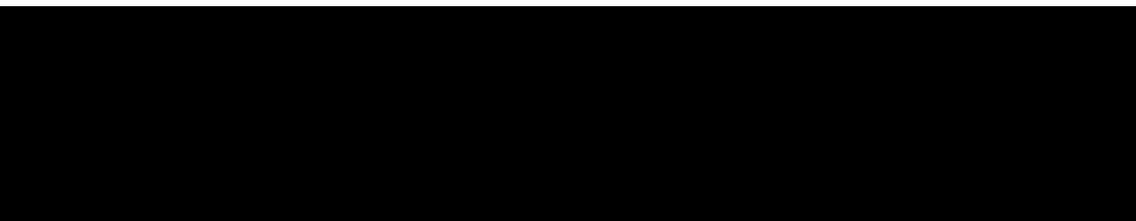
b) External body's commitment letter

Have you appended a letter(s) to support this case? Yes No N/A

A letter has been attached in **Appendix C** as evidence of the KCC's contribution towards the scheme.

c) Provision of land in the local contribution

Have you appended a letter to support this case? Yes No N/A



d) Other funding applications for the scheme

No previous applications have been made for the proposed scheme for widening Longfield Road and the associated junction improvements.

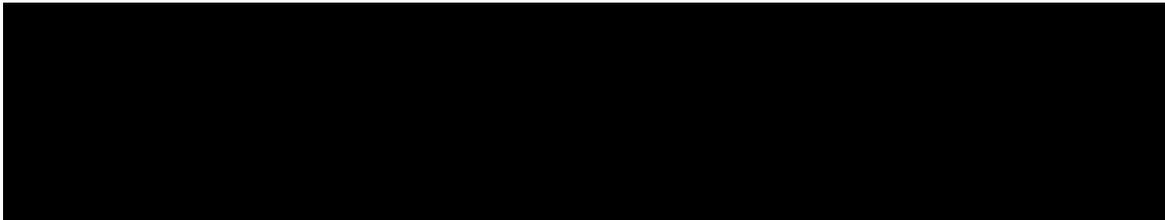
B5. THE FINANCIAL CASE – AFFORDABILITY AND FINANCIAL RISK

a) Risk allowance

A contingency cost has not yet been applied to the project cost. Where risks have been identified in the Quantified Risk Assessment and Risk Management Strategy, KCC has agreed to cover any cost overrun associated with these risks.

b) Cost overruns

Any costs overruns associated with the scheme will be funded by KCC as the promoting authority.

c) Main risks to project delivery timescales and cost

Whilst planning permission may be required for the scheme depending on the outcomes of the ecological surveying work and whether a full Environmental Impact Assessment is required, this should not delay the scheme's delivery, as a sufficient length of time has been allocated within the project plan for planning permission to be obtained.

d) Sharing cost overruns

Our existing framework contracts with **Amey** (for engineering design) and **Enterprise** (for construction works) allow us to transfer some of the cost overrun risk to them. Our contract with Enterprise provides appropriate flexibility to share any cost overrun equally between KCC and Enterprise. We have agreed three different sets of framework rates with Amey. We aim to select a set of rates by which any cost overruns will be transferred to Amey. However, ultimately, it is KCC's responsibility to deal with any cost overruns.

B6. THE ECONOMIC CASE – VALUE FOR MONEY**a) Description of scheme impacts**

In **Section B2**, we have shown that the proposed scheme presents significant opportunities to develop and grow the local and wider Kent economy. The scheme will support existing retailers in the North Farm area, enable the redevelopment of vacant sites in North Farm and will open up sites for housing allocation in the future. Consequently, the proposed scheme will facilitate in **unlocking 567 new jobs** and subsequent **£25.2m GVA benefits per year (in 2008 prices)** for local people in the Borough of Tunbridge Wells and wider Kent. In addition, the proposed scheme will help to safeguard existing jobs and improve businesses' level of satisfaction with the road network. The £3.5m Local Pinch Point Funding will play a vital role in removing the current barrier to growth and allowing development in and around North Farm Estate to continue.

In addition to wider economic benefits, this section presents traditional economic assessment of the scheme over a 60-year period from the **opening year (2015)**. The economic analysis was carried out in Microsoft Excel following the **latest WebTAG**

appraisal requirements and all entries are presented as **2010 prices and values**. The economic analysis shows that the proposed scheme offers excellent value for money, with a very low scheme cost, with **every £1 invested generating a further £13** of value even before the wider economic benefits are included.

The baseline outputs are extracted from our developed **VISUM model**. The Base Year Model is calibrated and validated at a reasonable level; the model's base year validation report is available on request. The model is fit-for-purpose to test the impact of future development on existing and future transport networks and the impact of North Farm Improvements on the quality of the local and through journeys using Longfield Road. The **model's base year is 2011** and it has three time periods: morning peak (0800-0900), evening peak (1700-1800) and Saturday peak (1200-1300). **The scheme's opening and design years are 2015 and 2025 respectively.**

A summary of scheme impacts and economic analysis is given below in **Figure B.5** and **Figure B.6** respectively.

Figure B.5 Summary of Scheme Impacts

Scheme Impacts	2015 (Opening year)			2025 (Design year)		
	Do-Minimum	Do-Something	% change	Do-Minimum	Do-Something	% change
Annual highway trips affected (vehicles)	5,188,991	5,249,853	1.2 %	5,470,707	5,545,700	1.4%
Annual vehicle travelled time (veh-hrs)	570,835	96,391	-83.1%	599,788	222,717	-63%
Annual vehicle travelled distance (veh-kms)	4,720,030	4,776,910	1.2%	5,042,953	5,044,577	0%
Average network delays (seconds)	478,587	141,287	-70.5%	502,531	149,231	-70.3%
Average car speed (kph)	9.0	22.9	153.7%	9.0	22.9	153.3%

Figure B.6 Summary of Economic Benefits

Traditional Economic Benefits	(2010 market prices and values) All entries are £'000s
Non-business Commuting user benefits: Travel Time (Roads: Private Cars)	56,940
Non-business Commuting user benefits: Vehicle Operating Cost (Roads: Private Cars)	887
Local Government Funding: Developer and other contribution	-1332
Broad Transport Budget	4,441
Wider Public Finances (Indirect Tax Revenues)	-299
Greenhouse gases	824
Total PVB	58,353
Total PVC	4,441
Net Present Value = PVB-PVC	53,912
Benefit Cost Ratio = PVB/PVC	13.2

The scheme's significant positive and negative impacts are:

- Vehicle travelled time reduces by 83% and 63% respectively in 2015 and 2025, representing smooth and uncongested journeys to work, shopping, leisure and other activities
- Network delays reduce by 70% showing a significant improvement in the reliability of journeys
- Highway trips increase by 1.2% and 1.4% respectively in the scheme opening and design year indicating that despite the Longfield Road currently being used as a through route into Tunbridge Wells, the number of through trips will not increase to saturate the local road network capacity immediately after the scheme has been completed.
- Average car speed increases dramatically by 153% demonstrating quicker journeys and less loss of productive hours in congestion
- Vehicle travelled distance remains same as of the Do-Minimum scenario
- Majority of economic benefits come from travel time savings
- Every £1 invested would generate a further £13 of traditional economic benefits
- £25.2m of GVA benefits per year would further improve the local economy of the Borough of Tunbridge Wells and wider Kent.

Key risks relate to our ability to demonstrate over optimistic benefits of the scheme and an underestimation of scheme cost. To understand the impact of this risk, we have undertaken a sensitivity test with **40% optimism bias** in our cost estimate. The results of the sensitivity test shows that the original **BCR reduces to 9.4**, which is still a very high BCR.

Overall, the traditional transport benefits (£53.9m over 60 year appraisal period) and wider economic benefits (£25.2m per year) would not be delivered to the residents of the Borough of Tunbridge Wells and wider Kent without the £3.5m funding via the Local Pinch Point Fund.

b) Small project - supporting material

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

Appendix D shows a completed scheme impact pro-forma.

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

Appendix E describes data sources, forecasting methodology and economic analysis and associated assumptions.

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

Appendix F shows a completed Appraisal Summary Table.

B7. THE COMMERCIAL CASE

a) Risk allocation and transfer between the promoter and contractor, contract timescales and implementation timescales

The scheme risks have been identified (in **Section B11**), recorded and will be actively managed throughout the process. Risk owners have been allocated and tasked with eliminating risks, where possible, or identifying mitigation measures for residual risks. The same ethos will be taken through to the delivery stage of the scheme. Risk allocation will be discussed with our design and works contractors in the next stage of the scheme development. The scheme plan is given in **Section B8(a)**.

We shall maximise the use of existing framework contracts with **Amey and Enterprise** to allocate and transfer risks related to engineering design services and construction works. We have already agreed a set of rates of services and works with our contractors following a competitive **Official Journal of the European Journal (OJEU)** process based on good quality and value for money criteria (50/50) during the framework procurement process.

The civil engineering design services for highways and transportation schemes will be commissioned from Amey. Our contract with Amey will start on 1st April 2013 for an initial five year period with possible extensions for a further five years, based on levels of performance. Amey's performance in meeting its obligations will be measured against set targets. A percentage of each month's payment will be set against meeting key performance targets, including working to time, to cost and to expectation.

Our contract with Enterprise, the infrastructure maintenance support services company, includes a range of highways maintenance and improvement works to deliver value for money and efficient services. Our contract with Enterprise began on 1st September 2011 and will run for five years with possible further extensions.

As an alternative to our existing contracts with Amey and Enterprise, we are also part of the **South East Seven (SE7) framework** which is a partnership of seven Councils (Brighton & Hove City Council, East Sussex County Council, Hampshire County Council, Kent County Council, Medway Council, Surrey County Council and West Sussex County Council). The SE7 framework allows an authority to hold a mini-competition between already short-listed contractors appropriate to their services and works requirements. This framework will enable us to find improved quality of services and better savings.

The availability of existing contracts and the SE7 framework provides us with a wide range of contractors to be procured within a short time period. In addition, we can find the best deal by maximising the possibility of allocating and transferring design and construction related risks to contractors and setting their performance targets. We have the right skills and resources to deliver this scheme within budget and on-time based on our performance of delivering major schemes in the last 5 years as shown in **Section B8(d)**.

b) Preferred procurement route

As mentioned in **Section B7(a)**, our preferred procurement route is to commission civil engineering design and construction works from **Amey and Enterprise** respectively. Both Amey and Enterprise were selected by following a robust and competitive process of OJEU procurement. They were selected based on their expertise and experience of successfully delivering services elsewhere in the UK and their match to our specified requirements. Both contractors are specialists in their respective areas and will provide KCC with good value for money and efficient services. We can procure services and works from our existing framework contractors within a very short time period of **1-2 months**. Using this process will not only minimise cost but will also mean minimal time spent on procurement, so ensuring delivery can be achieved within the set timescales.

The above procurement route would be our preferred option; however we also have an option of selecting a contractor from the SE7. Based on our previous experience of using the **SE7 framework**, the works can be procured in **2-4 months**. The time programmed for procurement for this scheme allows for any of the above routes to be pursued.

c) Joint letter from Section 151 Officer and Head of Procurement

Has a joint letter been appended to your bid? Yes No

Appendix G shows a joint letter from Section 151 Officer and Head of Procurement.

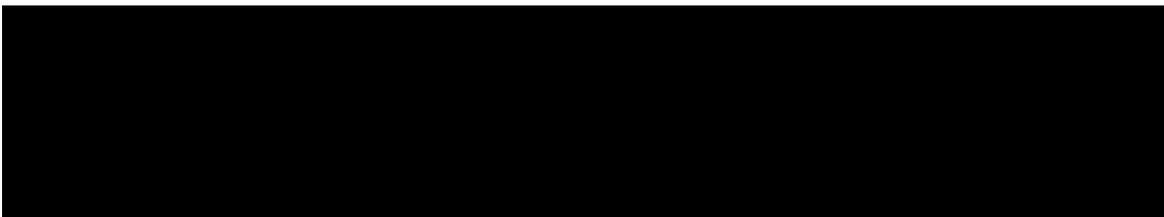
B8. MANAGEMENT CASE – DELIVERY**a) Detailed project plan**

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

A project plan is provided as **Appendix H**

b) Land acquisition arrangement

Has a letter relating to land acquisition been appended? Yes No N/A



c) Construction milestones

Figure B.7 Construction Milestones

Construction Milestones	Estimated Date
Start of works	April 2014
Completion of Section Dowding Way to north of Kingstanding Way	December 2014
Completion of section North of Kingstanding Way to A21 roundabout	March 2015
Opening date	March 2015

d) Evidence of delivering major transport schemes

KCC has extensive relevant experience of delivering projects similar to the widening of Longfield Road and associated junction improvements, including major highway infrastructure schemes and local junction improvements. **Figure B.8** shows a list of major transport schemes delivered by KCC in the last 5 years. We have also delivered a number of significant transport schemes costing less than £5m in the last 5 years. In delivering major transport schemes on time and within budget as shown in **Figure B.8**, we have clearly demonstrated that we have the **necessary governance, leadership and mechanisms in place**. We strongly believe that KCC is capable of delivering the widening of Longfield Road and associated junction improvements on time and within budget.

Figure B.8 Major Schemes Delivered by KCC in Last 5 Years

Scheme name	Delivery timescale		Total cost (£m)		Comments
	Planned	Actual	Estimate	Actual	
Sittingbourne Northern Relief Road	November, 2011	December, 2011	35.5	33	Significant Value Engineering reduced cost. Slight delay in opening due to wet winter in 2010/11.
East Kent Access	September, 2012	May, 2012	87.0	86.5	Complex scheme successfully delivered under budget. Well managed archaeology and Design and Build of underpass contributing to early completion.
Rushenden Relief Road	November, 2011	November, 2011	14.0	14.0	Successfully delivered - cost and programme influenced by SEEDA for whom scheme was delivered.
A2 On-slip, Canterbury	August, 2011	August, 2011	1.9	2.0	Slight increase in cost due to additional requirements of Highways Agency.

B9. Management Case – Statutory Powers and Consents

a) Powers / consents obtained and their details

Whilst we are working towards obtaining the relevant Statutory Powers and Consents, none have yet been obtained.

b) Outstanding statutory powers / consents

Jacobs Engineering consultancy is currently completing site surveying work on behalf of KCC. The outcome of the surveying work will determine whether a full Environmental Impact Assessment and Planning Permission is required. If this is identified, a planning application will be submitted in April 2013. It is expected that planning consent will be awarded by October 2013.

B10. MANAGEMENT CASE – GOVERNANCE

Section B8(d) above demonstrated that we have **proven governance mechanisms** to deliver major transport schemes **on-time** and **within-budget**. We plan to build on this delivery record. The governance of the scheme requires management at three levels: corporate management; project board; and project delivery. The hierarchy for governance arrangements for the scheme are shown in **Figure B.9** below, following a **PRINCE2** compliant project management structure.



Tunbridge Wells Borough Council ©

Figure B.9. Project Governance Structure

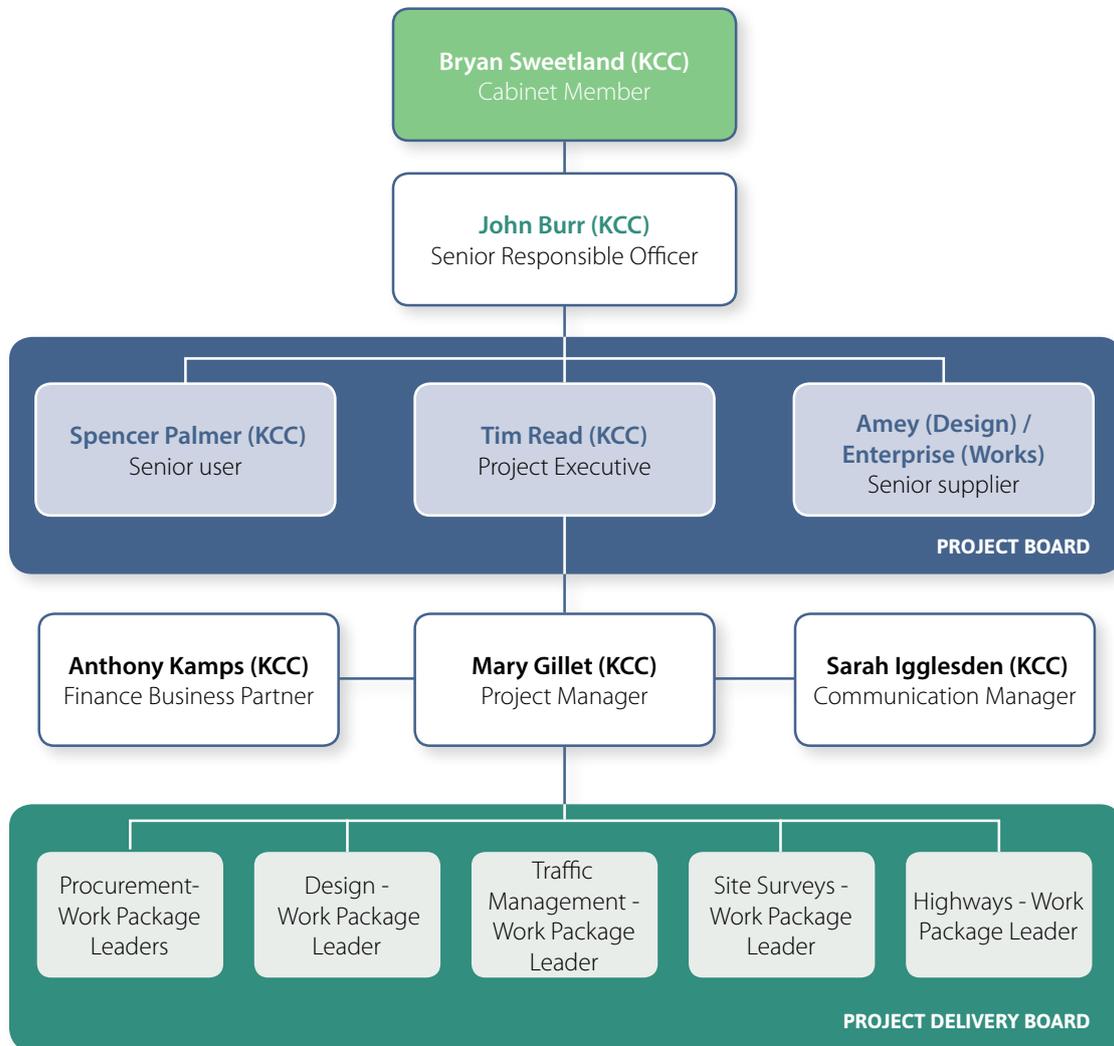
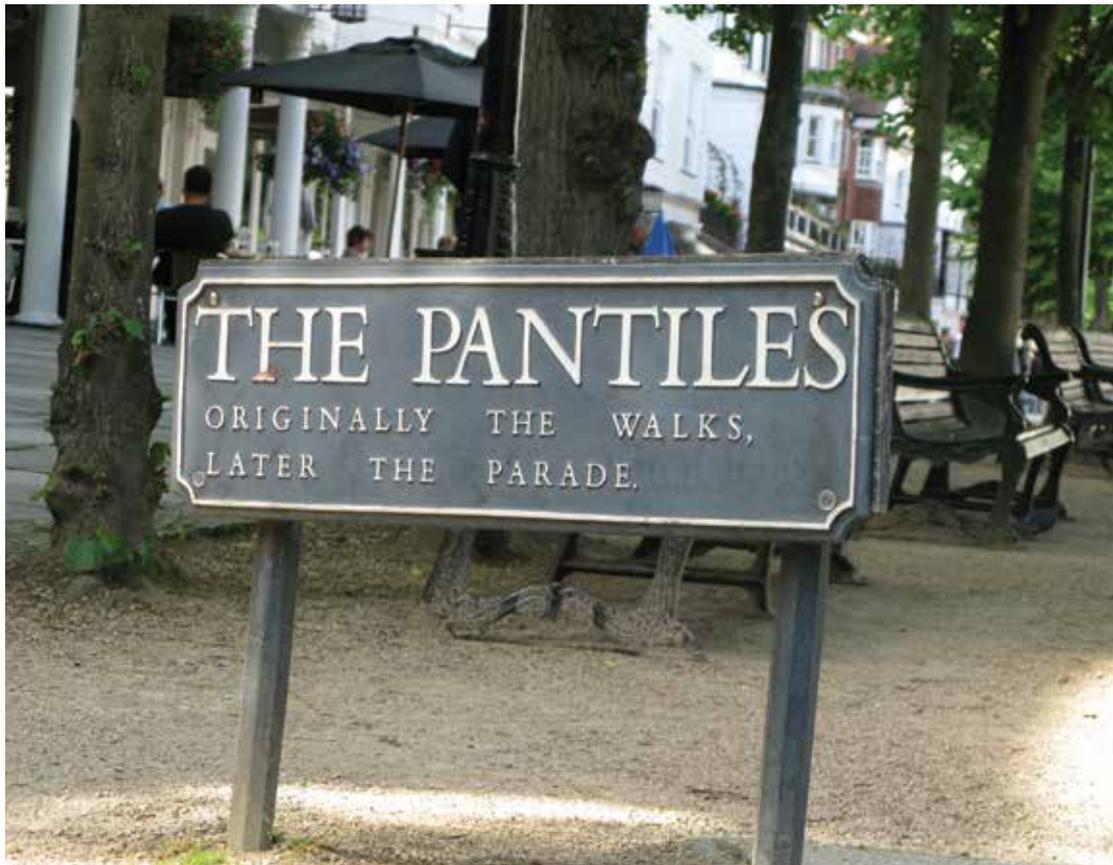


Figure B.10 below details all three levels with a description of their role, accountabilities and responsibilities. These arrangements are in accordance with PRINCE2 standards.



Source: Photos were taken by Jacobs Engineering Consultancy for developing Tunbridge Wells and Tonbridge LMVR

Figure B.10 Project Management Role and Responsibilities

Role in Project Governance	Name	Role outside Project Governance
Corporate Management		
Cabinet Member for Environment Highways and Waste	Elected member, Bryan Sweetland	Cabinet Member for Environment Highways and Waste
Senior Responsible Officer	John Burr	Director of Highways and Transportation
Project Board		
Senior User	Spencer Palmer	Head of Highway Operations
Project Executive	Tim Read	Head of Transportation
Senior Supplier	Amey/Enterprise/SE7	Framework Contractors
Project Manager	Mary Gillett	Major Scheme Manager
Project Delivery Team		
Work Package Leaders	Various	

Accountabilities in Project Governance	Responsibilities in Project Governance
Give mandate to the Senior Responsible Officer (SRO) and Project Board to proceed with the investment.	<p>Provide strategic leadership to the Project Board.</p> <p>Lead the decision-making on KCC's transport strategy and directs all transport investment.</p> <p>Provide direction and guidance to the Project Board and ensure effective governance of the project.</p> <p>Work with the Project Board to create a suitable mandate for financial control in order to satisfy the funding requirements.</p> <p>Delegate responsibilities on any of his obligations to the Project Board.</p>
Ultimate decision making authority (at officer level) and responsible for scheme delivery, including ensuring that project objectives are met and benefits are realised.	<p>Make necessary decisions to allow the scheme to progress at a number of key stages in the project lifecycle.</p> <p>Approve major changes to the delivery programme and constituent/fundamental elements of the project delivery including budget.</p> <p>Obtain and provide the SRO with stakeholder / technical input to decisions affecting the project.</p> <p>Assist the SRO in decision-making and on-going progress of the project.</p> <p>Agree all major plans.</p> <p>Approve all budgets and tolerances for time, quality and cost along with reporting and monitoring requirements.</p> <p>Have overall responsibility for managing risk on the project.</p> <p>Meet on a monthly basis and will be chaired by Project Executive.</p>
Accountable for ensuring that user needs are specified correctly and that the solution meets those needs.	<p>Be responsible for delivering the scheme on a day-to-day basis.</p> <p>Identify packages of work and agrees with the Finance Business Partner the appropriate budget for each individual work package.</p> <p>Ensure the follow up of all decisions by SRO and the Project Board.</p> <p>Prepare Lessons Learned Report, Progress Report and End of Project Report.</p> <p>Brief local councillors and officers on progress and ensure their buy-in.</p> <p>Ensure appropriate stakeholder management and communication strategy in place and implemented.</p> <p>Ensure suitable monitoring and evaluation framework is in place to realise scheme benefits.</p>
Protect the interests of the council	<p>Responsible to the Project Manager.</p> <p>Make decisions on scheme design, construction and risks.</p> <p>Report on progress on a weekly basis to the Project Manager and attend to Project Progress meetings that will be held every 4 weeks to discuss design engineering and delivery progress, issues, risk, and fees.</p>
Accountable for the quality of the products delivered by consultant(s)/framework contractors.	
Ensure the needs of the project are being met and co-ordinated and that the project is progressing to agreed time and budget	
Ensure the technical work is delivered as per agreed standards of time, quality and cost.	

B11. MANAGEMENT CASE - RISK MANAGEMENT

As with other sections of the Management Case, the approach to risk management will follow the established methodology that has supported the successful delivery of other projects in Kent; the examples are shown in **Section B8 (d)**. Risks associated with the project are managed by the Project Manager, however, some of the critical risks will be transferred to the Senior Responsible Officer (SRO), Project Executive or Senior User. A risk log and register along with their associated financial mitigation implications will be shared with the Project Board at a regular interval. Risks allocated with high likelihood and high impact will be immediately escalated to the SRO.

Has a QRA been appended to your bid? Yes No

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

Appendix I presents both the QRA and Risk Management Strategy as one document.

B12. MANAGEMENT CASE - STAKEHOLDER MANAGEMENT

a) Stakeholder Management Strategy

The stakeholder management strategy for the proposed scheme will be a living document that will need to be updated as the scheme evolves and stakeholders change. The success of the scheme will mainly depend on the involvement of right stakeholders at the right time. An effective stakeholder management strategy will enable KCC to achieve support from local residents, businesses and other interested parties to the objectives and design of the proposed scheme. **Figure B.11** below presents a stakeholder management strategy which consists of the following information:

- Who the stakeholders are
- The interests of each stakeholder
- The contributions of stakeholders to the project
- The benefits of the project to stakeholders
- The stakeholders' concerns over the project
- The means of communication with each stakeholder
- The frequency and duration of communication.

Stakeholders will be communicated with regularly through a combination of the following mechanisms:

- Presentations
- Formal/informal face-to-face meetings
- Local newspaper
- Letters/Emails
- Press releases and websites

The stakeholder management strategy will be monitored at a set frequency. The Project Board will be updated on stakeholder management in a monthly report from the project manager. The report will be based on the number and nature of enquires/complaints, the quality and effectiveness of response, the nature and level of media coverage and stakeholder contacts. The stakeholder management strategy will be updated, if it is required, based on the monthly report.



Source: Photos were taken by Jacobs Engineering Consultancy for developing Tunbridge Wells and Tonbridge LMVR

Figure B.11 Stakeholder Management Strategy

Stakeholder name	Organisation	Why they are interested in project?	What stakeholders contribute to project?
Local Councillors	Kent County Council / Tunbridge Wells Borough Council/ Parish Council	To help the local economy and to unlock employment and housing.	Expected funding contribution and support.
Local Businesses	Various	Reduce congestion and help unlock new opportunity or business growth	Expected land contribution and support
Highways Agency	Highways Agency	Connects to the A21 trunk road.	Support.
Bus Operating Companies	Arriva	Will help to improved bus services.	Support.
Emergency Services	Kent Police / Kent Fire and Rescue Service / South East Coast Ambulance Service	Reduces congestion.	Support.

What stakeholder will gain from project?	Stakeholder concerns over project	Stakeholder Management Strategy
Reduced congestion, Journey time improvement, public transport reliability improvement, unlocking employment and housing development potential.	Disruption to traffic during construction phases.	The Tunbridge Wells Joint Transportation Board (JTB), bringing together Borough and County Council Members. At quarterly JTB meetings, updates are provided on the status of all developer-funded transport improvements. Members are therefore well apprised of the scheme and its strategic benefits. Should KCC be successful in this funding application, local Members will be invited to regular project briefings in order that any specific concerns or requirements can be identified and addressed. In addition to this KCC has meetings with Tunbridge Wells at least monthly. These meetings will be used as an opportunity to provide updates on the progress of the scheme.
Improved business prospects. Improved access to North Farm will support businesses already located within the industrial and retail estate and will help support the redevelopment of vacant sites.	Disruption to traffic during construction phases.	The North Farm working group meeting will be used as an opportunity to provide updates on the progress of North Farm Improvements.
Improved traffic flow on and off the A21.	Coordination with the A21 Scheme and disruption to traffic during construction phases.	Regular meetings will be set up with the Highways Agency. They will also be involved at the consultation and agreements.
Journey time reliability of bus services.	Disruption to traffic during construction phases.	Early consultation by letter to explain the purpose of the scheme and the likely impacts during its construction phase in order that any specific concerns or requirements can be identified and addressed. Regular dialogue thereafter.
Improved connectivity through the area.	Disruption to traffic during construction phases.	Early consultation by letter to explain the purpose of the scheme and the likely impacts during its construction phase in order that any specific concerns or requirements can be identified and addressed. Regular dialogue thereafter.

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

The scheme will improve the existing road network and benefit local businesses and residents in the vicinity of the North Farm Estate. There is a great desire from the local residents and businesses to resolve the congestion problems in the area.

The improvements to the A21 adjacent to Longfield Road are being considered by the Highways Agency, this will not conflict with our proposed scheme. Both schemes are independent to each other; however, they will complement their benefits. **Appendix J** is a support letter from the Highways Agency confirming this position.

There may be some disruption during the construction stage of the proposed scheme.

c) Have there been any external campaigns either supporting or opposing the scheme? Yes No

A working group has been set up for North Farm specifically to discuss and find a solution to the congestion problem in the North Farm area, comprising many local businesses and interested parties. This group strongly supports the need for local road network improvements and has been successful in attracting media and political attention to highlight the need for such improvements at the North Farm area⁴.

Appendix K and **Appendix L** respectively show support letters provided by the Chairman of the North Farm working group and by the Member of Parliament serving Tunbridge Wells.

B13. MANAGEMENT CASE - ASSURANCE

Section 151 Officer's confirmation is provided in **Section D1**.

⁴ <http://www.thisiskent.co.uk/search/search.html?searchPhrase=north+farm+tunbridge+wells&where=&searchType=>

Section C –

MONITORING, EVALUATION AND BENEFITS REALISATION

C1. BENEFITS REALISATION

The expected positive outcomes of the proposed scheme will be achieved in full by ensuring a suitable benefit realisation plan is in place. The likely benefits will be owned and managed by KCC who will be responsible for their delivery, the timescale for delivering the benefits and a suitable review process which are all presented in **Figure C.1** below.

Figure C.1 Benefits Realisation Plan

Expected benefits	Ownership	Outcomes/impacts	Review timescale	Review Method
Improve accessibility to employment sites	Promoting Authority, Delivery partners, participating businesses	Increase in business start ups compared with base data	Every 5 years	Data collected from KCC's Research and Evaluation Team
Contribute to improved business productivity	Promoting Authority, Delivery partners, participating businesses	Increase in levels of employment and GVA	Every 5 years	Data collected from KCC's Research and Evaluation Team
Improve accessibility to housing sites	Promoting Authority, Delivery partners, participating developers	Increase in newly built houses compared with base data	Every 5 years	Data collected from KCC's Research and Evaluation Team
Reduce levels of congestion	Promoting Authority, Delivery partners	Changes in peak hour traffic levels and queue lengths	One in the 1st year and one in the 2nd year	Automatic traffic count data for peak periods Queue length surveys
Reduce journey times	Promoting Authority, Delivery partners	Increase in vehicle speeds	One in the 1st year and one in the 2nd year	Use of CJAMs congestion data
Increase business satisfaction with the transport network	Promoting Authority, Delivery partners, participating businesses	Increase in reported satisfaction levels from businesses	One in the 1st year and one in the 2nd year	Surveys undertaken by KCC's Research and Evaluation Team

We are happy to share any existing data to be used as baseline and are keen to co-ordinate this activity with the **DfT**, to ensure the data collected can help gain robust insights into the effectiveness of this investment, to be used for future decision-making.

C2. MONITORING AND EVALUATION

A monitoring and evaluation framework has been developed to ensure that the expected benefits of the proposed scheme are fully realised. This framework will examine the outcomes and the impacts of the scheme. The outcomes/impacts will be reviewed at a set frequency using an appropriate monitoring methodology. **Figure C.1** above shows how the expected benefits will be monitored and evaluated.

An output of the proposed scheme will be an evaluation report. The results of the monitoring and evaluation programme will be published on KCC's website.



Source: Kent County Council

Section D - DECLARATIONS

D1. SENIOR RESPONSIBLE OWNER DECLARATION

As Senior Responsible Owner for the North Farm Improvements I hereby submit this request for approval to DfT on behalf of Kent County Council and confirm that I have the necessary authority to do so.

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

Name: John Burr	Signed: 
Position: Director of Highways and Transportation	

D2. SECTION 151 OFFICER DECLARATION

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

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution
- accepts responsibility for meeting any costs over and above the DfT contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties
- accepts responsibility for meeting any ongoing revenue requirements in relation to the scheme
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested and that no DfT funding will be provided after 2014/15
- confirms that the authority has the necessary governance / assurance arrangements in place and, for smaller scheme bids, the authority can provide, if required, evidence of a stakeholder analysis and communications plan in place

Name: Andy Wood	Signed: 
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Appendix A

SUPPORT LETTER FROM TUNBRIDGE WELLS BOROUGH COUNCIL

Appendix B

SUPPORT LETTER FROM THE SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP

Appendix C

SUPPORT LETTER FROM KCC'S DIRECTOR OF FINANCE TO CONFIRM LOCAL CONTRIBUTION

Appendix D

SCHEME IMPACT PRO-FORMA

Appendix E

DESCRIPTION OF DATA SOURCES/FORECASTS/ASSUMPTIONS

Appendix F

APPRAISAL SUMMARY TABLE

Appendix G

JOINT LETTER FROM SECTION 151 OFFICER AND HEAD OF PROCUREMENT

Appendix H

PROJECT PLAN

Appendix I

PROJECT PLAN

Appendix J

SUPPORT LETTER FROM THE HIGHWAYS AGENCY

Appendix K

SUPPORT LETTER FROM THE CHAIRMAN OF NORTH FARM WORKING GROUP

Appendix L

SUPPORT LETTER FROM THE MEMBER OF PARLIAMENT SERVING TUNBRIDGE WELLS

