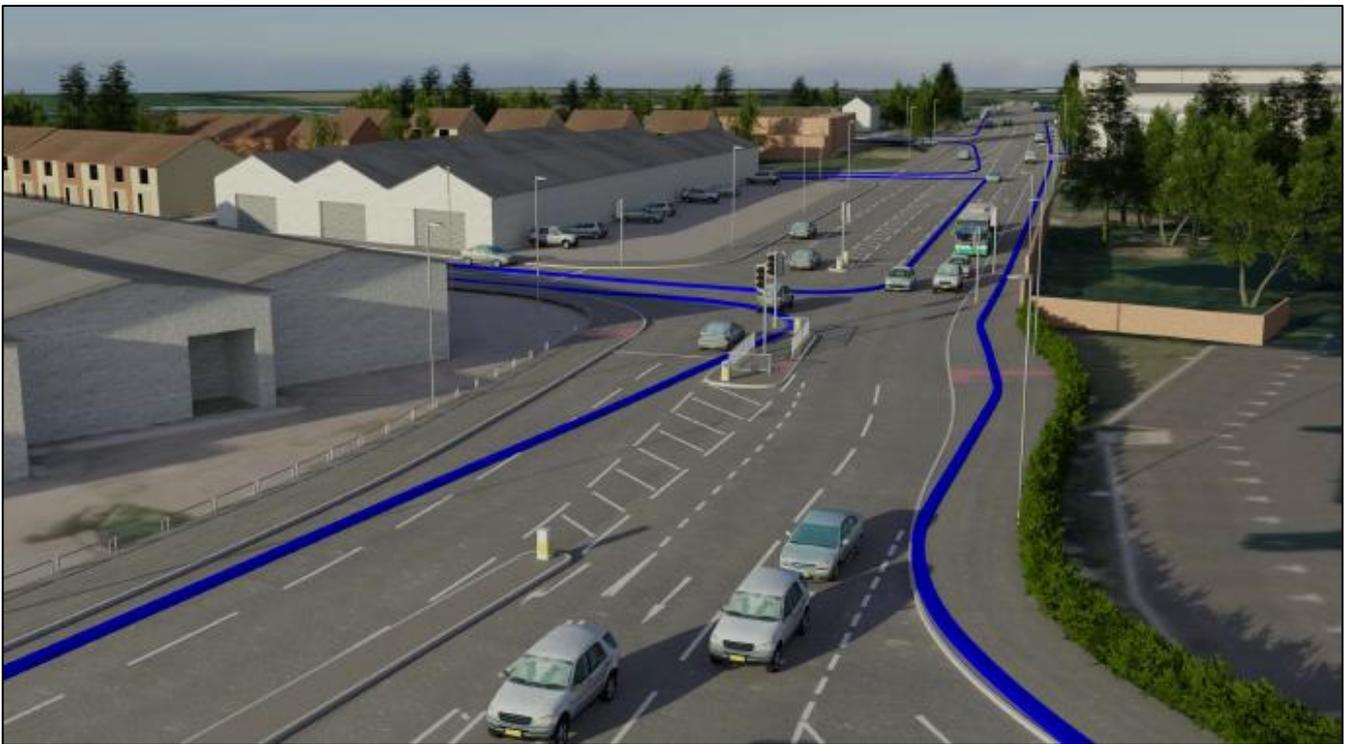


Gloucester South West Bypass (Llanthony Road) Improvements: Full Business Case and Due Diligence Assessment Report



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Executive Summary

Executive Summary

The £7.3m South West Bypass (Llanthony Road) Improvements project consists of a number of highway and junction improvements on the A430 Llanthony Road in Gloucester. The improvements seek to reduce congestion on a key link connection the A40 to junction 12 of the M5, bypassing the centre 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 table overleaf summarises the assessments made for each of these cases. It can be seen that one criterion within the Strategic Case was assessed as Amber, relating to limitations with the methodology for assessing economic benefits. Two criteria within the Economic Case were also assessed as Amber, relating to severance impacts which may result from changes to pedestrian crossing arrangements and limitations of the Benefit to Cost Ratio (BCR) calculation, which was considered to somewhat overstate the scheme benefits.

One criterion within the Financial Case, relating to the need for GCC cabinet approval of cost escalations on the scheme was also assessed as Amber, but this was not considered to impact upon the overall assessment findings.

All criteria within the Commercial Cases were considered to have been satisfactorily addressed.

Additional amber criteria within the Management Case related to alterations to the scheme to reflect consultation responses and the Benefit Realisation strategy and monitoring and evaluation plan were identified, but these were not considered to impact upon the overall management case or overall viability of the scheme.

Summary of Full Business Case Assessment

Case	Assessment
Strategic Case	Passed 3/4 criteria – 1 Criteria had some issues identified, but not considered critical
Economic Case	Passed 7/9 criteria – 2 Criteria had some issues identified, but not considered critical
Financial Case	Passed 4/5 criteria
Commercial Case	Passed 4/4 criteria
Management Case	Passed 13/17 Criteria – 4 Criteria had some issues identified, but not considered critical

The scheme will resolve two existing pinch point issues along the Gloucester South West Bypass which causes queues and delays currently (the impact of southbound traffic wishing to turn right at Sudmeadow Rd and northbound traffic required to merge into one lane north of Spinnaker Rd). These issues are forecast to get worse in the future with anticipated traffic growth.

The key economic benefit of the scheme therefore relates to the journey time savings that the scheme will achieve when compared to a Do Minimum scenario, estimated to amount to a ca.4 minutes saving during the peak periods.

Congestion such as that experienced on the Gloucester South West Bypass acts as an economic dis-benefit to Gloucestershire due to its impacts on productivity. Every hour spent in traffic congestion is time that could otherwise be spent achieving productive outputs. According to Atkins estimates, the cost of delays on roads in Gloucestershire in 2005 were equivalent to £50m-£100m per year in GVA equivalence¹.

In transport economic appraisal the economic value of journey time savings achieved by a proposal can be calculated using standard values of time (calculated by the Department for Transport), which separately consider the values of time spent doing different activities, such as on work business, commuting or making a leisure trip. These values of time are further split based upon the transport mode used. These values of time allow the total time saved as a result of a scheme for all users to be quantified. The calculation of journey time savings for the users of this scheme equated to a present value of £67m to the local economy over a 60 year appraisal period.

These benefits correspond to a Benefit Cost Ratio (BCR) for the scheme calculated by the scheme promoter as 12/1, which indicates a value for money classification of Very High. This value is based upon outputs from a local traffic model of the corridor developed for the AM and PM peaks only. This model covers the Gloucester SW Bypass and adjoining roads only and has a fixed trip assignment and therefore does not consider the impacts of traffic which may be induced or reroute to the corridor from alternative routes. The Do Minimum scenario against which the scheme impacts are tested is also considered to potentially over-

¹ Atkins. 2008. Economic Costs of Congestion in the Regions.

estimate levels of queuing traffic in the future, therefore the benefits of the scheme may also be somewhat overstated. Other minor issues were also identified with the calculation of scheme costs. The potential scale of these identified impacts was assessed against the very high reported BCR and it was determined that the scheme would still represent high value for money despite the issues identified.

Please see Appendix A for a general discussion of how transport impacts can translate into economic benefits for the local economy.

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 and Conditions of Approval

Based on the AECOM assessment of the Final Business Case and the Due Diligence checks undertaken it is recommended that the scheme is approved for LEP Growth Fund funding and that funding can be released in 2018/19. The following Funding Conditions are recommended to ensure the scheme delivers the outcomes intended:

- Planning permission and demolition consent is required for the scheme to be implemented. It is recommended that this should be in place ahead of the release of any LEP funding.
- It is still to be determined whether listed building consent is required for the scheme to be implemented. If this is required it is recommended that this consent should also be in place ahead of the release of any funds.
- To ensure an appraisal approach proportionate to the scale and nature of this scheme it was agreed at the appraisal specification stage that some elements of the environmental appraisal of this scheme could be deferred until after the Final Business Case alongside the development of final designs as long as any risks associated with this were considered and costed within the risk assessment. It is recommended that this environmental appraisal (to be completed by March 2018), as well as any subsequent permits or approvals (if required) will be included as milestones in the funding agreement. It is also recommended that a condition is included within the funding agreement so that funding can be clawed back as required should such approvals be rejected.
- GCC Cabinet approval is needed to confirm GCC commitment to their element of the scheme funding, the funding of any cost increases and future ongoing maintenance. Funds should not be released until this is confirmed (due April 2018).

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 South West Bypass (Llanthony Road) Improvements scheme, currently earmarked for LGF funding.

It is a requirement of the Local Assurance Framework (LAF) that GCC and the LEP 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 Final 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 South West Bypass (Llanthony Road) 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.

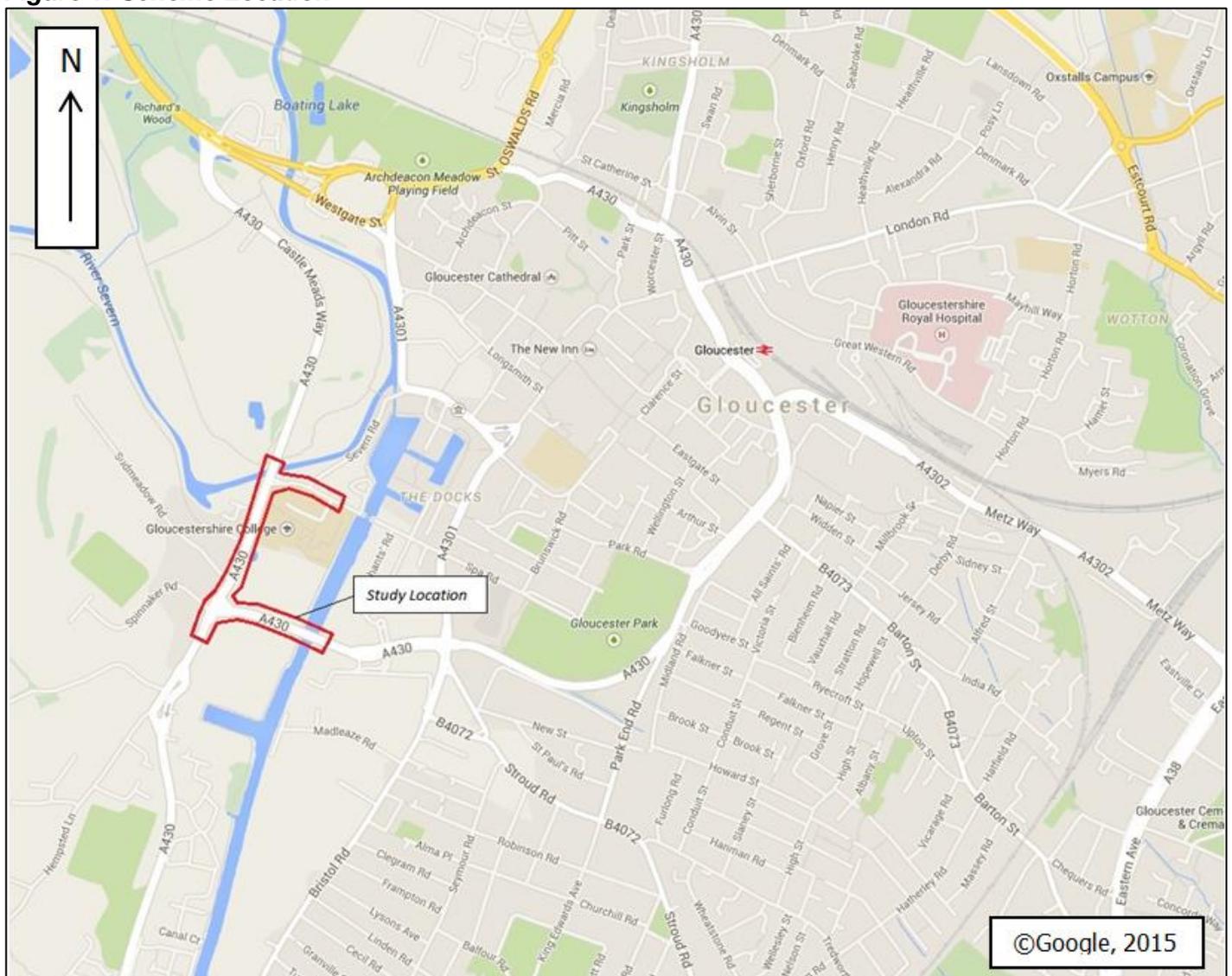
1.2 Applicant

The applicant for the LGF funding for the project is Gloucestershire County Council as the Highway Authority.

1.3 The Study Area

The project study area covers the A430 Llanthony Road from north of the Spinnaker Road Junction to Llanthony Industrial Estate, as shown in **Figure 1**.

Figure 1: Scheme Location



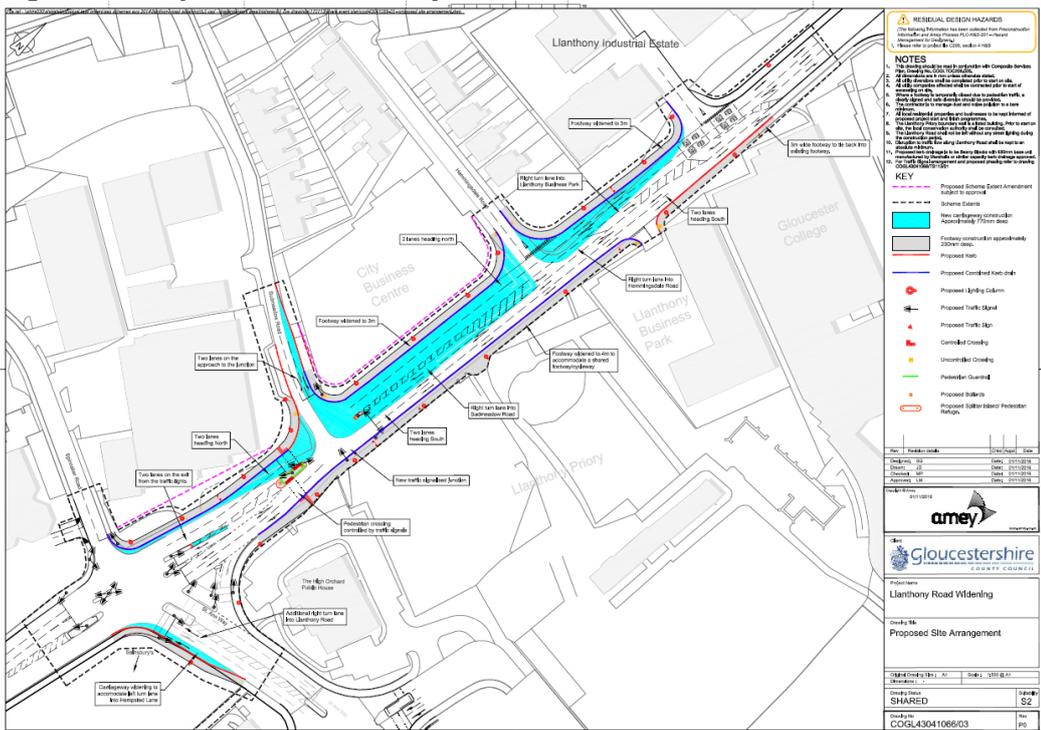
1.4 The Project

Traffic modelling of the corridor indicates that without further improvement by 2031 the Gloucester South West Bypass (GSWB) route will become significantly congested along the Llanthony Road section, primarily due to the impact of southbound traffic wishing to turn right at Sudmeadow Rd and northbound traffic requiring to merge into one lane north of Spinnaker Rd, causing queuing traffic to block back in both directions significantly affecting journey times through the corridor.

The project will seek to resolve this issue through the widening on the A430 Llanthony Road from north of the Spinnaker Road Junction to Llanthony Industrial Estate, as shown in **Figure 2**. This allows the provision of two northbound lanes from the two lane merge at the junction at Spinnaker Road to the existing two lane merge north of the Llanthony Road Junction. It also extends the two southbound lanes further north to the junction with Hemmingsdale Road. The westbound approach from St Ann Way is widened to three lanes to accommodate two right turn lanes into Llanthony Road, and new traffic signals at Sudmeadow Road improve access to and from the side road. To optimise the signals, the staggered pedestrian crossing has been relocated from the south arm of Spinnaker Road signalised junction to the south arm of the newly signalised Sudmeadow Road.

This improvement is predicted to significantly reduce journey times, particularly for southbound traffic, where journey time savings of up to five minutes are predicted in the peak periods compared to a 2018 Do Minimum scenario.

Figure 2: Proposed Scheme Layout.



2 Full Business Case Assessment

2 Full Business Case Assessment

2.1 Introduction

The GFirst LEP Transport Business Case Guidance² 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 above assessment areas.

The Business Case guidance indicates that for schemes of under £5m in total value there is no requirement for an Outline Business Case to be completed. This decision is made at the Appraisal Specification Report (ASR) stage. The ASR report provides the framework by which the appraisal stages and methodologies are agreed between the scheme promoter and the LEP and its advisors. As the South West Bypass scheme was indicated to cost less than £5m at the ASR stage a decision was made that no Outline Business Case would be required. It is recognised that scheme costs have since increased to £7.3m however LEP approval has been sought that no additional OBC report would be required for this scheme.

A detailed assessment has been undertaken of the content of the Business Case submission and associated appendices for the South West Bypass (Llanthony Road) Improvements scheme. This considered the comprehensiveness, robustness and realism of the information contained against the requirements specified in 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 appraisal³. The AECOM assessment of the Business Case submissions has been based upon whether each of these questions/ requirements has been addressed satisfactorily. 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

² http://www.gfirstlep.com/doc_get.aspx?DocID=305

³ <https://www.gov.uk/guidance/transport-analysis-guidance-webtag>

This section outlines the AECOM assessment of each area of the business case. The South West Bypass (Llanthony Road) Improvements Scheme Full Business Case Document should be consulted for further details of the scheme and the appraisal undertaken.

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. It is considered that the scheme passes three of the four criteria within the strategic case.

The approach to modelling the economic impacts of the scheme was considered appropriate, however a limitation was identified in relation to the potential impact of strategic rerouting onto the corridor, which has not been considered within the approach adopted.

Table 1: Assessment of the Strategic Case for the Scheme

Criteria	RAG Status	Assessment
Have they indicated what changes have been made to the scheme since that described in the SOC, OBC or Growth Deal Business Case Proposal?	Pass	No SOC or OBC submitted or required. Scheme options and preferred option identified and discussed.
Does the scheme still deliver the objectives stated at the previous stage?	Pass	Scheme impacts align with the objectives identified previously within the growth deal proposal. Some evidence has been provided to illustrate the problems predicted to occur on the corridor. We are satisfied that there is an existing problem which the scheme will address.
Have they indicated the approach that has been taken to modelling the economic and financial impacts of the scheme?	Pass	This is discussed in the economic case section. Approach discussed is considered appropriate.
Is the approach utilised considered appropriate to the impacts and scale of impacts anticipated?	Some issues identified, but not considered critical	The modelled study area only considers the SW Bypass and its associated junctions and therefore does not consider the impact of strategic rerouting onto the corridor, which is a limitation in the current approach. Sensitivity tests have been undertaken assuming additional traffic utilises the corridor in the southbound direction to partially account for this. The future year Do Minimum scenario essentially assumes the route is gridlocked due to the impact of southbound traffic wishing to turn right at Sudmeadow Rd and northbound traffic requiring to merge into one lane north of Spinnaker Rd. The scale of traffic congestion in the Do Minimum is likely to be overestimated as some of this traffic is likely to reroute via alternative means. The above issues mean that the traffic impacts of the scheme are likely to be over-estimated in the modelling undertaken. This issue is not considered to fundamentally impact upon the economic impacts anticipated.

2.3 Economic Case

The economic case for the scheme is assessed within **Table 2**. The main economic benefits of the scheme derive from the journey time savings achieved on the corridor as a result of the scheme resolving existing pinch points along the SW Bypass which are predicted to get worse in the future. End to end journey times through the corridor are predicted to reduce by around 4 minutes in the peak periods as a result of the scheme resolving these existing pinch points.

In terms of the value for money of the scheme the Benefit Cost Ratio (BCR) for the scheme was calculated to be 12/1, indicating that the scheme represents value for money in terms of its direct transport economic benefits. This calculation was however considered to somewhat overstate the likely scheme benefits as it was based upon a model containing a fixed traffic assignment and therefore does not consider the impacts of traffic which may be induced or reroute to the corridor from elsewhere in the network. The Do Minimum scenario is also considered to potentially over-estimate levels of queuing traffic in the future, as in reality some of this traffic would chose to reroute via other routes, therefore the benefits of the scheme may be overstated. The likely scale of impact of the above issues with the approach adopted has been considered in relation to the scale of the reported BCR. This indicates that the scheme would still represent high value for money despite the above identified methodological issues.

Table 2: Assessment of the Economic Case for the Scheme

Criteria	RAG Status	Assessment
Has an Appraisal Summary Table been provided?	Pass	An AST table has been provided for the preferred option.
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?	Pass	Evidence is presented to back up the criteria where significant beneficial impacts are anticipated. Other criteria have been assessed qualitatively, which is appropriate to the scale of benefits predicted.
Are the scores given considered accurate and appropriate?	Pass	Scores generally considered appropriate. Noise impacts are currently indicated as neutral, however the discussion of the likely impacts suggest noise levels may increase at sensitive receptors along the route.
Does the scheme score positively against the majority of AST categories?	Pass	The scheme currently scores positively against 8 of the 24 criteria, with 2 criteria scored as adverse. 14 criteria were assessed as neutral; therefore the scheme has more positive than negative impacts.
What negative impacts are predicted and what are the consequences of these?	Some issues identified, but not considered critical	Negative impacts are anticipated in relation to severance impacts and indirect tax revenues. Other criteria such as biodiversity and water have not been fully assessed at this time and the risk of negative impacts being identified for these criteria in the future has therefore been captured in the

Criteria	RAG Status	Assessment
		risk register and the potential costs factored into the risk contingency for the scheme.
Are any additional negative consequences predicted that have not been included within the AST assessment?	Pass	No additional negative impacts are anticipated
Have they included a calculation of the BCR for the project?	Pass	Yes
Is the BCR calculation considered accurate, robust and appropriate to the scale and nature of the project?	Some issues identified, but not considered critical	The BCR is based upon outputs from the Paramics model for the AM and PM peaks only. This model has a fixed assignment and therefore does not consider the impacts of traffic which may be induced or reroute to the corridor. The Do Minimum scenario is considered to potentially over-estimate levels of queuing traffic in the future, therefore the benefits of the scheme may be overstated. The likely scale of impact of the above issues has been considered in relation to the scale of the reported BCR (12/1). This indicates that the scheme would still represent high value for money despite the above identified issues.
Does this indicate that the scheme represents value for money?	Pass	Current BCR indicates that the scheme represents high value for money. Although the approach adopted is considered to potentially over-estimate the scheme benefits as discussed above it is considered that the scheme would still represent high value for money given the identified issues.

2.4 Financial Case

Table 3 presents the assessment of the Financial Case for the scheme as presented within the Business Case materials. This indicates that four of the five criteria of the Business Case Guidance are considered to have been met in relation to the Financial Case for the scheme. Scheme costs have increased slightly from previous estimates, however funds from GCC are available to cover this, with GCC liable to cover any future cost increases on the scheme.

Table 3: Assessment of the Financial Case for the Scheme

Criteria	RAG Status	Assessment
Have the latest financial costs been provided? Are these presented in current prices?	Pass	Financial costs provided. A separate appendix discusses the funds available to undertake land purchases. Costs are in current prices.
How do these costs compare to previous estimates?	Some issues identified, but not considered critical	Indicated costs are higher than previous estimates due to the inclusion of a 10% optimism bias uplift and an increase in land cost estimates. These cost increases would be covered by GCC funds. GCC cabinet approval should be sought to confirm this and this should be caveated within the funding agreement.
Have they outlined the additional elements which make up the whole life costs of the scheme?	Pass	Cost of ongoing maintenance is indicated. GCC cabinet approval should be sought in relation to this additional maintenance burden and caveated within the funding agreement.
Have they included the expected non-LEP funding sources and the status of these contributions	Pass	GCC will cover the additional costs of the scheme.
Is sufficient certainty provided regarding the funding of the scheme?	Pass	GCC will bear the risk of cost increases. A condition is to be included in the funding agreement to ensure GCC cabinet approval is in place confirming GCC's commitment to their element of the scheme funding, the funding of any cost increases and future ongoing maintenance. Identified contingency is sufficient to cover the likely scale or risk associated with the project, therefore sufficient funding certainty is considered to be in place.

2.5 Commercial Case

The commercial case for the scheme is presented within **Table 4**. It can be seen that all criteria required within the Business Case Guidance are considered to have been met. No income is generated by the scheme itself, with GCC covering the ongoing maintenance costs to ensure the long term viability of the scheme. GCC Cabinet Approval should be sought to confirm this. A procurement strategy has been identified and the correct balance of risk between the scheme promoter and contractor will be considered as part of the procurement process.

Table 4: Assessment of the Commercial Case for the Scheme

Criteria	RAG Status	Assessment
Have they indicated the income that is predicted to be generated by the scheme? How does this compare to previous predictions?	Pass	No income is anticipated to be generated by the scheme.
If income is generated sufficient to ensure the long-term viability of the scheme?	Pass	GCC will cover the ongoing maintenance costs of the scheme.
Has a procurement strategy been provided?	Pass	Various options for procurement are discussed. The preferred option is identified as a Full OJEU Open tender which would be procured on a lump sum basis as an ECC Option A contract.
Is the procurement strategy appropriate to the nature of the scheme? Does it ensure the correct balance of risk is allocated between the scheme promoter and contractor?	Pass	The procurement strategy is considered appropriate to the scale and nature of the scheme. Risk allocation will be apportioned between GCC and the Contractor undertaking the site works. This will be based upon NEC principles and regular on-site Risk Management meetings will be held to ensure prompt mitigation of risks.

2.6 Management Case

Table 5 presents the assessment of the Management Case for the scheme. This indicates that 13 of the 17 criteria are considered to have been met in their entirety. The scheme promoter will seek to address consultation responses as part of the production of final designs, but it is not yet possible to establish whether all comments will be able to be addressed, however none of the outstanding consultation responses are considered fundamental to the scheme achieving its stated benefits.

Further work was considered necessary to finalise the Benefit Realisation Strategy and Monitoring and Evaluation plans, however the need for these activities would not impact upon the overall assessment of the scheme.

Table 5: Assessment of the Management Case for the Scheme

Criteria	RAG Status	Assessment
Are plans provided for how the scheme will be designed and constructed?	Pass	The scheme would be designed in accordance with the relevant local and national guidance. Construction is anticipated to be to standard methodologies in accordance with Specification for Highway Works and involve conventional methods only.
Are these plans considered appropriate to the scheme?	Pass	The identified approach is considered appropriate to a scheme of this nature.
Have they included information on the legal powers that are needed to construct the scheme?	Pass	Land purchases will be required alongside TRO's and listed building consent.
Have they stated how will these powers be obtained?	Pass	A timeline is provided within the detailed programme for how and when land purchase, TROs and any listed building consent or environmental permits (if required) will be obtained.
Have they indicated the results of public and stakeholder consultation activities?	Pass	Results of public and stakeholder consultation are discussed.
Has the scheme been altered to satisfactorily reflect the consultation responses received?	Some issues identified, but not considered critical	A table is provided indicating how comments received have been addressed. A number of areas have not yet been finalised but will be considered as part of the final detailed designs. These issues are not considered fundamental to the scheme achieving its stated benefits.
Have they detailed the key risks in terms of impacts on delivery timescales?	Pass	A detailed risk register has been provided as an appendix to the main document, the risk items considered most likely to impact upon delivery timescales have also been presented within the main document.
Have they detailed how the risks will be managed / mitigated?	Pass	A detailed risk register has been provided as an appendix to the main document.

Criteria	RAG Status	Assessment
Has a Quantified Risk Assessment (QRA) been provided?	Pass	The risk register includes a quantified estimate of the minimum, expected and maximum cost of the identified risks. Identified risks if they occur are identified to cost an expected £690k.
Have all key risks been identified, sufficiently mitigated and quantified?	Pass	Key risks have been identified with recommended mitigation activities discussed. Estimated costs of risk mitigation are considered appropriate.
Have they included the governance arrangements that will enable the scheme to be delivered including the key named individuals and their roles?	Pass	A project management structure is provided with named individuals. Project governance arrangements are discussed and linked to GCC's standard Code of Corporate Governance arrangements which will apply to this scheme.
Have they outlined the planned project programme for delivery of the scheme including a GANTT chart	Pass	A GANTT chart programme is provided covering all stages of project delivery.
Is the programme considered realistic and viable?	Pass	The programme is considered realistic and viable. 27 days of 'float' are included within the programme to account for any programme slippages on the critical path.
Does the programme facilitate completion of the project within the LEP funding period?	Pass	The programme indicates completion of all works by 19th February 2021. This is very close to the end of the LEP funding period and therefore could present a risk that the project is not complete within the LEP funding period should the programme slip further than the 27 days of identified float. However, as LEP funds are indicated to be spent in their entirety within 2018/19 this is not considered a risk to the expenditure of LEP funds within the period.
Have they included the proposed Benefits Realisation strategy?	Some issues identified, but not considered critical	A table is provided indicating what actions will be undertaken to ensure the identified scheme benefits are realised. Further consideration should be given to the actions that will be undertaken to maximise the benefits of the scheme and avoid external factors impacting upon planned scheme benefits.
Have they identified how the benefits be monitored and evaluated?	Some issues identified, but not considered critical	Monitoring activities are identified for how some of the desired outcomes of the scheme can be monitored. Further work is required to define in detail the measures to be monitored aligned to the scheme objectives. Baseline evidence should be collated ahead of construction and a plan put in place for the collection of equivalent data post scheme implementation.

Criteria	RAG Status	Assessment
Are monitoring and evaluation activities considered appropriate to the scale and nature of the project?	Some issues identified, but not considered critical	Outcomes to be monitored do not align particularly well with the scheme objectives. Further work is required in defining precise metrics.

3 Due Diligence Checks

3 Due Diligence Checks

3.1 Introduction

It is a requirement of the Local Assurance 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 regard⁴.

This section of the report examines the information provided in the Final 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.

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

Table 6: Due Diligence Assessment

Strategic	
Rationale	<p>What is the rationale for the project – is this clearly set out in the Business Case and has anything changed since?</p> <p>The rationale of the project is to address current congestion issues along the Gloucester South West Bypass, specifically the Llanthony Road section which are present currently and forecast to get worse in the future. No significant changes have been made to the project since its initial identification</p> <p>Why is public funding in the form of Growth Funds necessary?</p> <p>The project will result in direct benefits to the public through journey time savings for all users of the route and result in a Benefit to Cost ratio of 12/1, indicating that the scheme represents value for money and is hence a good use of public funds.</p> <p>Due to the scale of the cost of the project, GCC are not able to fully fund the project without funds from the LEP.</p>
Need/Demand	<p>Does the Business Case adequately address the need and demand for the project?</p> <p>The Business Case indicates that without the project the existing route will continue to see increases in traffic delays that will constrain economic growth in the future.</p> <p>The Business Case quantifies the need and demand for the scheme through traffic modelling and a full Economic Case.</p>
Aims	<p>Which LEP objectives does the project address?</p>

⁴ http://www.gfirstlep.com/doc_get.aspx?DocID=302

	<p>The scheme contributes to the following objectives, which were set out in the Strategic Economic Plan pro-forma for a bundle of schemes including this one:</p> <ul style="list-style-type: none"> • Reduce congestion on the GSWB corridor and key linkages to it between Cheltenham and the Forest of Dean; • Reduce economic disadvantage on the GSWB corridor and key linkages to it between Cheltenham and the Forest of Dean; • Alleviating congestion via addressing congestion hotspots on and in association with the GSWB corridor between Cheltenham and the Forest of Dean; • Improving access between the west of Gloucester and the identified strategic employment growth site at Innsworth, to the north of Gloucester; • Maximise economic productivity and efficiency; • Address bottlenecks within the transport network, particularly where these are predicted to worsen and put a brake on economic recovery; • Improve access to skills, jobs, goods and services.
Fit	<p>What other local strategies does the project fit e.g. LA local plan, Economic Strategies etc.?</p> <p>The Gloucestershire Local Transport Plan 2015 – 2031 identified this section of the A430 as a congestion hotspot which is expected to worsen in the future as new housing and employment comes online in this major local growth area. As a result, the A430 Llanthony Rd and St. Ann Way (Southwest bypass) Improvement scheme has been identified as a short term capital project (2015 – 2021) within the Local Transport Plan.</p> <p>The scheme is also included in the Joint Core Strategy (JCS) Transport Scheme and Strategy as part of DS7, to mitigate for the full JCS background and strategic allocation.</p>
Financial	
Cost profile	<p>What is the latest cost profile with elemental breakdown?</p> <p>The overall cost of the scheme is £7.3m. A funding breakdown is presented below:</p>

Project Cost Components	Capital Cost Items	* Cost Estimate Status (O/P/D/T)	Costs by year (£)					Totals
			Year of Estimate:					
			2015/16 2016/17	2017/18	2018/19	2019/20	2020/21	
Design & Management	Design fees,	P	£49,000	£450,000	£150,000	£100,000	£50,000	£922,000
	Surveys and trial holes		£123,000					
Construction including Land Cost, Traffic-Related Maintenance	Non-Routine Re-construction	P	-	-	£3,500,000	£1,000,000	£522,000	£5,022,000
	Land Costs, Site clearance, Diversions of Statutory services. Widening and re-Surfacing of carriageway.		-	-	-	-	-	-
Contingency	Risk Adjustment	P	-	£52,000	£428,000	£130,000	£84,000	£694,000
	Optimism Bias at 10%	P	-	£50,000	£408,000	£123,000	£81,000	£662,000
Indirect Tax	Non-Recoverable VAT (if applicable)	-	-	-	-	-	-	-
Total Cost	(NB - Not Base Cost with Real Cost Adjustment)	P	£172,000	£552,000	£4,486,000	£1,353,000	£737,000	£7,300,000

*O = Outline estimate, P = Preliminary estimate, D = Detailed estimate, T = Tender price,

Funding

What is 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.

	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		Totals
	Capital	Rev											
LEP	-	n/a	-	n/a	-	n/a	£2,000k	n/a	-	n/a	-	n/a	£2,000k
GCC	£49k	n/a	£123k	n/a	£552k	n/a	£2,486k	n/a	£1,353k	n/a	£737	n/a	£5,300k
Total	£49k	n/a	£123k	n/a	£552k	n/a	£4,486k	n/a	£1,353k	n/a	£737k	n/a	£7,300k

A condition is to be included in the funding agreement to ensure GCC cabinet approval is in place confirming GCC’s commitment to their element of the scheme funding, the funding of any cost increases and future ongoing maintenance.

Accounting

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.

The Contract for the works will be tendered through the South-West Pro-contract Portal. This will be implemented and overseen by Amey.

	<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>Set out internal and independent audit arrangements</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"> • Routine audits - a series of regular reviews of the various financial systems. These are a mixture of establishment and central system reviews. • 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. • Irregularity investigations - to investigate any suspicions or allegations of misuse of Council monies. <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>Are there on-going cost implications and if so how will these be funded?</p> <p>Ongoing maintenance of new carriageway and signals will be funded through the County Council's budget, and therefore there are no funding shortfalls. Cabinet approval should be sought in relation to the ongoing cost of this.</p>
Viability	<p>Is the project viable? Is there a reliance on income to support the project and if so are the forecasts reasonable?</p> <p>There is no reliance on income to support the project. Cost estimates have been calculated with an appropriate margin of contingency and are considered robust. The</p>

	land costs are estimated based on known information and as such may be subject to negotiations with land owners, Gloucestershire County Council accept they would be responsible for funding any shortfall.
Economic	
Options	<p>What options were considered as part of the Business Case?</p> <p>A number of options have been considered over the life of the project, with the main options outlined in the FBC.</p>
Outputs	<p>Are there clear and reasonable assumptions underpinning identified outputs?</p> <p>A summary of the project outputs is as follows:</p> <ul style="list-style-type: none"> • Total length of corridor (km); 0.7 • Lanes created – 7 - 1x Additional right turn lane into Llanthony Road, 1x Extra lane heading North, 1x Extra lane on the approach to the junction on Sudmeadow Road, 1x Extra lane heading South, 1x Right turn lane into Sudmeadow Road, 1x Right turn lane into Hemmingsdale Road, 1x Right turn lane into Llanthony Business Park. <p>These outputs are considered clear and reasonable.</p>
Outcomes	<p>Are there clear and reasonable assumptions underpinning identified outcomes?</p> <p>Key outcomes of the project include:</p> <ul style="list-style-type: none"> • Improvement in journey time along the Gloucester South West Bypass (GSWB). • Minimal Accidents along the GSWB. • Increased traffic capacity for the corridor • Regeneration of the corridor <p>Although these outcomes are not all quantified in terms of the setting of targets they are considered appropriate and measurable, with data sources identified to monitor their outcome. Further work should be undertaken ahead of construction to identify baseline conditions.</p>
Impacts	<p>Are there clear and reasonable assumptions underpinning identified impacts?</p> <p>The AST table accompanying the FBC document outlines the anticipated impacts of the project. Key positive impacts include:</p> <ul style="list-style-type: none"> • Transport Economic Efficiency savings for business users, transport providers and commuters due to journey time savings achieved on the corridor • Slight beneficial environmental impacts due to a reduction in queuing traffic on the corridor • Improved journey quality for pedestrians due to the relocated footway and pedestrian crossing facilities

	<p>Predicted negative impacts include:</p> <ul style="list-style-type: none"> • Severance impacts for some pedestrian journeys • A reduction in indirect tax revenues. <p>There are clear and reasonable assumptions underpinning the impacts identified.</p> <p>Have distributional and social effects been taken into account?</p> <p>A social and distribution assessment has not been undertaken, however the impact on pedestrians, cyclists, accident rates and commuting benefits are accounting for as part of the assessment.</p>										
VFM	<p>Summarise the VFM indicators and results for the preferred option/project Has a Value for Money Statement been completed?</p> <p>A Value for Money Statement has been completed for the project and has been included in the FBC. The Benefit Cost Ratio (BCR) calculated is 12/1, which corresponds to “Very High” Value For Money. The BCR is based upon outputs from the Paramics model for the AM and PM peaks only. This model has a fixed assignment and therefore does not consider the impacts of traffic which may be induced or reroute to the corridor. The Do Minimum scenario is considered to potentially over-estimate levels of queuing traffic in the future, therefore the benefits of the scheme may be overstated. The optimism bias added to the scheme costs following assessor comments on the draft report has not been accounted for in this calculation, also meaning that the BCR is overstated. Maintenance costs indicated in the financial case also have not been accounted for within this calculation. The likely scale of impact of the above issues has been considered in relation to the scale of the reported BCR (12/1). This indicates that the scheme would still represent high value for money despite the above identified issues.</p>										
Delivery											
Timetable	<p>Attach the latest project timetable identifying key milestones Is there a Gantt chart showing timescales for detailed elements?</p> <table border="1" data-bbox="469 1576 1458 1912"> <thead> <tr> <th data-bbox="469 1576 1171 1644">Activity</th> <th data-bbox="1171 1576 1458 1644">Target Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="469 1644 1171 1711">Environmental Appraisal and Consents</td> <td data-bbox="1171 1644 1458 1711">March 2018</td> </tr> <tr> <td data-bbox="469 1711 1171 1778">Planning Consent/Demolition Consent</td> <td data-bbox="1171 1711 1458 1778">May 2018</td> </tr> <tr> <td data-bbox="469 1778 1171 1845">Listed Building Consent</td> <td data-bbox="1171 1778 1458 1845">July 2018</td> </tr> <tr> <td data-bbox="469 1845 1171 1912">*Complete Land Purchase</td> <td data-bbox="1171 1845 1458 1912">June 2019</td> </tr> </tbody> </table>	Activity	Target Date	Environmental Appraisal and Consents	March 2018	Planning Consent/Demolition Consent	May 2018	Listed Building Consent	July 2018	*Complete Land Purchase	June 2019
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Site	<p data-bbox="426 1088 1489 1155">Confirm ownership of the site and detail arrangements to ensure unfettered access e.g. covenants, rights of way, easements etc.</p> <p data-bbox="426 1191 1505 1290">The project will require third party land and negotiations have commenced with the owners. GCC will seek to ensure that the owners and tenants are appropriately compensated for the effect on premises and businesses.</p>													
Planning	<p data-bbox="426 1323 1541 1391">Does the project have planning permission? Are there planning conditions that still need to be satisfied e.g. s106, ecology etc.?</p> <p data-bbox="426 1426 1528 1615">Planning permission will be required for this scheme due to the increase in width of carriageway and footways, which will involve change of use of adjacent land and demolition works. The application will be submitted to Gloucestershire County Council under Regulation 3 of The Town and Country Planning General Regulations 1992.</p> <p data-bbox="426 1659 1522 1769">The programme for the scheme fully accommodates the planning process. A clause should be included within the funding agreement to cover the potential for planning permission to be refused.</p> <p data-bbox="426 1814 1513 1912">As further environmental appraisal work is yet to be completed there is potential for additional environmental approvals or permits to be required. A clause should also be included within the funding agreement in relation to this.</p>													

	<p>Listed building consent may also be required in relation to any impacts upon the wall of Llanthony Priory. A clause should be included within the funding agreement in relation to this also.</p>
<p>Environmental Sustainability/Social Value</p>	<p>What aspiration is set out in the Business Case and to what quality standard?</p> <p>The aspiration in the Business Case is for nil or minimal impact of the scheme in terms of environmental and sustainability. The Business Case has been undertaken in line with the proportionate application of best practice guidance and in accordance with the methodology set out in the appropriate compliant standards, i.e. WebTAG and DMRB. The findings from these assessments are contained within the appendices accompanying the Business Case.</p> <p>As Detail Design will be completed after approval of the scheme to allow for best use of funds and reflecting a proportionate approach to the FBC the identification of the need for and design of appropriate environmental mitigation measures has not yet been determined.</p> <p>What contribution is the project likely to make to social value?</p> <p>The AST table produced as part of the business case indicates that following positive social impacts:</p> <ul style="list-style-type: none"> • Large beneficial impact for commuters and other users due to journey time savings through the corridor • Improved journey quality for pedestrians <p>A negative impact is predicted in relation to the severance impacts of altering existing pedestrian crossings.</p> <p>What will be the environmental impact of the project and have potential opportunities for environmental enhancement been identified?</p> <p>Some elements of the detailed environmental appraisal have been deferred until after the approval of the business case alongside the finalisation of the scheme designs as part of an agreed approach to proportionate appraisal. The finalised environmental impacts or mitigation components of the scheme cannot therefore be determined at this time.</p> <p>The scheme is anticipated to have a positive impact on Llanthony Priory and the surrounding cultural heritage assets, with the potential to relocate existing street lighting under consideration.</p>

<p>Procurement</p>	<p>Outline the procurement strategy – is this State Aid compliant? Basis for contractor selection: is this best VFM? Contractor checks including collateral warranties</p> <p>GCC's procurement strategy is detailed in 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 Pro contract portal.</p> <p>The contracts will be procured as NEC Option A, lump sum with activity schedule. The 5 lowest priced tenders will have their quality submissions assessed to ensure they pass the quality threshold criteria. The lowest priced submission, successfully passing the quality threshold, will be awarded the contract.</p> <p>GCC will require tenderers to provide evidence to substantiate suitability for this scheme.</p>
<p>State Aid</p>	<p>Does the investment provide a benefit to an undertaking in a way that is not recognised through an appropriate contribution? Is the investment covered by General Block Exemption Rules or any other EU approved notification? 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>
<p>Risk</p>	<p>Set out Risk management strategy including allocation/transfer Confirm Risk register in place and arrangements for maintaining</p> <p>A project risk register is to be maintained throughout the scheme duration and a copy has attached to the Full Business Case.</p> <p>A Construction risk register will be developed with the selected contractor and proactively managed during the construction phase.</p>
<p>Management</p>	
<p>Organisation</p>	<p>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.</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. Annual Statement of Accounts is made publically available as are external audit results.</p>

	<p>Additional financial checks are therefore not considered appropriate or necessary for this organisation.</p> <p>GCC is also the accountable body to the LEP.</p>
<p>Capability</p>	<p>Does the delivery team possess the necessary skills and resources to deliver the project?</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 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>Are there multiple projects that are the responsibility of the same team, and if so how managed with the project?</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&G Roundabout Contract (WC&G), which is discussed further within the FBC document.</p>
<p>Governance</p>	<p>Are there clearly defined role responsibilities including authorisation and delegation levels?</p> <p>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.</p> <p>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. Project Board Meetings (PBM)</p> <p>Project Board meetings are held monthly to discuss individual progress on each 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</p>

	<p>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>What are the reporting arrangements?</p> <p>The Progress and Highlight Reports sent by the GCC PMs to the LEP 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. The project management structure is detailed in the FBC.</p>
Communication	<p>How will the project communicate with stakeholders, client base, public? Is there a marketing strategy?</p> <p>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. The Full Business Case provides further information on how stakeholders were identified, how they are/will be communicated with and the methods/ techniques used to communicate.</p> <p>There is no marketing strategy for this project.</p>
Monitoring	<p>What are the arrangements for monitoring for both finance and economic benefits?</p> <p>GCC will use standard Highway Contract and Procurement monitoring procedures to check progress during and post contract.</p> <p>Monthly Programme and Financial Review Meetings will be held where the Client, the Clients Representative and the Principle Contractor will be present.</p> <p>A Monitoring and Evaluation Pro-forma has been completed with indicators identified to monitor the financial and economic performance of the project. Further work will be required to specify in detail what indicators should be monitored and how and when this should be undertaken.</p>
Evaluation	<p>How will the completed project be evaluated?</p> <p>Post scheme review meetings will take place where the Client, the Clients Representative and the Principle Contractor will be present. The meetings will allow key lessons learnt and best practice from the project to be recorded, to inform future projects.</p>

	<p>A Monitoring and Evaluation Pro-forma has also been completed, and is included as an appendix to the Full Business Case. This indicates the proposed monitoring and evaluation activities which will be undertaken following completion of the project. Further work will be required to specify in detail what indicators should be monitored and evaluated and how and when this should be undertaken.</p>
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4 Summary

4 Summary

4.1 Introduction

This section of the report summarises the key project inputs, outputs and milestones. It also summarises the findings of the Final 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 scheme cost is £7.3m; this is broken down by task in **Table 7** below:

Table 7: Planned Construction Costs

Task	Cost
Design and Management	£922,000
Construction including traffic related maintenance	£5,022,000
Contingency	£1,356,000
Total	£7,300,000

The LEP contribution covers capital expenditure only.

4.2.2 Funding

A LEP Growth Fund contribution of £2.00m is sought. **Table 8** shows the planned funding profile for the scheme broken down by task. This is considered a feasible level of spend on the project which ensures that all LEP funds are spent within 2018/19, well within the Growth Deal 1 funding period.

Table 8: LGF Funding Profile

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
LEP	-	-	-	£2,000k	-	-	£2,000k
S106	-	-	-	-	-	-	-
GCC	£49k	£123k	£552k	£2,486k	£1,353k	£737k	£5,300k
Total	£49k	£123k	£552k	£4,486k	£1,353k	£737k	£7,300k

4.2.3 Milestones

The milestones outlined within the FBC for delivery of the scheme are outlined below:

Activity	Target Date
Environmental Appraisal and Consents	March 2018
Planning Consent/Demolition Consent	May 2018
Listed Building Consent	July 2018
*Complete Land Purchase	June 2019
Issue Supplier Engagement Notice for Highways scheme	November 2019
Issue Tender Documents	December 2019
Tenders Return	January 2020
Complete Tender assessment and award	February 2020
Construction Start Highways scheme	August 2020
Construction End Highways scheme	October 2021

4.2.4 Outputs

The following are the key outputs of the project:

- Total length of corridor improved (km); 0.7
- Lanes created – 7 - 1x Additional right turn lane into Llanthony Road, 1x Extra lane heading North, 1x Extra lane on the approach to the junction on Sudmeadow Road, 1x Extra lane heading South, 1x Right turn lane into Sudmeadow Road, 1x Right turn lane into Hemmingsdale Road, 1x Right turn lane into Llanthony Business Park.

4.2.5 Outcomes

The following are the key project outcomes:

- Improvement in journey time along the Gloucester South West Bypass (GSWB).
- Minimal Accidents along the GSWB.
- Increased traffic capacity for the corridor
- Regeneration of the corridor

4.3 Summary of Final Business Case Assessment

Table 9 summarises the AECOM assessment of the FBC for the South West Bypass (Llanthony Road) Improvements project. It can be seen that all criteria within the Commercial Case are considered to have been satisfactorily addressed, considering the nature of the scheme. One criteria within both the Strategic and Financial Case and two within the Economic Case were not entirely addressed, but this was not considered critical to the overall business case for the scheme. Additional criteria within the Management Case related to monitoring and evaluation and updates to the design to reflect stakeholder feedback were not fully addressed, but these were not considered to impact upon the overall management case for the scheme.

Table 9: Summary of Full Business Case Assessment

Case	Assessment
Strategic Case	Passed 3/4 criteria
Economic Case	Passed 7/9 criteria
Financial Case	Passed 4/5 criteria
Commercial Case	Passed 4/4 criteria
Management Case	Passed 13/17 Criteria

4.4 Summary of Due Diligence Checks

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.

4.5 Recommendation and Conditions of Funding

Based on the AECOM assessment of the Final Business Case and the Due Diligence checks undertaken it is recommended that the scheme is approved for LEP Growth Fund funding and that funding can be

released in 2018/19. The following Funding Conditions are recommended to ensure the scheme delivers the outcomes intended:

- Planning permission and demolition consent is required for the scheme to be implemented. It is recommended that this should be in place ahead of the release of any LEP funding.
- It is still to be determined whether listed building consent is required for the scheme to be implemented. If this is required it is recommended that this consent should also be in place ahead of the release of any LEP funds.
- To ensure an appraisal approach proportionate to the scale and nature of this scheme it was agreed at the appraisal specification stage that some elements of the environmental appraisal of this scheme could be deferred until after the Final Business Case alongside the development of final designs as long as any risks associated with this were considered and costed within the risk assessment. It is recommended that this environmental appraisal (to be completed by March 2018), as well as any subsequent permits or approvals (if required) will be included as milestones in the funding agreement. It is also recommended that a condition is included within the funding agreement so that funding can be clawed back as required should such approvals be rejected.
- GCC Cabinet approval is needed to confirm GCC commitment to their element of the scheme funding, the funding of any cost increases and future ongoing maintenance. Funds should not be released until this is confirmed (due April 2018).