Local Pinch Point Fund
Application Form

Guidance on the Application Process is available at:
https://www.gov.uk/government/organisations/department-for-transport/series/local-pinch-point-fund

Please include the Checklist with your completed application form.

The level of information provided should be proportionate to the size and complexity of the scheme proposed. As a guide, for a small scheme we would suggest around 25-35 pages including annexes would be appropriate.

One application form should be completed per project.

Applicant Information

Local authority name(s)*: Cornwall Council

*If the bid is a joint proposal, please enter the names of all participating local authorities and specify the lead authority

Bid Manager Name and position: Tim Wood (Assistant Head of Transportation)

Name and position of officer with day to day responsibility for delivering the proposed scheme.

Contact telephone number: 01872 224421 Email address: twood@cornwall.gov.uk

Postal address: Room A3.01 Carrick House Pydar Street Truro TR1 1EB Cornwall

When authorities submit a bid for funding to the Department, as part of the Government’s commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within two working days of submitting the final bid to the Department. The Department reserves the right to deem the business case as non-compliant if this is not adhered to.

Please specify the weblink where this bid will be published:
SECTION A - Project description and funding profile

A1. Project name: Rialton Link

A2. Headline description:

Please enter a brief description of the proposed scheme (in no more than 100 words)

The main routes into Newquay from the strategic A30 are the A392 and A3059/A3058. The A3059/A3058 is also the key route between the town and Newquay Cornwall Airport, the site of the 55.3Ha Aerohub Enterprise Zone (EZ). The existing A3059/A3058 junction has a substandard layout and is a fundamental constraint to unlocking the full employment potential of the EZ. The proposed scheme will create a new link between these two roads and will form part of the wider Newquay Strategic Route scheme, improving capacity and unlocking the significant development sites in the Newquay Growth Area and the EZ.

A3. Geographical area:

Please provide a short description of area covered by the bid (in no more than 100 words)

Newquay is one of Cornwall’s largest towns, situated on the North Coast with a population of 20,000. It is a key tourist destination and consequently has a low-skilled, seasonal local employment market. Cornwall’s emerging Local Plan identifies Newquay’s potential to deliver significant new housing and employment, both in the Growth Area and at the Aerohub EZ, underpinned by the development of an aviation skills academy. The link forms a key part of the proposed Newquay Strategic Route allowing traffic to travel between the south west and north east of the town, the EZ and beyond.

OS Grid Reference: X183930/Y61847
Postcode: TR7 3DX

Please append a map showing the location (and route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.

Scheme plans are included in Appendix A. Plans of the scheme location are included in Appendix B.

The Newquay Transport Strategy Map is included as Appendix C. This illustrates the transport measures that are proposed up to 2030 in order to mitigate existing constraints and support future growth.

A4. Type of bid (please tick relevant box):

Small project bids (requiring DfT funding of between £1m and £5m)
Scheme Bid [x]
Structure Maintenance Bid

Large project bids (requiring DfT funding of between £5m and £20m)
Scheme Bid
Structure Maintenance Bid

Note: Scheme and Structure Maintenance bids will be assessed using the same criteria.

A5. Equality Analysis

Has any Equality Analysis been undertaken in line with the Equality Duty? ☒ Yes  ☐ No

Attached as Appendix D

A6. Partnership bodies

Please provide details of the partnership bodies (if any) you plan to work within the design and delivery of the proposed scheme. This should include a short description of the role and responsibilities of the partnership bodies (which may include Development Corporations, National Parks Authorities, private sector bodies and transport operators) with confirmatory evidence of their willingness to participate in delivering the bid proposals.

Cornwall Council acts as accountable body and delivery partner for this scheme. Cornwall Council is a unitary authority. This reduces the number of partnership organisations, and therefore reduces the potential risk associated with such arrangements.

A7. Local Enterprise Partnership / Local Transport Body Involvement

It would be beneficial (though not essential) if the relevant LEP or LTB (or shadow(s)) have considered the bid and, if necessary, prioritised it against other bids from the same area. If possible, please include a letter from the LEP / LTB confirming their support and, if more than one bid is being submitted from the area, the priority ranking in order of growth significance.

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

The LEP letter of support is included in Appendix E

SECTION B – The Business Case

You may find the following DfT tools useful in preparing your business case:

- Transport Business Cases
- Behavioural Insights Toolkit
- Logic Mapping Hints and Tips

B1. The Scheme - Summary

Please select what the scheme is trying to achieve (this will need to be supported by evidence in the Business Case). Please select all categories that apply.

☒ Improve access to a development site that has the potential to create housing
☒ Improve access to a development site that has the potential to create jobs
☐ Improve access to urban employment centres
B2. The Strategic Case

This section should set out the rationale for making the investment and evidence on the strategic fit of the proposal. It should also contain an analysis of the existing transport problems, identify the barriers that are preventing growth, explain how the preferred scheme was selected and explain what the predicted impacts will be. The impact of the scheme on releasing growth potential in Enterprise Zones, key development sites and urban employment centres will be an important factor in the assessment process.

In particular please provide evidence on the following questions (where applicable):

a) What is the problem that is being addressed, making specific reference to barriers to growth and why this has not been addressed previously?

Newquay is one of Cornwall’s largest towns with a population of 20,000. The wider Community Network Area has a population of 27,000.

Cornwall’s emerging Local Plan identifies the Newquay Growth Area as one of the primary development sites in Cornwall with its potential to accommodate up to 3,800 new houses, 32,000 square metres of business space together with around 15000 square metres of retail floorspace, a primary school, a cottage hospital, and a Church. This is expected to deliver in the region of 4,000 jobs.

The EZ based at Newquay Cornwall Airport has approval for 115,000sqm of business and ancillary development floorspace.

The existing A3059 (Rialton Road) / A3058 (Quintrell Road) junction represents a significant pinch point which left unresolved would act as a block on development in the town and the occupation of 60% of the EZ. The EZ Local Development Order (LDO) includes a Grampian Condition based upon its supporting Transport Assessment which limits floor space occupation at the Business Park to 40% before this critical road infrastructure will be required. Given the current constraints on the existing junction in this location, it is imperative that the scheme is delivered as early as possible to enable continued and unimpeded employment growth.

The Council has undertaken an assessment of the likely cost of congestion to the economy on links across Cornwall in accordance with DfT guidance. Based on current costs and traffic levels it is estimated that, without the Rialton Link, the annual cost of congestion to the economy on the three approaches to the current junction (A3058 from Narrowcliff Road, A3058 from Quintrell Downs and the A3059 from the Airport) is approximately £600,000. The cost accrued over the Local Plan period to 2030 is £9.5m.

As part of the development of the Local Plan (and supporting Town Framework for Newquay), Cornwall Council has developed a strategic SATURN model of the local area in order to examine the operation of the network. A base year transport model was developed and validated in 2006, and updated in 2010 (a Technical Note on the model update is included as Appendix F). Traffic growth and housing development predictions and demands were added to
the model to examine a 2030 future year scenario. The model also accounted for the impact of future investment in sustainable transport measures, reflecting the sustainable transport policies contained in the Council’s third Local Transport Plan: Connecting Cornwall and the Council’s capital investment in the walking and cycling network.

The model identified capacity issues with the A3059/A3058 junction experiencing congestion, in both the base and future year scenarios despite the assumed level of modal shift achieved. The current A3058/A3059 junction operates close to capacity at peak times, with existing delays of up to 51 seconds per vehicle experienced on the Rialton Road approach at peak times.

**Future Growth**

By 2014 following development at the EZ, AT Rialton Road approach these delays are expected to increase to over 4 minutes per vehicle at peak times. The scheme would allow the revised link and roundabout with the A3058 to operate well within capacity at peak times, reducing delays to well under 30 seconds per vehicle. This capacity improvement would allow further development at the EZ to come forward.

This congestion would be a major barrier to housing and employment growth within the town and at the neighbouring EZ. With the proposed scheme in place the modelling undertaken shows that this junction would no longer act as a constraint. Whilst the junction does not have a significant accident history the additional link and downgrading of the existing substandard junction layout will improve safety. The final Technical Note setting out the assessment work is included as Appendix G.

The assessment work for the Local Plan identifies a package of measures (including the Newquay Strategic Route) that would be required to deliver the allocated growth. Cornwall Council is currently developing a Community Infrastructure Levy (CIL) policy, based on the improvements identified that would allow funds to be gathered over the long term. However, Pinch Point Funding for Newquay is key to enabling the junction to be improved before any significant developments come forward; accelerating development and economic growth within Newquay and at the EZ. Funding through CIL would therefore be used to provide other measures associated with the transport strategy, including sustainable and public transport measures that would promote sustainable transport within the towns, demonstrating the additional benefits that the funding would allow.

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

Land constraints and the alignment of the Henver and Rialton Road preclude the introduction of a simple capacity improvement scheme such as a roundabout or traffic signals. The poor alignment of the two roads and the requirement to accommodate large vehicles would mean that a signal junction would have excessively long intergreen periods, restricting capacity and disrupting traffic. A roundabout would result in excessive land-take, requiring the purchase of several private dwellings.

c) What are the expected benefits / outcomes? For example, job creation, housing numbers and GVA and the basis on which these have been estimated.

The introduction of the Rialton Link will satisfy the Grampian Condition that currently limits full occupation of the Aerohub EZ to no more than 40%. EZ status has been designated to encourage businesses within the aerospace industry and supporting sectors. The EZ can in
total accommodate over 2,000,000ft² of hangar space, office and manufacturing premises and create 5,000 jobs across 3 Development Zones and the Business Park subject to the LDO.

The Aerohub EZ:

- Is the UK’s only aerospace focused Enterprise Zone on an operational civilian airport
- Is one of the largest development opportunities in the West of England with an unparalleled aviation environment and attractive financial incentives.
- Is a catalyst for new jobs and private sector investment within the aerospace and other high growth sectors.
- Will create a new business hub and learning centre which will develop, enhance and adapt local skills in particular in advanced technologies.
- Will create new opportunity and jobs around a key regional asset, the airport.

This would provide a key local employment site for existing Newquay residents and those within the Newquay Growth Area. The link would also unlock the economic potential in the Growth Area enabling 3,800 new homes and 13.5 ha of employment land.

The full Newquay Strategic Route, of which the Rialton Link is a key part, is designed to complement existing highways infrastructure in Newquay whilst serving a more strategic goal of reducing the potential for future traffic congestion and reducing carbon emissions. It will achieve this through reduced journey distances and journey times in addition to providing opportunities for using sustainable modes of transport (the full NSR will accommodate foot and cycleways and facilitate improved bus services).

This improved connectivity would also have indirect, wider economic benefits, in terms of induced employment, improved access to labour, agglomeration and increased productivity.

d) What is the project’s scope and is there potential to reduce costs and still achieve the desired outcomes? For example, using value engineering.

As detailed in Section B2(b) above, land constraints and the alignment of the Henver and Rialton Road preclude the introduction of a simple capacity improvement scheme such as a roundabout or traffic signals. The poor alignment of the two roads and the requirement to accommodate large vehicles would mean that a signal junction would have excessively long intergreen periods, restricting capacity and disrupting traffic. A roundabout would have excessive land-take, requiring the purchase of several private dwellings. The most straightforward available improvement is therefore a new link between the two roads.

The Rialton Link has been designed to remain as simple as possible. It has a simple priority junction at its eastern end. The roundabout at its western end has been designed to the minimum size possible to maintain highway capacity (ICD 36m). The link takes the shortest possible route across the land available. The relatively flat gradient of the site limits the earthworks required. Traffic management is a key issue in this important tourist destination; the costs associated with this will be minimised by the ability to carry out the majority of the work ‘off line’, without disrupting existing roads.

e) Are there are any related activities, that if not successfully concluded would mean the full economic benefits of the scheme may not be realised. For example, this could relate to land acquisition, other transport interventions being required or a need for additional consents?
The land for the route is either existing highway land or fully owned by the Duchy of Cornwall. The EZ LDO was granted in April 2013.

The Planning Application for NSR Phase 2 (including the Rialton Link) is pending decision at Cornwall Council’s Strategic Planning Committee on the 21st November. The land has been dedicated by the land owner, Duchy of Cornwall. Confirmation of land dedication is contained in Appendix H.

The strategic transport modelling has been based on a 2030 growth scenario. In line with Council’s Local Transport Plan policy, a package of sustainable transport measures has been included together with the critical junction upgrades required in the town. Based on this, an associated reduction in forecast traffic has been applied. If the package of sustainable interventions were not provided, this would increase the pressure at the new A3058 / A3059 junction, although the modelling (included in Appendix G) does indicate that the scheme would provide spare capacity to accommodate additional traffic, with the SATURN modelling indicating a worst case V/C of 64% at the proposed A3058 / A3059 roundabout at the western end of the new link.

f) What will happen if funding for this scheme is not secured - would an alternative (lower cost) solution be implemented (if yes, please describe this alternative and how it differs from the proposed scheme)?

If funding is not secured, the Rialton Link would be constructed in its proposed form linked to the build out of nearby housing development and therefore would not come forward in the short term. This will directly prevent full occupation of the EZ, inhibiting employment growth and the economic benefits that this would bring to the town. With traffic growth attributed to the consented 500 homes in the first phase of the Newquay Growth Area and development elsewhere in the town and at the EZ, the existing junction will exceed capacity in the period up until the link is delivered. This would act as a block on further development in the town, limiting the economic potential identified.

As set out in Section B2(b) above, the scheme being put forward is the best value solution. Therefore, there is no alternative solution at this location.

g) What is the impact of the scheme – and any associated mitigation works – on any statutory environmental constraints? For example, Local Air Quality Management Zones.

The research undertaken to date for this scheme has not identified any statutory environmental constraints. The scheme is not located within or in close proximity to the following environmental designations/constraints:

- Air Quality Management Area (AQMA) – The closest AQMA lies more than 20km to the north west of the site and will not be affected by the proposal.
- There are no scheduled monuments in close proximity to the site and no listed buildings will be affected by the road. There is a Grade II listed milestone 200m to the north west of the site. No Tree Protection Orders will be effected.
- There are no landscape designations in close proximity to the site. The site is located within Landscape Character Area 15, Newquay and Perranporth Coast.
- There are no ecological designations in close proximity to the site and no Biodiversity Action Plan (BAP) habitats
- The site is not located within an active Flood Zone (Flood Zones 2 or 3) and there are no existing surface water features in close proximity.
The scheme will give rise to a small area of land being required with potential impacts on ecology (predominantly on land outside of residential curtilages) with a need to address habitat and any protected species both directly from loss of land but also from lighting arrangements that could affect movement corridors etc. Further there will be impacts arising from the drainage requirements for any new road / junction layout, that could give rise to surface water / drainage issues and potential for flooding at site and or on surrounding lower lying ground. Initial desktop and on-site inspections indicate that these issues are unlikely to be significant. They would be addressed using best practice at detailed design stage.

B3. The Financial Case – Project Costs

Before preparing a scheme proposal for submission, bid promoters should ensure they understand the financial implications of developing the scheme (including any implications for future resource spend and ongoing costs relating to maintaining and operating the asset), and the need to secure and underwrite any necessary funding outside the Department's maximum contribution.

Please complete the following tables. Figures should be entered in £000s (i.e. £10,000 = 10).

Table A: Funding profile (Nominal terms)

<table>
<thead>
<tr>
<th>£000s</th>
<th>2013-14</th>
<th>2014-15</th>
<th>2015-16</th>
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<td>DfT funding sought</td>
<td>0</td>
<td>1,987</td>
<td></td>
<td>1,987</td>
</tr>
<tr>
<td>Local Authority contribution</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Third Party contribution</td>
<td>81</td>
<td>579</td>
<td>690</td>
<td>1,350</td>
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<tr>
<td>TOTAL</td>
<td>81</td>
<td>2,566</td>
<td>690</td>
<td>3,337</td>
</tr>
</tbody>
</table>

Table B: Cost estimates (Nominal terms)

<table>
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<tr>
<th>Cost heading</th>
<th>Cost (£000s)</th>
<th>Date estimated</th>
<th>Status (e.g. target price)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works Costs</td>
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<td>Nov 2014 – May 2016</td>
<td>Estimated</td>
</tr>
<tr>
<td>Consultant Design Fees</td>
<td>78</td>
<td>Jan 2014 - May 2014</td>
<td>Estimated</td>
</tr>
<tr>
<td>Contract Administration</td>
<td>83</td>
<td>Nov 2014 – May 2016</td>
<td>Estimated</td>
</tr>
<tr>
<td>Supervision Fees</td>
<td>154</td>
<td>Nov 2014 - May 2016</td>
<td>Estimated</td>
</tr>
<tr>
<td>Optimism Bias</td>
<td>743</td>
<td>Jan 2014 - May 2016</td>
<td>Estimated</td>
</tr>
<tr>
<td>Risk Contingency</td>
<td>545</td>
<td>Jan 2014 - May 2016</td>
<td>Estimated</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,337</td>
<td></td>
<td>Estimated</td>
</tr>
</tbody>
</table>

Cost Estimate included as Appendix I

Notes:
1) Department for Transport funding must not go beyond 2014-15 financial year.
2) A minimum local contribution of 30% (local authority and/or third party) of the project costs is required.
3) Costs in Table B should be presented in outturn prices and must match the total amount of funding indicated in Table A.
B4. The Financial Case - Local Contribution / Third Party Funding

Please provide information on the following points (where applicable):

a) The non-DfT contribution may include funding from organisations other than the scheme promoter. If the scheme improves transport links to a new development, we would expect to see a significant contribution from the developer. Please provide details of all non-DfT funding contributions to the scheme costs. This should include evidence to show how any third party contributions are being secured, the level of commitment and when they will become available.

The Duchy of Cornwall owns the land required for the scheme and as the main developer in the Growth Area will be dedicating the land valued at £\*. Whilst this is a contribution in kind by the developer the land value is not included in the scheme costs, nor is the application seeking Pinch Point funding towards it. The Duchy of Cornwall is also making a contribution of up to £1,200,000 to the delivery costs of the scheme. The letter confirming this is included as Appendix H.

*Figure removed due to commercial sensitivity.*

The sum of £150,000 has also been allocated by the HCA for road infrastructure works for additional off-site infrastructure to release the existing planning conditions as part of the Newquay Aerohub Business Park grant. This funding will be available in 2014/15 (pending ERDF approval in November 2013). The HCA approval letter and Local Infrastructure Fund letter is attached in Appendix J1 and J2.

b) Where the contribution is from external sources, please provide a letter confirming the body’s commitment to contribute to the cost of the scheme. The Department is unlikely to fund any scheme where significant financial contributions from other sources have not been secured or appear to be at risk.

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

Attached in Appendices H and J1 and J2

c) The Department may accept the provision of land in the local contribution towards scheme costs. Please provide evidence in the form of a letter from an independent valuer to verify the true market value of the land.

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

Attached in Appendix K however, the land value is not included as a cost to the scheme.

*Appendix K removed due to commercial sensitivity.*

d) Please list any other funding applications you have made for this scheme or variants thereof and the outcome of these applications, including any reasons for rejection.

None
B5. The Financial Case – Affordability and Financial Risk

This section should provide a narrative setting out how you will mitigate any financial risks associated with the scheme (you should refer to the Risk Register / QRA – see Section B11).

Please ensure that in the risk / QRA cost that you have not included any risks associated with ongoing operational costs and have used the P50 value.

Please provide evidence on the following points (where applicable):

a) What risk allowance has been applied to the project cost?

An allowance of £544,500 has been added in respect of risk/contingency which is to reflect the outline nature of the design at this stage. This has been derived from the Quantified Risk Assessment (Appendix L), calculated by multiplying the ‘% likelihood’ of a risk occurring by the ‘most likely’ cost impact. In addition, a 45% optimism bias has been applied to the capital cost estimate; this is based on advice contained in the Highways Agency Annex 1 estimating forms for schemes at this stage of development.

b) How will cost overruns be dealt with?

Cost overruns will be covered by the main third party funding partner the Duchy of Cornwall.

c) What are the main risks to project delivery timescales and what impact this will have on cost?

Risks have been identified and quantified as part of the scheme risk assessment and management strategy (Appendix L). The top five ranked risks (combined cost and schedule risk) relating to timescales, their associated most likely cost impacts and mitigations are:

- Programme of archaeological work required (£290,000) – Early engagement with county archaeologist
- Poor co-ordination and programming of statutory undertakers (£75,000) - Early engagement with SU regarding programme and lead in
- Steering Group actions not completed on time (£75,000) – Project governance established
- Overall programme slip (£200,000) - Float incorporated into programme. Scheme delivered in funding timescales
- Lack of interest in tender (£75,000) - Use Cornwall Council framework

d) How will cost overruns be shared between non-DfT funding partners (DfT funding will be capped and will not be able to fund any overruns)?

Cost overruns will be covered by the main third party funding partner the Duchy of Cornwall who will work with the EZ to close potential funding gaps.
B6. The Economic Case – Value for Money

This section should set out the full range of impacts – both beneficial and adverse – of the scheme. The scope of information requested (and in the supporting annexes) will vary according to whether the application is for a small or large project.

Small project bids (i.e. DfT contribution of less than £5m)

a) Please provide a description of your assessment of the impact of the scheme to include:

- Significant positive and negative impacts (quantified where possible);
- A description of the key risks and uncertainties;
- A short description of the modelling approach used to forecast the impact of the scheme and the checks that have been undertaken to determine that it is fit-for-purpose.

Summary of Positive and Negative Impacts

The scheme would provide significant benefits in terms of reducing average delays in peak periods, improving journey time reliability and enhancing connectivity between Newquay, the EZ and links to the strategic road network and other parts of Cornwall and the South West. The improvements to travel times and reliability would have a significant impact on the local economy, in terms of job creation and increased GVA. The scheme would allow development in the Newquay Growth Area and EZ allocated through the emerging Cornwall Local Plan to come forward.

As a result of the reduced congestion, the scheme would have a beneficial impact on greenhouse gas emissions and air quality.

The scheme would produce significant economic benefits as shown in the AST (Appendix M).

As a result of the reduced congestion, the scheme would have a beneficial impact on greenhouse gas emissions and air quality.

The scheme has no major negative impacts as shown in the attached AST. There is a predicted slight adverse impact on noise due to slightly increased vehicle speeds.

- Scheme does not receive Pinch Point funding (£75,000) – Robust business case produced
- Scheme does not receive Cabinet approval (£75,000) – Scheme helps to achieve LTP3 objectives
- Programme of archaeological work required (£290,000) – Early engagement with CC Archaeologist to agree written scheme of investigation
- Delay in Steering Group Action Completion (£75,000) – Project governance established
- Poor co-ordination and programming of statutory undertakers (£75,000) - Early engagement with SU regarding programme and lead in

Description of Key Risks and Uncertainties

Risks have been identified and quantified as part of the scheme risk assessment and management strategy (Appendix L). The top five ranked overall risks relating to timescales, their associated most likely cost impacts and mitigations are:
Modelling Approach and Checks

The scheme has been assessed using a strategic highways model (developed in SATURN). The models were developed for the neutral month AM and PM peak periods, for a base year of 2010 and forecast year of 2030.

The SATURN model was developed for use in assessing the impact of future development allocated to Newquay associated with the Cornwall’s emerging Local Plan, and to assess proposed infrastructure schemes to address areas of congestion.

The SATURN model was developed using guidance detailed in WebTAG and DMRB, and was calibrated and validated using DMRB procedures. This process shows that the model meets DMRB calibration criteria, demonstrating that the model is robust and fit-for-purpose for use in forecasting future traffic flows. The model also fully complies with DMRB convergence criteria showing the model is stable and robust. Full details of the model update are provided in Appendix F.

Demand forecasts were produced for 2030 to incorporate forecast traffic growth from committed developments, future developments associated with the Local Plan and background traffic growth from TEMPRO associated with increasing car ownership, trip making and long-term growth in the economy. Development growth was incorporated using trip rates to calculate trip generation, and Census data to inform trip distribution. These demand forecasts produced future year (2030) trip matrices for the SATURN modelling. Future year demand matrices were also produced incorporating a package of sustainable transport measures proposed for the Newquay area; this approach reduces future demand due to vehicle trips transferring to sustainable modes and ensures that future year demand is not overestimated. In addition, future year traffic growth forecasts were compared to growth predictions in TEMPRO to ensure that future growth was not overestimated. The forecasts including the package of sustainable measures have been used in the economic appraisal outputs included in this document, to ensure the economic assessment is robust and not overestimating scheme impacts. Further details on the forecasting approach and scheme assessments are included in Appendix G.

The SATURN models were used to produce travel time inputs for the economic appraisal, carried out in TUBA.

Economic Appraisal

An economic appraisal has been carried out using TUBA, using outputs from the SATURN models. This appraisal only used the neutral month AM and PM peak hour matrices, hence the appraisal does not include interpeak, off-peak or seasonal time periods. The economic appraisal shows that the scheme has a BCR of 17.6, demonstrating that it would provide excellent value for money. The TUBA outputs are included in Appendix N. Whilst overall traffic levels within the model are unchanged, the additional capacity provided in this area of the network has encouraged more vehicles to use these routes, resulting in some additional traffic flows within the ‘Do Something’ scenarios.

* Small projects bids are not required to produce a Benefit Cost Ratio (BCR) but may want to include this here if they have estimated this.
b) Small project bidders should provide the following as annexes as supporting material:
- A completed **Scheme Impacts Pro Forma** which summarises the impact of proposals against a number of metrics relevant to the scheme objectives. It is important that bidders complete as much of this table as possible as this will be used by DfT – along with other centrally sourced data – to form an estimate of the BCR of the scheme. Not all sections of the pro forma are relevant for all types of scheme (this is indicated in the pro forma).

  A description of the sources of data and forecasts used to complete the Scheme Impacts Pro Forma. This should include descriptions of the checks that have been undertaken to verify the accuracy of data or forecasts relied upon. Further details on the minimum supporting information required are presented against each entry within the pro forma.

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

**Appendix O**

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

**Appendix P**

- A completed **Appraisal Summary Table**. Bidders are required to provide their assessment of all the impacts included within the table and highlight any significant Social or Distributional Impacts (SDIs). Quantitative and monetary estimates should be provided where available but are not mandatory. The level of detail provided in the table should be proportionate to the scale of expected impact with particular emphasis placed on the assessment of carbon, air quality, bus usage, sustainable modes, accessibility and road safety. The source of evidence used to assess impacts should be clearly stated within the table and (where appropriate) further details on the methods or data used to inform the assessment should be attached as notes to the table.

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

**Appendix M**

- Other material supporting the assessment of the scheme described in this section should be appended to your bid.

**Appendices F & G**

*This list is not necessarily exhaustive and it is the responsibility of bidders to provide sufficient information to demonstrate the analysis supporting the economic case is fit-for-purpose.*

**Large project bids (i.e. DfT contribution of more than £5m)**

c) Please provide a short description of your assessment of the value for money of the scheme including your estimate of the BCR. This should include:

- Significant monetised and non-monetised costs and benefits;
- A description of the key risks and uncertainties and the impact these have on the BCR;
- Key assumptions including (but not limited to): appraisal period, forecast years, level of optimism bias applied; and
- A description of the modelling approach used to forecast the impact of the scheme and the checks that have been undertaken to determine that it is fit-for-purpose.
d) Detailed evidence supporting your assessment – including a completed Appraisal Summary Table – should be attached as annexes to this bid. A checklist of material to be submitted in support of large project bids has been provided.

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

- Please append any additional supporting information (as set out in the Checklist).

*It is the responsibility of bidders to provide sufficient information for DfT to undertake a full review of the analysis.
B7. The Commercial Case

This section should set out the procurement strategy that will be used to select a contractor and, importantly for this fund, set out the timescales involved in the procurement process to show that delivery can proceed quickly.

a) Please provide evidence to show the risk allocation and transfer between the promoter and contractor, contract timescales and implementation timescales (this can be cross-referenced to your Risk Management Strategy).

Cornwall Council has a number of options for delivery of this scheme.

Option 1 is to use the Council’s ‘Teckal’ company [permitted case law exemption to the EU public procurement regime based in Case C-107/98 Teckal Srl v Commune di Viano (“Teckal”)] which would allow us to passport the work to our arms length company. The issue of any work would be based on a value for money test and the work carried out would be managed in the basis of an appropriate NEC form of contract.

Option 2 is to utilise the Construction Framework which was tendered through OJEU to benchmark competitive tendering for the pre-selected companies. This EU procurement process for the provision of a Framework allows Direct Call-Off and Mini-Competition for Construction and Civil Engineering works. This follows the OJEU process and complies with the Public Procurement Regulations. This process has selected a range of contractors for both civil engineering and construction works for values <£1m and >£1m to benchmark the Council’s construction prices and demonstrate best value from the procurement, reduced tender periods (prequalification already completed) and reduced tender risks.

A risk management strategy is included as Appendix L to this bid, identifying risks the probability and impact of them occurring together with the risk owner. As is normal industry practice it would be expected for the risks to pass to the successful contractor.

b) What is the preferred procurement route for the scheme and how and why was this identified as the preferred procurement route? For example, if it is proposed to use existing framework agreements or contracts, the contract must be appropriate in terms of scale and scope.

Cornwall Council will undertake a mini tendering exercise as set out in Option 2 above.

c) A procurement strategy will not need to form part of the bid documentation submitted to DfT. Instead, the Department will require the bid to include a joint letter from the local authority’s Section 151 Officer and Head of Procurement confirming that a strategy is in place that is legally compliant and is likely to achieve the best value for money outcome.

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

Attached as Appendix Q removed due to commercial sensitivity.

*It is the promoting authority’s responsibility to decide whether or not their scheme proposal is lawful; and the extent of any new legal powers that need to be sought. Scheme promoters should ensure that any project complies with the Public Contracts Regulations as well as European Union State Aid rules, and should be prepared to provide the Department with confirmation of this, if required.*
**B8. Management Case - Delivery**

Deliverability is one of the essential criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.

a) A detailed project plan (typically in Gantt chart form) with milestones should be included, covering the period from submission of the bid to scheme completion. The definition of the key milestones should be clear and explained. The critical path should be identifiable and any key dependencies (internal or external) should be explained. Resource requirements, task durations, contingency and float should be detailed and easily identifiable. Dependencies and interfaces should be clearly outlined and plans for management detailed.

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

Attached as **Appendices R1 and R2**. The scheme will be constructed outside the main holiday season, minimising any adverse impact to the local economy. There is a summer embargo on highway works in Newquay to ensure this. This does put pressure on the delivery timescales which means project completion will be in early 2015/2016.

b) If delivery of the project is dependent on land acquisition, please include a letter from the respective land owner(s) to demonstrate that arrangements are in place in order to secure the land to enable the authority to meet its construction milestones.

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

Attached as **Appendix H**

c) Please provide summary details of your construction milestones (at least one but no more than 5 or 6) between start and completion of works:

**Table C: Construction milestones**

<table>
<thead>
<tr>
<th>Construction milestones</th>
<th>Estimated Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start of works</td>
<td>November 2014</td>
</tr>
<tr>
<td>Construction of Quintrell Roundabout</td>
<td>November 2014 – February 2015</td>
</tr>
<tr>
<td>Construction of Rialton Link</td>
<td>January 2015 – May 2015</td>
</tr>
<tr>
<td>Construction of Rialton Road junction tie-in</td>
<td>November 2015 – January 2015</td>
</tr>
<tr>
<td>Opening date</td>
<td>May 2015</td>
</tr>
<tr>
<td>Completion of works (if different)</td>
<td>As above</td>
</tr>
</tbody>
</table>
d) Please list any major transport schemes costing over £5m in the last 5 years which the authority has delivered, including details of whether these were completed to time and budget (and if not, whether there were any mitigating circumstances)

**Chiverton Cross Roundabout**

In partnership with the Highways Agency, Cornwall Council took the decision in 2009 to seek a £3.85m funding contribution from the Community Infrastructure Fund (CIF) to improve the trunk road junction at A30 Chiverton Cross. Existing delays at the junction were considered to be a constraint on economic growth and development in mid and west Cornwall.

Cornwall Council developed the models and layouts, with the support of the Highways Agency, and was successful in a bid to the Homes and Communities Agency (HCA) of £3.85m to deliver the scheme.

The programmed opening date was the 14 February 2011 (four weeks ahead of schedule) and the road opened on that date on time and within budget, constructed by the Council’s in house contractor, CORMAC.

![Chiverton Cross Roundabout](image)

Indications from early data sought 7 months after scheme completion indicated that collision frequency, type and severity are typical of this form of junction and that capacity improvements have been achieved without compromising safety for users.
B9. Management Case – Statutory Powers and Consents

a) Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.

On 3rd April 2013 Cornwall Council adopted a Local Development Order (LDO) at Newquay Cornwall Airport for a 35.5 ha Business Park. The LDO allows for up to 115,000 square metres of development consisting of use classes B1 (Business), B2 (General Industry) and B8 (Storage and Distribution) with associated infrastructure and ancillary hotel, retail and leisure facilities.

The LDO has a 20 year timescale for development to commence within. It includes a number of conditions one of which (Condition 10) is particularly applicable to this application and stems from the conclusions of the Transport Assessment which supported the LDO. Condition 10 reads in full as follows:

No development in excess of 40% (46,000 square metres) of the total permitted floor space, recorded cumulatively across the entire Local Development Order site, will be occupied prior to undertaking peak hour monitoring surveys at the Henver Road/Rialton Road/Quintrell Road junction (located at Lat 50.416672, Long -5.043017) for evidence of queuing, delay and capacity issues. These will be completed on a traffic neutral weekday in a traffic neutral month (April, May, June, September, October). The survey will be used as evidence for establishing whether there are existing queues, delay and capacity issues at the junction. These surveys will be repeated on an annual basis and reported to Cornwall Council. If the existing ratio of flow to capacity is equal to, or exceeds, 0.95 for any arm of the junction, no further occupation of the development will be permitted without suitable highways mitigation being agreed with the local highway authority. A grace period of 18 months will be permitted following the survey date in order to allow mitigation works to be agreed. During this period any development that had commercial terms agreed prior to the survey may continue to commence occupation. Reason: in the interests of highway safety.

The condition in effect off sets as far as possible junction improvement works at the Rialton Road junction in relation to the LDO and EZ development.

Further information regarding the LDO can be obtained at the following web link: http://www.cornwall.gov.uk/default.aspx?page=33179

Phase 1 of the Newquay Strategic Route which runs from Hendra Road (A392) to the railway line was given planning consent in October 2012 and is programmed for delivery in autumn 2014.

b) Please list separately any outstanding statutory powers / consents etc, including the timetable for obtaining them.

A planning application for Phase 2 of the Newquay Strategic Route, including the Rialton Link, will be considered by Cornwall Council’s Strategic Planning Committee on the 21st November 2013. Three months has been allowed for approvals to be sought.

1. There are no public rights of way affected by the proposals
2. There would be no requirement for a Side Road Order as it is not affecting other roads than those that utilise the junction
3. Statutory Undertakers would require some investigation although it is important to emphasise that as the local authority we have the powers to request that these be moved and for payment to be requested by them for such changes.
4. Environment Agency approval for revised drainage layout (if made the subject of a planning condition).

Any consents required would be established through the design stages to keep the programme of delivery on track.

B10. Management Case – Governance

Please name who is responsible for delivering the scheme, the roles (Project Manager, SRO etc.) and responsibilities of those involved, and how key decisions are/will be made. An organogram may be useful here. Details around the organisation of the project including Board accountabilities, contract management arrangements, tolerances, and decision making authorities should be clearly documented and fully agreed.

Attached as Appendix S

B11. Management Case - Risk Management

All schemes will be expected to undertake a thorough Quantified Risk Assessment (QRA) and a detailed risk register should be included in the bid. The QRA should be proportionate to the nature and complexity of the scheme. A Risk Management Strategy should be developed and should outline on how risks will be managed.

Please ensure that in the risk / QRA cost that you have not included any risks associated with ongoing operational costs and have used the P50 value.

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

The QRA and Risk Management Strategy are combined into a single document appended to this bid (Appendix L).

B12. Management Case - Stakeholder Management

The bid should demonstrate that the key stakeholders and their interests have been identified and considered as appropriate. These could include other local authorities, the Highways Agency, statutory consultees, landowners, transport operators, local residents, utilities companies etc. This is particularly important in respect of any bids related to structures that may require support of Network Rail and, possibly, train operating company(ies).

a) Please provide a summary of your strategy for managing stakeholders, with details of the key stakeholders together with a brief analysis of their influences and interests.

Cornwall Council is a unitary authority. This reduces the number of external stakeholders involved. Key external stakeholders in this project would be Duchy of Cornwall, Newquay Town Council, Council Members, local people and interest groups, landowners and utilities companies.
The LDO already has consent and was the subject of public consultation. The Duchy’s current application for Phase 2 of the Newquay Strategic Route, including the Rialton Link, will be considered by Cornwall Council’s Strategic Planning Committee on the 21\textsuperscript{st} November 2013.

In 2004, there was a widespread public consultation of the Newquay Growth Area proposals, which culminated in an Enquiry By Design. This approach is a process created by The Prince’s Foundation for the Built Environment which invites the stakeholders of a proposed development (local authority, residents, developers, landowners, voluntary groups, representatives of employers and retailers) to collaborate in the production of a Masterplan.

The consultation process actively involved hundreds of local people and concluded that there is excellent potential to create an urban extension fully integrated with Newquay and delivering a broad-based and sustainable response to the identified needs of the community. The process emphasised the importance of mixed-use places and communities, attractive streets and good public transport. In terms of transport issues, the need for 20mph speed limits, accessibility for all forms of transport, need for a park and ride and permeability were the most important issues. More recently, proposals for the first phase of the NSR went on show at a public exhibition on Thursday 17 May 2012. The majority of attendees supported the proposed NSR.

The Duchy of Cornwall responds to all development proposals made by planning authorities by engagement with the local community so as to help shape both broad principles and Masterplan so that identified needs can be secured by consensus. The Duchy of Cornwall believes this process enriches new development schemes and tailors them so as to meet specific aspirations.

For the Growth Area, the Duchy was guided by the Prince’s Foundation for the Built Environment (now the Prince’s Foundation for Building Community) using its Enquiry by Design technique. A Pathfinder Workshop involving local stakeholders was held in May 2004 following which six Working Groups drawn from volunteers with specific knowledge were set up to address the key issues over the summer.

These Working Groups produced Summary Reports so as to inform the Enquiry by Design exercise which took place over the course of a week in October 2004. A final report and Masterplan was published in March 2005.

Over the intervening period as planning policy has evolved the Duchy has maintained links with the original stakeholders and has held further workshops with these and other interest groups. These include local schools and Cornwall College, the Methodist Church, Newquay Town and Colan Parish Councils, medical practitioners, the Newquay Old Cornwall Society, The Cornish Language Partnership, the residents of Chapel, the Quintrell Downs Action Group, the Newquay Allotments Association and those local residents who from time to time express interest or have concerns.

Consultation by the Duchy of Cornwall following the pattern established will continue throughout the life of the development.

The wider town transport strategy that includes this scheme has been discussed with a range of stakeholders throughout its development. The plans have been taken to Parish/Town Councils, Steering Groups and have had input from Local Members and other departments within the Council including Planning, Property and Education. Should this scheme get approval for the funding we would continue the regular liaison with the key stakeholders. A website page can be set-up providing regular updates of the scheme and its progress.
Consultation would be carried out with consultees in accordance with the type and level of scheme being delivered. Consultation with some of these groups is dependent on the scheme rather than a statutory requirement. The list below includes consultees over and above the statutory bodies.

- Duchy of Cornwall
- Cornwall Development Company
- Town and Parish Councils
- Local Cornwall Council Members
- Police, Fire and Ambulance
- AA, Road Haulage Association and Freight Transport Association
- Local Bus Operators
- Cycle Groups
- Motorcycle Groups
- Chamber of Commerce
- Residents Associations
- Frontagers
- Town Forums
- Disability Groups
- Access Forums

Consultation is carried out in a number of ways that could include, Statutory Notices, Site Notices, Letters and Plans, Public Press Releases, Public exhibition, Website and Electronic Consultation.

The scheme is approximately 6 miles from the strategic trunk road network. As such there would be no risk to its operation, although the Highways Agency would be consulted to confirm this.

Congestion at Rialton Road junction is viewed locally as a capacity restraint and proposals for improvement at the junction have always been viewed positively when discussed with stakeholders.

In terms of the land required to deliver the improvements, there is only a single landowner involved who has dedicated the land required.

Liaison with statutory undertakers would be carried out as part of the detailed design stage for the proposals and would be dealt with by our contracting partner, Cormac Solutions Ltd.

b) Can the scheme be considered as controversial in any way?  
☐ Yes  ☒ No  
If yes, please provide a brief summary (in no more than 100 words)

c) Have there been any external campaigns either supporting or opposing the scheme?  
☐ Yes  ☒ No  
If yes, please provide a brief summary (in no more than 100 words)
d) For large schemes please also provide a Stakeholder Analysis and append this to your application.

Has a Stakeholder Analysis been appended? ☐ Yes ☐ No ☒ N/A

e) For large schemes please provide a Communications Plan with details of the level of engagement required (depending on their interests and influence), and a description of how and by what means they will be engaged with.

Has a Communications Plan been appended? ☐ Yes ☐ No ☒ N/A

B13. Management Case - Assurance

We will require Section 151 Officer confirmation (Section D) that adequate assurance systems are in place.

For large schemes please provide evidence of an integrated assurance and approval plan. This should include details around planned health checks or gateway reviews.

Included in Appendix Q - Appendix K removed due to commercial sensitivity.

SECTION C – Monitoring, Evaluation and Benefits Realisation

C1. Benefits Realisation

Please provide details on the profile and baseline benefits and their ownership. This should be proportionate to the size of the proposed scheme.

Reduced congestion and improved journey time reliability

<table>
<thead>
<tr>
<th>Baseline values</th>
<th>Existing layout: Base year - peak hour queues of 3 vehicles on Rialton Road rising to 13 by 2014 on Quintrell Road in the PM peak period.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predicted Values</td>
<td>Proposed layout: 2030 – free flowing roundabout junction with no queuing in either the AM or PM peak hour. Delay reduced whilst simultaneously supporting the creation of hundreds of jobs.</td>
</tr>
<tr>
<td>Ownership</td>
<td>Cornwall Council</td>
</tr>
</tbody>
</table>

Reduced journey times

<table>
<thead>
<tr>
<th>Baseline values</th>
<th>Existing layout: Base year – peak hour delays of 51 seconds on Rialton Road in 2010 rising to (4\frac{1}{2}) minutes in 2014.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predicted Values</td>
<td>Proposed layout: 2030 - average peak hour delays of less than 40 seconds on worst case turning movement.</td>
</tr>
<tr>
<td>Ownership</td>
<td>Cornwall Council</td>
</tr>
</tbody>
</table>
**Economic Growth**

<table>
<thead>
<tr>
<th>Baseline values</th>
<th>Current employment levels collated from existing data sources and business surveys.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Predicted Values</strong></td>
<td>Town framework suggests in excess of 7,000 additional jobs within the Newquay area by 2030</td>
</tr>
<tr>
<td><strong>Ownership</strong></td>
<td>Cornwall Council, Aerohub EZ and Duchy of Cornwall</td>
</tr>
</tbody>
</table>

**Facilitates delivery of new housing and commercial development**

<table>
<thead>
<tr>
<th>Baseline values</th>
<th>The main commercial development in the area is the Aerohub EZ. Without the Pinch Point improvement, only 40% of this site could be occupied.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Predicted Values</strong></td>
<td>The emerging Local Plan allocates 3,800 new homes and 51,341sqm of new employment development in the Growth Area. The Enterprise Zone alone will deliver 115,000 square metres of business space which could be fully occupied. The proposed scheme will operate within capacity with this development (as shown in Appendix G).</td>
</tr>
<tr>
<td><strong>Ownership</strong></td>
<td>Local people and businesses</td>
</tr>
</tbody>
</table>

**C2. Monitoring and Evaluation**

Evaluation is an essential part of scheme development and should be considered and built into the planning of a scheme from the earliest stages. Evaluating the outcomes and impacts of schemes is important to show if a scheme has been successful.

Please set out how you plan to measure and report on the benefits identified in Section C1, alongside any other outcomes and impacts of the scheme.

Monitoring and evaluation of the scheme will be undertaken in line with guidance provided by DfT on ‘Monitoring and Evaluation for Local Authority Major Schemes’. Specifically the ‘Standard Monitoring and Evaluation’ tier will be used. The following inputs, outputs, outcomes and impacts will be monitored:

- Scheme build;
- Delivered Scheme;
- Costs;
- Scheme Objectives;
- Travel Demand;
- Travel times and reliability of travel times;
- Impacts on the economy; and
- Carbon Impacts

These will be reported both one year and five years after opening, within an evaluation report. A baseline data report will also be completed. More detail of the timing of data collection and reporting is given in Appendix T.

‘Scheme Build’, ‘Delivered Scheme’ and ‘Costs’ will be monitored during construction. The collection of other data detailed in Appendix T will allow the performance against ‘Scheme Objectives’ to be assessed. Data collection is likely to be required for input into the relevant reports (pre-opening, one year after and five years after), however we will investigate opportunities for utilising existing datasets wherever possible.
A fuller evaluation for large schemes may also be required depending on their size and type.

SECTION D: Declarations

D1. Senior Responsible Owner Declaration
As Senior Responsible Owner for [scheme name] I hereby submit this request for approval to DfT on behalf of [name of authority] and confirm that I have the necessary authority to do so.

I confirm that [name of authority] will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.

Name: Tim Wood
Position: Assistant Head of Transportation

Signed:

D2. Section 151 Officer Declaration
As Section 151 Officer for Cornwall Council I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Cornwall Council:

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

Name:
Cath Robinson

Signed: