


# Metz Way to Abbeymead Avenue Improvements: Full Business Case and Due Diligence Assessment Report



Prepared by:   
Stephen Payne  
Principal Consultant

Checked by:   
Nick Secker  
Regional Director

Metz Way to Abbeymead Avenue Improvements: Full business Case and Due Diligence Assessment Report

Rev No	Comments	Checked by	Approved by	Date
1	Initial Draft	SP	NS	06/09/16
2	Amended to reflect client comments	SP	NS	09/09/16

Telephone: Website: <http://www.aecom.com>

Job No 60446370

Reference

Date Created 25/08/2016

This document has been prepared by AECOM Limited for the sole use of our client (the "Client") and in accordance with generally accepted consultancy principles, the budget for fees and the terms of reference agreed between AECOM Limited and the Client. Any information provided by third parties and referred to herein has not been checked or verified by AECOM Limited, unless otherwise expressly stated in the document. No third party may rely upon this document without the prior and express written agreement of AECOM Limited.

# Table of Contents

<b>Executive Summary .....</b>	<b>2</b>
<b>1 Introduction.....</b>	<b>5</b>
<b>2 Full Business Case Assessment.....</b>	<b>9</b>
<b>3 Due Diligence Checks .....</b>	<b>18</b>
<b>4 Summary .....</b>	<b>32</b>

## **Executive Summary**

## Executive Summary

The £1.6m Metz Way to Abbeymead Avenue Improvements project consists of a series of junction, cycle and walking links and pedestrian crossing improvements undertaken along the length of A4302 Metz Way/Abbeymead Avenue in Gloucester with the aim of reducing congestion and traffic queuing, improving bus journey time reliability, improving provision along the route for pedestrians and cyclists and reducing the severance issues presented by the corridor for local populations. The improvements seek to help facilitate the Coopers Edge Development of 1400 dwellings currently under construction at the south eastern edge of Gloucester.

AECOM have been appointed by Gloucestershire County Council, as the Accountable Body to the LEP to undertake an independent assessment of the Business Case for the scheme, as well as undertaking a series of Due Diligence checks required ahead of any decision to fund the scheme. These assessments have followed the requirements of the GFirst LEP Transport Business Case Guidance and the GFirst LEP Assurance Framework on the Due Diligence process.

The criteria of the Business Case appraisal guidance required scheme promoters to complete five different ‘cases’ as part of each stage in the Business Case process, namely:

- Strategic Case;
- Economic Case;
- Financial Case;
- Commercial Case; and,
- Management Case.

### Findings

The information provided under each of these headings has been reviewed, with a Red/Amber/Green assessment undertaken on each criterion to establish whether the requirements have been fully met (green), partially met (amber) or failed (red). The below table summarises the assessments made for each of these cases. This indicates that all criteria within the Strategic, Economic, Financial and Commercial Cases are considered to have been satisfactorily addressed. Four criteria within the Management Case were not entirely addressed in relation to how stakeholder feedback had been incorporated into proposals and the proposed benefit realisation strategy and monitoring and evaluation activities to be undertaken to evaluate and ensure the scheme benefits are realised. These elements were not however considered critical to the overall management case for the scheme or the business case as a whole.

#### Summary of Full Business Case Assessment

Case	Assessment
Strategic Case	Passed 4/4 criteria
Economic Case	Passed 9/9 criteria
Financial Case	Passed 5/5 criteria
Commercial Case	Passed 4/4 criteria
Management Case	Passed 12/17 Criteria – 4 Criteria had some issues identified, but not considered critical

The scheme is identified to offer a strong Benefit Cost ratio of 4.39 over a 60 year appraisal period. An adjusted BCR category of 'Very High' was presented when reliability, regeneration, noise, air quality, accident and physical activity impacts which were not included in the monetised benefits of the scheme were factored into the assessment. The scheme is therefore considered to represent good value for money.

A series of Due Diligence Checks have also been undertaken against the criteria set out as part of the GFirst LEP Assurance Framework on the Due Diligence process. This included information on the Strategic, Financial and Economic Case for the scheme, as well as the planned processes for the delivery and management of the scheme. Across all criteria it was considered that the planned scheme and its intended delivery and management processes were sufficient to ensure the intended project outputs and outcomes are delivered.

### **Recommendation**

Based upon the above assessment of the Full Business Case, as well as the Due Diligence checks undertaken on the project it is our recommendation that the project is approved for funding. The project is considered to offer strong value for money. We are satisfied that key project risks and any potential negative impacts have been adequately mitigated within the planned approach.

### **Conditions of Approval**

Due to the significant potential for anticipated scheme costs to escalate following the tendering process, the currently ongoing Deed of Variation to finalise the Section 106 developer contribution and the ongoing process of achieving a Dedication Agreement to secure access to 3<sup>rd</sup> party land it is recommended that sufficient conditions are put in place as part of the Funding Agreement to allow the LEP to postpone or revoke funding should the scheme become unaffordable or significant changes be made to the scheme to the extent that the planned scheme does not deliver upon its stated objectives as outlined within the Full Business Case document.

# **1 Introduction**

# 1 Introduction

## 1.1 Introduction

AECOM has been appointed by Gloucestershire County Council (GCC) as the Accountable Body to the GFirst Local Enterprise Partnership (LEP) for Gloucestershire to undertake an independent assessment of the Business Case materials of schemes seeking funding via the Local Growth Fund (LGF).

This report summarises the AECOM independent assessment of the Full Business Case (FBC) for the Metz Way to Abbeymead Avenue Improvements scheme, currently earmarked for LGF funding.

It is a requirement of the Local Assurance Framework (LAF) that GCC and the LEP are required to undertake a Due Diligence process before Government funds can be made available to scheme promoters. This report therefore also examines the information provided in the Full Business Case submission and subsequent information, drawing attention to any risks, omission or inconsistencies within the planned approach in relation to the LGF funding of the project.

The intended audience of this report is the LEP Board, as well as GCC as the Accountable Body. This report provides AECOM's independent assessment of the FBC documentation and subsequent information provided to allow these organisations to make an informed decision with regard to the planned funding of the scheme.

This report is formatted as follows:

- The remainder of Section 1 briefly outlines the scope of the Metz Way to Abbeymead Avenue Improvements scheme;
- Section 2 outlines the AECOM assessment of the Full Business Case Document against the requirements of the GFirst LEP Transport Business Case Guidance, indicating the independent assessment of each of the required criteria within the FBC document.
- Section 3 outlined the additional information requested as part of the Due Diligence process, highlighting any specific criteria or conditions that it is recommended are put in place in relation to any potential funding agreement.
- Section 4 summarises the key project inputs, outputs and milestones and summarises the findings of this assessment and the AECOM recommendation in relation to the scheme, including any conditions of approval.

## 1.2 Applicant

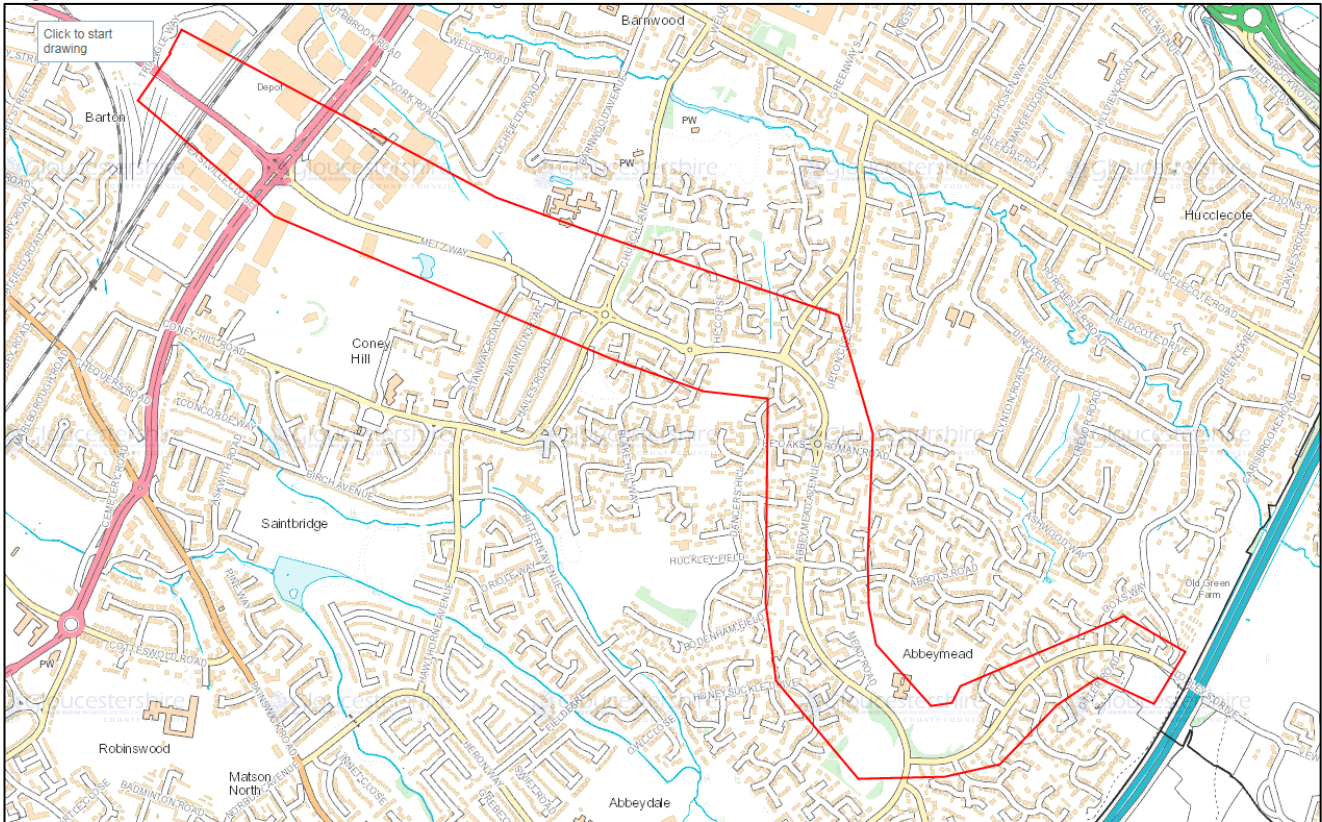
The applicant for the project is Gloucestershire County Council Highways Commissioning Team, who would also lead on the delivery of the project.

## 1.3 The Study Area

The project is located on the A4302 Metz Way and Abbeymead Avenue, which connects the centre of Gloucester with the suburb of Abbeymead, as shown in Figure 1.



**Figure 1: Scheme Location**

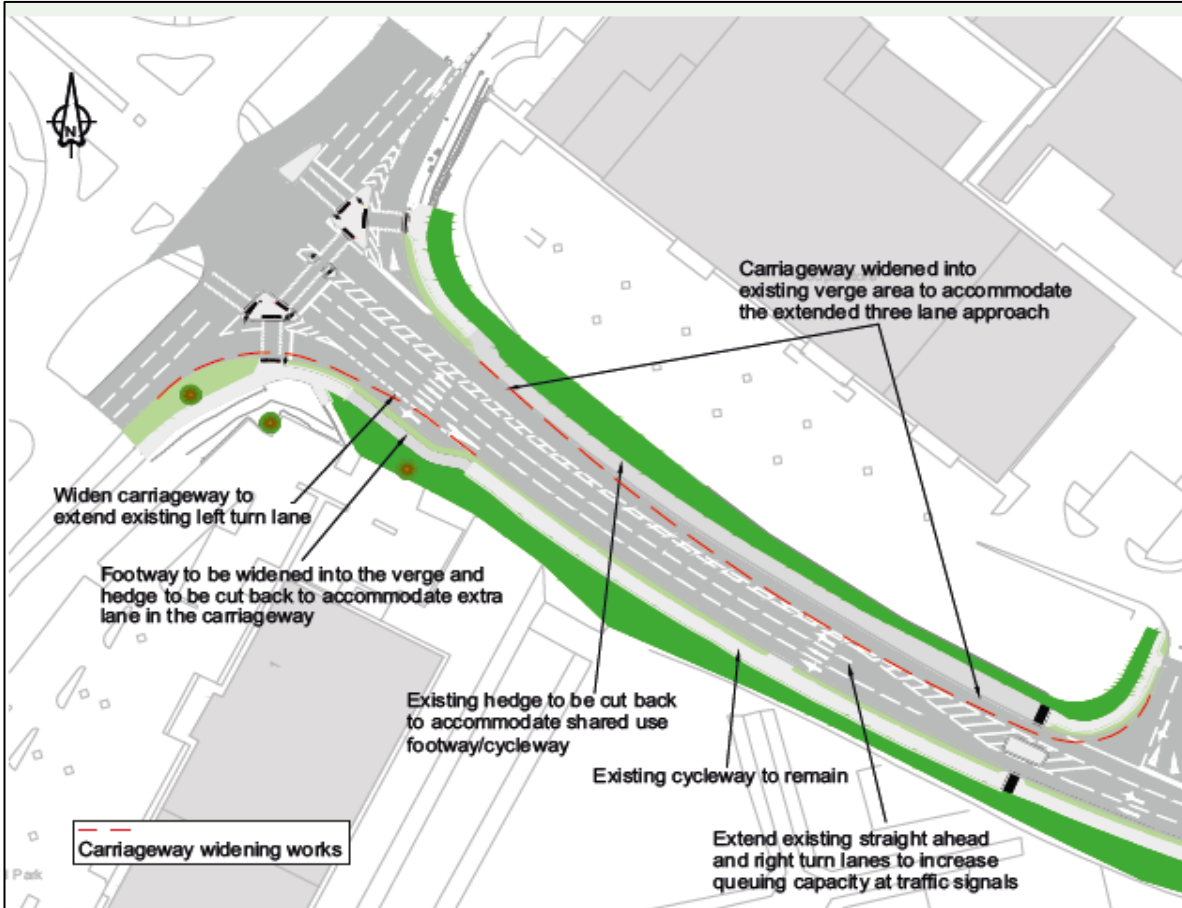


### 1.4 The Project

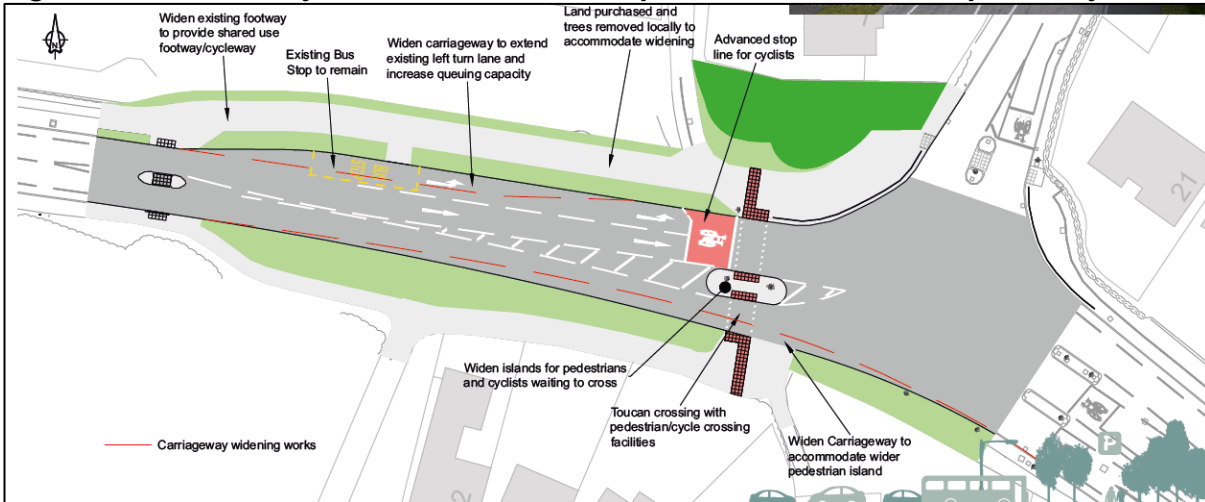
The A4302 Metz Way/Abbeymead Avenue provides the key access route between the centre of Gloucester and the residential area of Abbeymead. The route acts as a spine road through this area and is congested during peak periods, affecting journey times and journey time reliability for general traffic and bus services. High levels of traffic also mean that crossing the road can be difficult for pedestrians, creating a severance barrier.

The £1.6m Metz Way to Abbeymead Avenue Improvements project consists of a series of junction, cycle and walking links and pedestrian crossing improvements undertaken along the length of the route with the aim of reducing congestion and traffic queuing, improving bus journey time reliability, improving provision along the route for pedestrians and cyclists and reducing the severance issues presented by the corridor for the local population. The improvements also seek to help facilitate the Coopers Edge Development of 1400 dwellings currently under construction at the south eastern edge of Gloucester which will create additional traffic pressures on the route. The proposed scheme design at the key junctions of Metz Way/Eastern Avenue and Abbeymead Avenue/North Upton Lane are shown in Figure 2 and 3.

**Figure 2: A4302 Metz Way / A38 Eastern Avenue Junction proposed layout.**



**Figure 3: A4302 Abbeymead Avenue / North Upton Lane Junction Proposed layout.**



## **2 Full Business Case Assessment**

## 2 Full Business Case Assessment

### 2.1 Introduction

The GFirst LEP Transport Business Case Guidance<sup>1</sup> outlined the process utilised by the LEP for the development and assessment of Business Cases. This guidance applies to all transport schemes seeking funding via the Single Local Growth Fund. A pro-forma was also provided to each scheme promoter to fill in to ensure that appropriate information was provided under each of the assessment areas.

A detailed assessment has been undertaken of the content of the Business Case submission for the Metz Way to Abbeymead Avenue Improvements project. This considered the comprehensiveness, robustness and realism of the information contained against the requirements specified in the guidance.

The criteria of the Appraisal Guidance required scheme promoters to complete five different ‘cases’ as part of each stage in the Business Case process, namely:

- Strategic Case;
- Economic Case;
- Financial Case;
- Commercial Case; and,
- Management Case.

A number of key questions/requirements were also set under each of these headings aligned to the DfT WebTAG guidance for transport appraisal<sup>2</sup>. The AECOM assessment of the Business Case submissions has been based upon whether each of these questions/requirements has been addressed satisfactorily, assuming an assessment proportionate to the scale of scheme and likely impact areas. A traffic light system (shown below) was used to identify responses that pass (green) or fail (red) each criterion, alongside those where some issues were identified, but these were not considered critical to the overall Business Case of the scheme (amber). Any scheme passing all criteria would be recommended for approval to the next stage. Schemes with some amber elements may be recommended to approve, depending upon the number of issues identified and their impact upon the overall Business Case for the scheme. Submissions with red ‘fail’ criteria are considered insufficient in robustness, realism or comprehensiveness of detail to approve at this stage.

Fail
Some issues identified, but not considered critical
Pass

This section outlines the AECOM assessment of each area of the business case. The Metz Way to Abbeymead Avenue Improvements: Full Business Case Document should be consulted for further details of the scheme and the appraisal undertaken.

<sup>1</sup> [http://www.gfirstlep.com/doc\\_get.aspx?DocID=305](http://www.gfirstlep.com/doc_get.aspx?DocID=305)

<sup>2</sup> <https://www.gov.uk/guidance/transport-analysis-guidance-webtag>

## 2.2 Strategic Case

Table 1 presents the assessment of the Strategic Case for the scheme. Please see the Strategic Case section of the full business case document for the full details of the evidence presented. A number of changes have been made to the scheme since the SOC stage, some of which result from consultation input. The focus of the scheme has shifted from seeking to benefit bus users to trying to benefit all transport users; however it was considered that the scheme continues to meet its originally stated objectives. The scheme was considered to pass all assessment criteria within the strategic case.

**Table 1: Assessment of the Strategic Case for the Scheme**

Criteria	Assessment	RAG Status
Have they indicated what changes have been made to the scheme since that described in the SOC or Growth Deal Business Case Proposal?	Whilst no comprehensive information on the changes made to the scheme is provided within the strategic case the options considered and the preferred options to be taken forward are discussed in the economic case. The changes made to the scheme as a result of consultation are also discussed in the management case.	Pass
Does the scheme still deliver the objectives stated at the previous stage?	Discussion is provided on why the scheme has been changed to benefit all users as opposed to focusing on buses. The scheme should still benefit buses/bus users and hence achieves its originally stated objectives.	Pass
Have they indicated the approach has been taken to modelling the economic and financial impacts of the scheme?	Information on the approach utilised is provided within the economic case.	Pass
Is the approach utilised considered appropriate to the impacts and scale of impacts anticipated?	The approach adopted is appropriate to the scheme scale and nature.	Pass

### 2.3 Economic Case

Table 2 presents the AECOM assessment of the economic case for the scheme. A mixture of qualitative and quantitative assessments are provided, which is considered appropriate for a relatively small scale scheme, such as this. The scheme scored positively against the majority of the assessment criteria; however negative impacts were identified including the need for vegetation clearance and the potential relocation of a badger sett, however mitigation measures have been identified to limit these impacts. A quantified assessment of the journey time benefits of the two junction improvements was provided which indicates that the scheme represents a high value for money. All criteria within the economic case were considered to have been met.

**Table 2: Assessment of the Economic Case for the Scheme**

Criteria	Assessment	RAG Status
Has an Appraisal Summary Table been provided?	An AST Table is provided.	Pass
Is sufficient evidence presented to justify the scores given, considering the scale of benefits anticipated and the importance of these for the strategic case for the scheme?	A mixture of quantitative and qualitative assessments is provided. This is appropriate to the scheme scale and nature.	Pass
Are the scores given considered accurate and appropriate?	Scores in general appear realistic. Severance benefits are considered to have been under reported.	Pass
Does the scheme score positively against the majority of AST categories?	Scheme scores positively against 9 criteria and neutral against the remainder once identified mitigation measures are factored in.	Pass
What negative impacts are predicted and what are the consequences of these?	Negative impacts include vegetation clearance affecting the landscape setting. A badger sett has been identified which will require the badgers to be relocated if still active. A management plan is in place to mitigate this issue.	Pass
Are any additional negative consequences predicted that have not been included within the AST assessment?	No additional negative impacts are anticipated	Pass
Have they included a calculation of the BCR for the project?	A BCR calculation is provided for the two major junction improvements with quantifiable journey time benefits. Additional consideration has been included with regard to reliability benefits.	Pass
Is the BCR calculation considered accurate, robust and appropriate to the scale and nature of the project?	Approach to calculation of BCR is considered appropriate to the scale and nature of the scheme.	Pass
Does this indicate that the scheme represents value for money?	Quantified benefits indicate a very high value for money. There are no predicted significant or slight negative impacts within the qualitative assessment areas, therefore the scheme is considered to represent value for money.	Pass

## 2.4 Financial Case

Table 3 outlines the assessment of the financial case for the Metz Way to Abbeymead Avenue Improvements project. Scheme costs remain broadly unchanged from previous estimates. The project is indicated to be fully funded via the LEP contribution and a S106 contribution from the developers of Coopers Edge. A Deed of Variation is currently being agreed with the developer which will confirm this S106 contribution. It is recommended that a condition of approval is added into the funding agreement to allow LEP funding to be revoked should this S106 money not come forward.

**Table 3: Assessment of the Financial Case for the Scheme**

Criteria	Assessment	RAG Status
Have the latest financial costs been provided? Are these presented in current prices?	A financial cost breakdown is provided including the years in which these costs are accrued.	Pass
How do these costs compare to previous estimates?	A cost increase of £0.1m is identified; this is covered by an increased contribution from Coopers Edge development. The LEP contribution requested remains unchanged.	Pass
Have they outlined the additional elements which make up the whole life costs of the scheme?	An assessment of annual maintenance costs has been provided in addition to a breakdown of the scheme construction and design costs.	Pass
Have they included the expected non-LEP funding sources and the status of these contributions	The status of Coopers Edge S106 moneys is discussed with indication of the anticipated contributions by year.	Pass
Is sufficient certainty provided regarding the funding of the scheme?	Advanced payment of a portion of the 3rd party contribution to the scheme has already been received. A Deed of Variation is currently being processed to be complete in January 2017 which will confirm final funding. A condition of approval of LEP funding should be included in relation to securing this contribution.	Pass

**2.5 Commercial Case**

The assessment of the commercial case for the scheme is outlined in Table 4. The scheme generates no income and none is required for the long-term viability of the scheme. Options for procurement of contractors are discussed, with an open tender approach planned. This would be based upon a lump sum value, which would limit GCC risk exposure to future cost escalations.

**Table 4: Assessment of the Commercial Case for the Scheme**

Criteria	Assessment	RAG Status
Have they indicated the income that is predicted to be generated by the scheme? How does this compare to previous predictions?	No income generation is predicted	Pass
If income is generated is this sufficient to ensure the long-term viability of the scheme?	N/A	Pass
Has a procurement strategy been provided?	Procurement options considered and a preferred option identified consisting of delivery via open tender.	Pass
Is the procurement strategy appropriate to the nature of the scheme? Does it ensure the correct balance of risk is allocated between the scheme sponsor and contractor?	Procurement would be on a lump sum basis with an activity schedule. This limits the risk to GCC of the consequences of cost and programme overruns although tender prices may be higher than currently predicted.	Pass



**2.6 Management Case**

Table 5 outlines the AECOM assessment of the Management Case for the scheme. Gloucestershire County Council, as scheme promoter, is the local highway authority and has the legal powers to deliver the project. Some land purchase is required and it will be necessary for Natural England to sign off the proposed badger mitigation strategy before works can commence. The timescales for these activities are included within the proposed project programme.

Consultation activities undertaken and planned are discussed, with the modifications to the scheme resulting from public consultation discussed, but no indication provided of how stakeholder consultation input has informed the chosen design.

A basic benefit realisation strategy is provided, but additional activities could be identified to ensure the planned benefits of the scheme are achieved. Monitoring and evaluation activities are indicated, however additional details will be required to allow baseline and future year monitoring tasks which successfully assess the outturn impacts of the scheme to be commissioned. Overall the Management Case for the scheme is considered appropriate for a scheme of this type and meets the requirements of the FBC guidance.

**Table 5: Assessment of the Management Case for the Scheme**

Criteria	Assessment	RAG Status
Are plans provided for how the scheme will be designed and constructed?	An outline of the planned process is provided. The scheme will utilise standard construction practices following local and national design standards.	Pass
Are these plans considered appropriate to the scheme?	Proposed approach is in line with standard practice	Pass
Have they included information on the legal powers that are needed to construct the scheme?	Information on legal powers required is included. Access to 3 <sup>rd</sup> party land and Natural England approval of badger mitigation strategy are the only areas where legal powers are/may be required.	Pass
Have they stated how these powers will be obtained?	Approach to achieving legal powers is provided including anticipated timescales for this.	Pass
Have they indicated the results of public and stakeholder consultation activities?	Results of public share event discussed. Table provided indicating stakeholder consultation approach and those activities which have been completed or are planned.	Pass
Has the scheme been altered to satisfactorily reflect the consultation responses received?	Table provided to indicate how public consultation input has shaped the scheme. No information provided on how/whether stakeholder feedback resulted in any changes to the scheme.	Some issues but not considered critical to the overall

Criteria	Assessment	RAG Status
		case for the scheme
Have they detailed the key risks in terms of impacts on delivery timescales?	A risk register is provided	Pass
Have they detailed how the risks will be managed / mitigated?	Risk mitigation controls indicated within risk register	Pass
Has a Quantified Risk Assessment (QRA) been provided?	Minimum, expected and maximum cost estimates are provided associated with financial risks within risk register. No calculation of overall risk exposure is provided.	Pass
Have all key risks been identified, sufficiently mitigated and quantified?	All key risks have been identified and sufficiently mitigated. Quantified cost ranges provided.	Pass
Have they included the governance arrangements that will enable the scheme to be delivered including the key named individuals and their roles?	Named individuals and roles identified as well as meetings and reporting processes.	Pass
Have they outlined the planned project programme for delivery of the scheme including a GANTT chart	Key project milestones and Gantt chart provided.	Pass
Is the programme considered realistic and viable?	The proposed programme appears realistic and viable.	Pass
Does the programme facilitate completion of the project within the LEP funding period?	Programme indicates scheme completion in August 2017. This is within growth fund period.	Pass
Have they included the proposed Benefits Realisation strategy?	A table is provided indicating the actions that will be undertaken to seek to ensure planned benefits are realised. This is not considered comprehensive, but does indicate some of the activities that could be undertaken to ensure benefits are realised.	Some issues but not considered critical to the overall case for the scheme
Have they identified how the benefits will be monitored and evaluated?	Table provided containing targets aligned to the project objectives and data sources to be utilised. Appropriate count sites have been identified in some instances. Some confusion regarding terminology, but proposed data sources appear appropriate.	Some issues but not considered critical to the overall case for the scheme

Criteria	Assessment	RAG Status
<p>Are monitoring and evaluation activities considered appropriate to the scale and nature of the project?</p>	<p>Monitoring and Evaluation activities appear appropriate to the scheme scale, although additional details would be beneficial to allow proposed monitoring and evaluation activities to be planned for and arranged. A baseyear report should be produced in the near future ahead of scheme construction summarising the baseline evidence base and detailing the specification for future data collection.</p>	<p>Some issues but not considered critical to the overall case for the scheme</p>

### **3 Due Diligence Checks**

### 3 Due Diligence Checks

#### 3.1 Introduction

It is a requirement of the Local Assessment Framework (LAF) that GCC and the GFirst LEP are required to undertake a Due Diligence process before Government funds can be made available to scheme promoters. The GFirst LEP Assurance Framework provides guidance in the process to be followed in this regard<sup>3</sup>.

This section of the report examines the information provided in the Full Business Case submission and subsequent information provided by the scheme promoter across a number of criteria to ensure an appropriate level of due diligence has been given to the scheme ahead of any final decision on the funding of the project. Where appropriate specialist input has been sought from specialists in accountancy, procurement and state aid arrangements to ensure appropriate due diligence has been achieved.

**Table 6** outlines the assessment of the scheme against these criteria.

**Table 6: Due Diligence Assessment**

Strategic	
Rationale	<p><b><i>What is the rationale for the project – is this clearly set out in the Business Case and has anything changed since?</i></b></p> <p>The key objectives of the proposed scheme are detailed in the Full Business Case, with the scheme fully justified. In summary, the objectives are as follows:</p> <ul style="list-style-type: none"> <li>• Improve links between Coopers Edge &amp; Gloucester;</li> <li>• Improve local links in the area;</li> <li>• Provide a better opportunity for modal shift;</li> <li>• Improve the most direct route for all vehicles (Including buses) reducing CO2 emissions, noise and air pollution.</li> </ul> <p>The overarching goal is to improve travel conditions for all users along the currently heavily congested sections of Metz Way. The scheme will aim to;</p> <ul style="list-style-type: none"> <li>• Reduce traffic queues and congestion;</li> <li>• Improve bus journey reliability;</li> <li>• Apply latest technology to existing traffic signals;</li> <li>• Improve cycling facilities;</li> <li>• Upgrade existing pedestrian crossings.</li> </ul>

<sup>3</sup> [http://www.gfirstlep.com/doc\\_get.aspx?DocID=302](http://www.gfirstlep.com/doc_get.aspx?DocID=302)

	<p><b><i>Why is public funding in the form of Growth Funds necessary?</i></b></p> <p>Public funding is required as the economic cost to the public of not proceeding with the project would be considerable due to the costly delays that would occur under the 'Do Minimum' scenario were the works not carried out. A developer contribution has been received towards the scheme, however this does not cover the full costs of resolving the issues on the corridor, hence the requirement for public funds.</p>
Need/Demand	<p><b><i>Does the Business Case adequately address the need and demand for the project?</i></b></p> <p>The Business Case indicates that without the project the existing route will continue to see an increase in traffic delays and continue to be perceived as an undesirable route for cyclist and pedestrians.</p>
Aims	<p><b><i>Which LEP objectives does the project address?</i></b></p> <p>It is the Gloucestershire LEP's Vision that "by 2022, the county will have world class companies, a diverse business portfolio and a reputation for starting and growing great businesses". These businesses rely on reliable infrastructure and a functioning road network.</p> <p>By reducing congestion the journey times will be made more reliable, so the scheme improves the reliability of infrastructure.</p>
Fit	<p><b><i>What other local strategies does the project fit e.g. LA local plan, Economic Strategies etc?</i></b></p> <p>The Local Transport Plan (LTP) sets the long-term transport strategy for Gloucestershire up to 2031. It aims to influence how and when people choose to travel so that individual travel decisions do not cumulatively impact on the desirability of Gloucestershire as a place to live, work and invest.</p> <p>This scheme contributes to all of the LTP3 objectives below.</p> <ul style="list-style-type: none"> <li>• Support sustainable economic growth</li> <li>• Enable community connectivity</li> <li>• Conserve the environment</li> <li>• Improve community health and well being</li> </ul>
<b>Financial</b>	

<p>Cost profile</p>	<p><b>Attach the latest cost profile with elemental breakdown</b></p> <table border="1" data-bbox="443 555 1121 1137"> <thead> <tr> <th colspan="3">Scheme Cost Breakdown and Profile</th> </tr> <tr> <th rowspan="2">Project Cost Components</th> <th colspan="2">Costs by year (£000) Year of Estimate:</th> </tr> <tr> <th>2016/17</th> <th>2017/18</th> </tr> </thead> <tbody> <tr> <td>Design &amp; Management</td> <td>230</td> <td>70</td> </tr> <tr> <td>Construction including Traffic-Related Maintenance</td> <td>145</td> <td>990</td> </tr> <tr> <td>Indirect Tax</td> <td></td> <td></td> </tr> <tr> <td>Contingency</td> <td>40</td> <td>125</td> </tr> <tr> <td>Indirect Tax</td> <td></td> <td></td> </tr> <tr> <td><b>Total Cost</b></td> <td><b>415</b></td> <td><b>1,185</b></td> </tr> </tbody> </table>	Scheme Cost Breakdown and Profile			Project Cost Components	Costs by year (£000) Year of Estimate:		2016/17	2017/18	Design & Management	230	70	Construction including Traffic-Related Maintenance	145	990	Indirect Tax			Contingency	40	125	Indirect Tax			<b>Total Cost</b>	<b>415</b>	<b>1,185</b>				
Scheme Cost Breakdown and Profile																															
Project Cost Components	Costs by year (£000) Year of Estimate:																														
	2016/17	2017/18																													
Design & Management	230	70																													
Construction including Traffic-Related Maintenance	145	990																													
Indirect Tax																															
Contingency	40	125																													
Indirect Tax																															
<b>Total Cost</b>	<b>415</b>	<b>1,185</b>																													
<p>Funding</p>	<p><b>Attach the funding profile that matches the cost profile – indicate the source of all funding both public and private; indicate the status of funding e.g. spent/committed, approved, application submitted, TBA etc</b></p> <table border="1" data-bbox="443 1406 1273 1984"> <thead> <tr> <th colspan="5">Scheme Funding Sources and Profile of Contributions</th> </tr> <tr> <th colspan="2"></th> <th colspan="3">Funding Contributions by year</th> </tr> <tr> <th>Funding Source</th> <th>Fund Details</th> <th>2016/17</th> <th>2017/18</th> <th>All Years</th> </tr> </thead> <tbody> <tr> <td>Gov. / LEP (direct)</td> <td>GFirst LEP</td> <td>£280,000</td> <td>*£220,000</td> <td>£500,000</td> </tr> <tr> <td>S106</td> <td>Private - Coopers Edge developers</td> <td>£135,000</td> <td>£965,000</td> <td>£1,100,000</td> </tr> <tr> <td>All</td> <td>Total</td> <td>£415,000</td> <td>£1,185,000</td> <td>£1,600,000</td> </tr> </tbody> </table>	Scheme Funding Sources and Profile of Contributions							Funding Contributions by year			Funding Source	Fund Details	2016/17	2017/18	All Years	Gov. / LEP (direct)	GFirst LEP	£280,000	*£220,000	£500,000	S106	Private - Coopers Edge developers	£135,000	£965,000	£1,100,000	All	Total	£415,000	£1,185,000	£1,600,000
Scheme Funding Sources and Profile of Contributions																															
		Funding Contributions by year																													
Funding Source	Fund Details	2016/17	2017/18	All Years																											
Gov. / LEP (direct)	GFirst LEP	£280,000	*£220,000	£500,000																											
S106	Private - Coopers Edge developers	£135,000	£965,000	£1,100,000																											
All	Total	£415,000	£1,185,000	£1,600,000																											

	Funding Sources				
Accounting	<p>The Coopers Edge development funding is committed funding.</p> <p><b>Set out the accounting arrangements e.g. how payments made (invoices or claims), who certifies for payment, where records are held, treatment of VAT etc</b></p> <p>The Contract for the works will be tendered through the South-West Procontract Portal. This will be implemented and overseen by Amey.</p> <p>The form of contract will be an Option A NEC3 Contract. Tenders will be submitted as an Activity Schedule with the options for lump sum payments.</p> <p>Payments will be made in instalments to the appointed Contractor.</p> <p>Applications will be made through the Amey Project Manager to the GCC Project Manager. Amey will review the payment request and if in agreement pass to the GCC Project Manager Promoter to authorise/certify the payment.</p> <p>VAT will be paid to the Appointed Contractor and subsequently re-claimed by GCC.</p> <p>It is considered that the use of this existing arrangement will ensure proper accounting for costs and spending.</p>				
Audit	<p><b>Set out Internal and independent audit arrangements</b></p> <p>An Internal Audit is defined as a continuous and independent appraisal of all functions of the Council to ensure the correctness of all income and expenditure. Audit work is based on assessing compliance with the Council's financial rules and procedures by examining the various systems of financial control in place throughout the Council's directorates.</p> <p>The Council is required by law to carry out internal audit. Under Financial Regulations responsibility for this lies with the Chief Financial Officer (The Executive Director - Business Management).</p> <p>The Business Management Directorate's Audit and Financial Standards section (AFS) carries out the Council's internal audit. Its work plan is compiled in consultation with Executive Directors based on a detailed risk assessment of the key financial activities. Typically the annual plan comprises:</p> <ul style="list-style-type: none"> <li>• Routine audits - a series of regular reviews of the various</li> </ul>				



	<p>financial systems. These are a mixture of establishment and central system reviews.</p> <ul style="list-style-type: none"> <li>• Ad hoc reviews of specific systems - where the approach is not just to ensure compliance with financial regulations but to comment on the overall efficiency of the system and to suggest improvements.</li> <li>• Irregularity investigations - to investigate any suspicions or allegations of misuse of Council monies.</li> </ul> <p>Internal Audit is responsible for evaluating both financial and operational controls; taking into account the risks facing the organisation and assess how effective and reliable the controls are in helping to minimise those risks.</p> <p>These general arrangements used by the Council are considered to provide the appropriate level of internal audit oversight of this contract.</p>
Post Project	<p><b><i>Are there on-going cost implications and if so how will these be funded?</i></b></p> <p>The proposed works include carriageway widening, installation of cycleway and upgrades to pedestrian crossings and signals. The additional infrastructure will require little additional maintenance.</p> <p>The costs of maintenance of the new assets would be covered by GCC Capital and Revenue budgets.</p>
Viability	<p><b><i>Is the project viable? Is there a reliance on income to support the project and if so are the forecasts reasonable?</i></b></p> <p>The project involves the use of standard practice and design standards and is indicated to represent good value for money in economic terms. The project does not rely on any income generation.</p>
<b>Economic</b>	
Options	<p><b><i>What options were considered as part of the Business Case?</i></b></p> <p>The scheme was initially planned as a Bus Lane Scheme, however this was modified in favour of a benefits for all users scheme.</p> <p>A number of different improvement options for vehicles, pedestrians and cyclists were considered and those providing greatest benefit were selected.</p>
Outputs	<p><b><i>Are there clear and reasonable assumptions underpinning identified outputs?</i></b></p> <p>The locations and nature of the improvements to be delivered as part of</p>

	<p>the project are clearly defined. The below are the key outputs of the project:</p> <ul style="list-style-type: none"> <li>• Number of junctions improved; 2no.</li> <li>• Additional carriageway surfacing – 502sqm</li> </ul>
Outcomes	<p><b><i>Are there clear and reasonable assumptions underpinning identified outcomes?</i></b></p> <p>The outcomes of the project are detailed within the AST table within the Business Case submission. The assumptions used to determine these outcomes are considered appropriate.</p> <p>The below are the key outcomes of the project:</p> <ul style="list-style-type: none"> <li>• No decrease in traffic flows on Metz Way</li> <li>• Improvement in bus journey times from Coopers Edge to Gloucester</li> <li>• Improvement in all vehicle journey times from Coopers Edge to Gloucester</li> <li>• Increased patronage of the buses from Coopers Edge to Gloucester</li> <li>• Increase in walking and cycling</li> <li>• Minimal accidents at the new junctions</li> </ul>
Impacts	<p><b><i>Are there clear and reasonable assumptions underpinning identified impacts?</i></b></p> <p>The assumptions used to determine scheme impacts are considered appropriate. Identified negative impacts include vegetation clearance affecting the landscape setting. A badger sett has been identified which will require the badgers to be relocated if still active. A management plan is in place to mitigate this issue.</p>
	<p><b><i>Have distributional and social effects been taken into account?</i></b></p> <p>Social and distributional impacts are considered qualitatively as part of the economic appraisal section of the Full Business Case. The scheme will ensure that there is no detriment to vulnerable road users compared to the existing situation.</p>
VFM	<p><b><i>Summarise the VFM indicators and results for the preferred option/project</i></b></p> <p><b><i>Has a Value for Money Statement been completed?</i></b></p> <p>The Vfm has been prepared in accordance with the DfT's "Value for money assessment: advice note for local transport decision makers".</p>

	<p>The overall qualitative outcome is Very High, on a 4-point scale. This VfM is based on the quantified initial Benefit Cost Ratio for the scheme of 4.392 (i.e. Very High), with further adjustments for non-quantified BCR components and qualitative outcomes</p>																						
<b>Delivery</b>																							
Timetable	<p><b><i>Attach the latest project timetable identifying key milestones</i></b></p> <table border="1" data-bbox="485 725 1353 1859"> <thead> <tr> <th data-bbox="485 725 1005 808">Activity</th> <th data-bbox="1005 725 1353 808">Target Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 808 1005 960">Submit Full Business Case for Approval</td> <td data-bbox="1005 808 1353 960">23<sup>rd</sup> August 2016</td> </tr> <tr> <td data-bbox="485 960 1005 1043">Approve Full Business Case</td> <td data-bbox="1005 960 1353 1043">04<sup>th</sup> October 2016</td> </tr> <tr> <td data-bbox="485 1043 1005 1126">Issue Supplier Engagement Notice</td> <td data-bbox="1005 1043 1353 1126">14<sup>th</sup> October 2016</td> </tr> <tr> <td data-bbox="485 1126 1005 1209">Issue Tender Documents</td> <td data-bbox="1005 1126 1353 1209">04<sup>th</sup> November 2016</td> </tr> <tr> <td data-bbox="485 1209 1005 1292">Tenders Return</td> <td data-bbox="1005 1209 1353 1292">16<sup>th</sup> December 2016</td> </tr> <tr> <td data-bbox="485 1292 1005 1444">3<sup>rd</sup> Party Land Dedication Agreement complete</td> <td data-bbox="1005 1292 1353 1444">09<sup>th</sup> December 2017</td> </tr> <tr> <td data-bbox="485 1444 1005 1527">Badger Mitigation Actions Complete</td> <td data-bbox="1005 1444 1353 1527">20<sup>th</sup> January 2017</td> </tr> <tr> <td data-bbox="485 1527 1005 1680">Complete Tender assessment and award</td> <td data-bbox="1005 1527 1353 1680">20<sup>th</sup> January 2017</td> </tr> <tr> <td data-bbox="485 1680 1005 1762">Construction Start</td> <td data-bbox="1005 1680 1353 1762">20<sup>th</sup> February 2017</td> </tr> <tr> <td data-bbox="485 1762 1005 1859">Construction End</td> <td data-bbox="1005 1762 1353 1859">25<sup>th</sup> August 2017</td> </tr> </tbody> </table> <p><b><i>Is there a Gantt chart showing timescales for detailed elements?</i></b></p>	Activity	Target Date	Submit Full Business Case for Approval	23 <sup>rd</sup> August 2016	Approve Full Business Case	04 <sup>th</sup> October 2016	Issue Supplier Engagement Notice	14 <sup>th</sup> October 2016	Issue Tender Documents	04 <sup>th</sup> November 2016	Tenders Return	16 <sup>th</sup> December 2016	3 <sup>rd</sup> Party Land Dedication Agreement complete	09 <sup>th</sup> December 2017	Badger Mitigation Actions Complete	20 <sup>th</sup> January 2017	Complete Tender assessment and award	20 <sup>th</sup> January 2017	Construction Start	20 <sup>th</sup> February 2017	Construction End	25 <sup>th</sup> August 2017
Activity	Target Date																						
Submit Full Business Case for Approval	23 <sup>rd</sup> August 2016																						
Approve Full Business Case	04 <sup>th</sup> October 2016																						
Issue Supplier Engagement Notice	14 <sup>th</sup> October 2016																						
Issue Tender Documents	04 <sup>th</sup> November 2016																						
Tenders Return	16 <sup>th</sup> December 2016																						
3 <sup>rd</sup> Party Land Dedication Agreement complete	09 <sup>th</sup> December 2017																						
Badger Mitigation Actions Complete	20 <sup>th</sup> January 2017																						
Complete Tender assessment and award	20 <sup>th</sup> January 2017																						
Construction Start	20 <sup>th</sup> February 2017																						
Construction End	25 <sup>th</sup> August 2017																						

	<p>A Gantt chart has been included as Appendix to the Full Business Case.</p> <p><b>Confirm contract timescale</b></p> <table border="1" data-bbox="485 651 1353 824"> <tr> <td data-bbox="485 651 1007 734">Construction Start</td> <td data-bbox="1007 651 1353 734">20<sup>th</sup> February 2017</td> </tr> <tr> <td data-bbox="485 734 1007 824">Construction End</td> <td data-bbox="1007 734 1353 824">25<sup>th</sup> August 2017</td> </tr> </table>	Construction Start	20 <sup>th</sup> February 2017	Construction End	25 <sup>th</sup> August 2017
Construction Start	20 <sup>th</sup> February 2017				
Construction End	25 <sup>th</sup> August 2017				
Site	<p><b>Confirm ownership of the site and detail arrangements to ensure unfettered access e.g. covenants, rights of way, easements etc</b></p> <p>The works at North Upton Lane requires 3rd party land from Barnwood trust and Gloucester City Council. Gloucester County Council legal department are progressing this with the intention of adopting the areas via a Dedication Agreement. This will provide the necessary rights to access for the works and avoid a lengthy conveyancing process. It is envisaged that this will complete in January 2017.</p> <p>It is recommended that a condition is put in place to ensure that this Dedication Agreement is completed and legal rights to access all 3<sup>rd</sup> party land required are in place before Local Growth Fund Funding is released.</p>				
Planning	<p><b>Does the project have planning permission? Are there planning conditions that still need to be satisfied e.g. s106, ecology etc?</b></p> <p>No planning permission is required for this project. A condition is in place in relation to the Badger sett at the Abbeymead Avenue/North Upton Lane junction. A Mitigation Strategy has been developed and implemented for the managed removal of badgers from this location.</p>				
Environmental Sustainability/Social Value	<p><b>What will be the environmental impact of the project and have potential opportunities for environmental enhancement been identified?</b></p> <p>The proposed works will have an impact on the Environment :</p> <ul style="list-style-type: none"> <li>• During construction there will be local impacts on adjacent properties due to noise; these will be kept to a minimum.</li> <li>• Air quality is unlikely to be affected.</li> <li>• The completed scheme will avoid an increase in carbon emissions due to additional journey time for most users.</li> <li>• The scheme will have a neutral Impact on landscape.</li> <li>• There will be no impact on any watercourses.</li> </ul>				

	<p><b><i>What contribution is the project likely to make to social value?</i></b></p> <p>If the scheme is not undertaken the social impact would be far reaching. Effects such as the following could be experienced;</p> <ul style="list-style-type: none"> <li>• Road users adversely affected by delays from congestion;</li> <li>• Social exclusion due to pedestrian severance;</li> </ul>
Procurement	<p><b><i>Outline the procurement strategy – is this State Aid compliant?</i></b></p> <p>GCC's procurement strategy is detailed at Section 7.2 of the Full Business case.</p> <p>Due to the value of this scheme it will be procured as an Open tender via the South-West Procontract portal.</p> <p>Basis for contractor selection: is this best VFM?</p> <p>The contracts will be procured as NEC Option A, lump sum with activity schedule.</p> <p>The 5 lowest priced tenders will have their quality submissions assessed to ensure they pass the quality threshold criteria.</p> <p>The lowest priced submission, successfully passing the quality threshold, will be awarded the contract.</p> <p>Contractor checks including collateral warranties GCC require tenderers to provide evidence to substantiate suitability for schemes.</p> <p>Due to the potential for anticipated scheme costs to escalate following the tendering process it is recommended that sufficient conditions are put in place as part of the Funding Agreement to allow the LEP to postpone or revoke funding should the scheme become unaffordable or significant changes be made to the scheme to the extent that the planned scheme does not deliver upon its stated objectives as outlined within the Full Business Case document.</p>
State Aid	<p><b><i>Does the investment provide a benefit to an undertaking in a way that is not recognised through an appropriate contribution?</i></b></p> <p><b><i>Is the investment covered by General Block Exemption Rules or</i></b></p>

	<p><b>any other EU approved notification?</b></p> <p>Confirm the investment of Growth Funds is State Aid compliant.</p> <p>The investment will provide benefits to all travellers. Some of these will be undertakings in the sense of EU State Aid law. However there will be no selectivity in the way these benefits are given so no State Aid will arise. In any event, the benefit enjoyed by any individual firm will be well below the €10,000 threshold.</p>
Risk	<p><b>Set out Risk management strategy including allocation/transfer Confirm Risk register in place and arrangements for maintaining</b></p> <p>A project risk register is to be maintained throughout the scheme duration and a copy has attached to FBC as Appendix C.</p> <p>The Construction risks will be passed to contractor during the construction phase.</p>
<b>Management</b>	
Organisation	<p><b>Set out the Status of the organisation receiving funds for State Aid purposes Undertake general finance check e.g. credit rating, KYC, money laundering etc</b></p> <p>The project will be delivered by Gloucestershire County Council, who are experienced in undertaking capital projects of this nature. As a public body GCC are governed by rules for public organisations including public procurement and freedom of information. An Annual Statement of Accounts is made publically available as are external audit results. GCC is also the accountable body to the LEP.</p> <p>Additional financial checks are therefore not considered appropriate or necessary for this organisation.</p>
Capability	<p><b>Does the delivery team possess the necessary skills and resources to deliver the project?</b></p> <p>FBC paragraph 9.8 Availability and Suitability of Resources.</p> <p>The scheme is intended to be delivered using a collaborative approach between GCC staff and their appointed support organisation Amey. GCC have identified appropriately trained and experienced staff that will be the responsible for the management of the scheme. The identified staff, fulfilling the GCC Project Manager and Amey Project Manager roles, has been ring-fenced to support the scheme throughout its duration, from design through scheme procurement and onto construction supervision. They will have more junior staff available to</p>

	<p>support them as required.</p> <p>GCC will utilise dedicated Amey resource through an existing contract to undertake design and also provide early contractor involvement (ECI), where appropriate, to the design process to ensure best value.</p> <p><b><i>Are there multiple projects that are the responsibility of the same team, and if so how managed with the project?</i></b></p> <p>As detailed within section 9.7 of the FBC;</p> <p>GCC have a successful track record of managing multiple projects and delivering major transport schemes within the county. The most recent of which was the Walls G&amp;G Roundabout Contract (WC&amp;G). The WC&amp;G scheme, completed in October 2014, was designed to support economic development, job creation and social regeneration, improving access with high quality connections between the urban centres, transport hubs and development sites.</p> <p>The scheme was successfully delivered within budget and on programme through the adoption of a robust management approach. The total value of the scheme was £3.1M of which £0.5M was funded by Central Government. The scheme was procured through a full OJEU tender process.</p>
<p>Governance</p>	<p><b><i>Are there clearly defined role responsibilities including authorisation and delegation levels?</i></b></p> <p><b><i>What are the reporting arrangements?</i></b></p> <p>Section 9.2 of the FBC details Project Governance, Roles and Responsibilities, including;</p> <p><b>Project Governance</b> GCC have set up a clear and robust structure to provide accountability and an effectual decision making process for the management of the LEP funded schemes. Each scheme will have a designated project manager who will be an appropriately trained and experienced member of GCC staff.</p> <p>A detailed breakdown of meetings (along with the attendees, scope and output of each) which make up the established governance process is set out below.</p> <p><b>Project Board Meetings (PBM)</b> PB meetings are held monthly to discuss individual progress on each</p>

	<p>scheme and are chaired by Amey Project Managers (PMs). Attendees include representatives for different aspects of LEP management (i.e. Communication, Traffic, Risk Management, Amey design and/or construction team). Progress is also discussed in technical detail raising any issues or concerns for all to action. A progress report, minutes of meeting and an update on programme dates are provided ahead of the meeting for collation and production of the LEP progress and highlight Report.</p> <p><b>LEP Progress and Highlight Report</b> The Progress and Highlight Reports sent by the GCC PMs comprise of the following updates; general progress, project finances, issues, risks and meeting dates. The report also identifies any areas of concern or where decisions are required by the PB meeting. An agreed version of the latest Progress and Highlight Report is issued to the PB meeting attendees during the meeting.</p> <p>The project management structure is detailed within paragraph 9.3 of the FBC.</p>
Communication	<p><b><i>How will the project communicate with stakeholders, client base, and public?</i></b></p> <p><b><i>Is there a marketing strategy?</i></b></p> <p>Refer to following sections of the FBC;</p> <p><b>9.5 Communications and Engagement Management;</b> GCC have a tried and tested Communication and Engagement Management Plan which is used on all major projects. Effective use of the plan has resulted in limited adverse feedback from the public and ensured successful delivery of schemes both from a project management and public relations perspective. This section of the Full Business Case provides further information on how stakeholders are identified, how they are communicated to and the methods/ techniques used to communicate.</p> <p><b>9.6 Stakeholder Communication Plan</b> Table 9.6 of the Full Business Case summarises the strategy for managing engagement with stakeholders for the scheme. It itemises the relevant stakeholders and interests and indicates the stakeholder category with which each is associated.</p>
Monitoring	<p><b><i>What are the arrangements for monitoring for both finance and economic benefits?</i></b></p> <p>Monthly Programme and Financial Review Meetings where The Client,</p>



	the Clients Representative and the Principle Contractor will be present.
Evaluation	<p><b><i>How will the completed project be evaluated?</i></b></p> <p>Post Scheme Review Meeting where The Client, the Clients Representative and the Principle Contractor will be present are planned, which will allow key lessons learnt and best practice from the project to be recorded, to inform future projects.</p> <p>A simple monitoring and evaluation plan has also been prepared, and is included as part of the Full Business Case. This indicates the proposed monitoring and evaluation activities which will be undertaken following completion of the project.</p>

## **4 Summary**

## 4 Summary

### 4.1 Introduction

This section of the report summarises the key project inputs, outputs and milestones to inform the Funding Agreement for the scheme. It also summarises the findings of the Full Business Case assessment and Due Diligence checks undertaken on the proposed project.

### 4.2 Summary of project inputs, outputs and outcomes

#### 4.2.1 Total Cost

The total capital cost of the project is £1.6m, this is broken down by task in **Table 7** below:

**Table 7: Planned Construction Costs**

Scheme Cost Breakdown and Profile					
Project Cost Components	Capital Cost Items	* Estimate Status (O/P/D/T)	Costs by year (£000) Year of Estimate:		Total cost by component (£000)
			2016/17	2017/18	
Design & Management	Design fees, Surveys and trial holes	D	230	70	300
Construction including Traffic-Related Maintenance	Non-Routine Re-construction Re-Surfacing of carriageway and cycleway Signals upgrade	D	145	990	1135
Indirect Tax	Non-Recoverable VAT (if applicable)				
Contingency	(If appropriate)	D	40	125	165
Indirect Tax	Non-Recoverable VAT (if applicable)				
Total Cost	Including Risk Adjustment Excluding optimism Bias (NB - Not Base Cost with Real Cost Adjustment)	D	415	1,185	1600
*O = Outline estimate, P= Preliminary estimate, D = Detailed estimate, T = Tender price,					

#### 4.2.2 Funding

A LEP Growth Fund contribution of £0.5m is sought, alongside an additional £1.1m contribution secured from the developers of Coopers Edge.

**Table 8** shows the planned Local Growth Fund funding profile for the scheme. This is considered a feasible level of spend, with all funds spent within the 2017/18 financial year.

**Table 8: LGF Funding Profile**

Scheme Funding Sources and Profile of Contributions				
		Funding Contributions by year		
Funding Source	Fund Details	2016/17	2017/18	All Years
Gov. / LEP (direct)	GFirst LEP	£280,000	*£220,000	£500,000

\*subject to progress with statutory undertakers it may be possible to bring this spend forward to 2016/17.

#### 4.2.3 Milestones

Activity	Target Date
Submit Full Business Case for Approval	23 <sup>rd</sup> August 2016
Approve Full Business Case	04 <sup>th</sup> October 2016
Issue Supplier Engagement Notice	14 <sup>th</sup> October 2016
Issue Tender Documents	04 <sup>th</sup> November 2016
Tenders Return	16 <sup>th</sup> December 2016
3 <sup>rd</sup> Party Land Dedication Agreement complete	09 <sup>th</sup> December 2017
Badger Mitigation Actions Complete	20 <sup>th</sup> January 2017
Complete Tender assessment and award	20 <sup>th</sup> January 2017
Construction Start	20 <sup>th</sup> February 2017
Construction End	25 <sup>th</sup> August 2017

#### 4.2.4 Outputs

The following are the key outputs of the project:

- Number of junctions improved; 2no.
- Additional carriageway surfacing – 502sqm

#### 4.2.5 Outcomes

The following are the key project outcomes:

- No decrease in traffic flows on Metz Way
- Improvement in bus journey times from Coopers Edge to Gloucester
- Improvement in all vehicle journey times from Coopers Edge to Gloucester
- Increased patronage of the buses from Coopers Edge to Gloucester
- Increase in walking and cycling
- Minimal accidents at the new junctions

### 4.3 Summary of Full Business Case Assessment

**Table 9** summarises the AECOM assessment of the FBC for the Metz Way to Abbeymead Avenue Improvements project. It can be seen that all criteria within the Strategic, Economic, Financial and Commercial are considered to have been satisfactorily addressed, considering the scale and nature of the scheme. Four criteria within the Management Case were not entirely addressed, but this was not considered critical to the overall business case for the scheme.

**Table 9: Summary of Full Business Case Assessment**

Case	Assessment
Strategic Case	Passed 4/4 criteria
Economic Case	Passed 9/9 criteria
Financial Case	Passed 5/5 criteria
Commercial Case	Passed 4/4 criteria
Management Case	Passed 12/17 Criteria – 4 Criteria had some issues identified, but not considered critical

### 4.4 Summary of Due Diligence Checks

A series of Due Diligence Checks have been undertaken against the criteria set out as part of the GFirst LEP Assurance Framework on the Due Diligence process. This included information on the Strategic, Financial and Economic Case for the scheme as well as the planned processes for the Delivery and Management of the scheme. Across all criteria it was considered that the planned scheme and its intended delivery and management processes were sufficient to ensure the intended project outputs and outcomes are delivered. One proposed condition of approval was identified as part of this process, which is discussed below.

#### **4.5 AECOM Recommendation and Conditions of Approval**

Based upon the above assessment of the Full Business Case, as well as the Due Diligence checks undertaken on the project it is our recommendation that the project is approved for funding. The project is considered to offer strong value for money and we are satisfied that key project risks and any potential negative impacts have been adequately mitigated within the planned approach.

Due to the significant potential for anticipated scheme costs to escalate following the tendering process, the currently ongoing Deed of Variation to finalise the Section 106 developer contribution and the ongoing process of achieving a Dedication Agreement to secure access to 3<sup>rd</sup> party land it is recommended that sufficient conditions are put in place as part of the Funding Agreement to allow the LEP to postpone or revoke funding should the scheme become unaffordable or significant changes be made to the scheme to the extent that the planned scheme does not deliver upon its stated objectives as outlined within the Full Business Case document.