

# EXECUTIVE DECISION

made by a Cabinet Member



## REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER

Executive Decision Reference Number – L32 20/21


Decision	
1	<b>Title of decision:</b> Forder Valley Interchange Construction
2	<b>Decision maker (Cabinet member name and portfolio title):</b> Councillor Evans, Leader of the City Council
3	<b>Report author and contact details:</b> Sarah McVeigh, Transport Planning Officer Tel. 01752 308855                      Email. <a href="mailto:Sarah.mcveigh@plymouth.gov.uk">Sarah.mcveigh@plymouth.gov.uk</a>
4	Decision to be taken: <ol style="list-style-type: none"> <li>1. Approves the Business Case update</li> <li>2. Allocates £1,708,447 for the project into the Capital Programme funded from the Integrated Funding Block and reallocation of salary capitalisation</li> <li>3. Authorises the award of construction works</li> </ol>
5	<b>Reasons for decision:</b> <p>Scheme costs have increased since the development of the original business case in 2017/18 and additional funding is therefore required.</p> <p>The award of construction works will allow the scheme to progress as per the current programme and target cost.</p> <p>Details are including in the Part I and Part II business case update and contract award report briefing papers.</p>
6	<b>Alternative options considered and rejected:</b> <p>De-scope scheme – Rejected</p> <p>Costs pressures have already been significantly captured through a vigorous value engineering exercise as part of the design process. Options to further de-scope the scheme were investigated but were not appropriate on the basis they would either</p> <ul style="list-style-type: none"> <li>▪ reduce the scheme benefits and impact the business case BCR, putting the DfT funding at risk;</li> <li>▪ not address existing highways maintenance issues which would undermine the new infrastructure being provided and leave the Council with residual maintenance pressures in the medium to long term</li> </ul>

	<ul style="list-style-type: none"> <li>▪ or reduce the scheme’s resilience to climate change (for example reducing the drainage attention or removing the walking and cycling upgrades that would otherwise help to encourage more trips through walking and cycling).</li> </ul> <p>Re-tender – Rejected</p> <p>The Council’s Procurement team assisted with appraising three procurement routes for this scheme and the preferred option is to award the construction works to Balfour Beatty by way of a Deed of Variation to the existing Forder Valley Link Road NEC3 SCAPE Framework contract.</p> <p>A full OJEU compliant new tender process would introduce a delay of at least one year.</p> <p>Utilisation of other Frameworks has been considered and, whilst this would be a quicker procurement process than OJEU, there would still be significant delay to the current programme and in both re-tender scenarios, the efficiencies currently realised with co-delivery alongside FVLR would also be lost.</p> <p>In order to overcome the current known budget shortfall in the existing target cost, when additional inflation and a loss of efficiencies are added, a new contractor would have to present a target cost around 35% cheaper and this is considered extremely unlikely.</p> <p>Do not proceed – Rejected</p> <p>If the scheme were to not go ahead, the existing bottleneck on Forder Valley Road (which has the potential to queue back onto the mainline A38 during busy periods) would remain. This currently deters vehicles using this route and adds strain to the Manadon Junction. These issues would not be resolved and some of the highway maintenance aspects of the scheme would still need to be resolved in the foreseeable future.</p> <p>Whilst the CIL funding contribution could be reallocated for use on another scheme, the £5m of funding from the DfT would need to be returned.</p>												
<p><b>7</b></p>	<p><b>Financial implications:</b></p> <p>£8,833,000 was allocated within the Capital Programme in March 2018 (Executive Decision L58 17/18). £5,000,000 of this is funded by the successful bid to the Department for Transport’s National Productivity Investment Fund and £3,833,000 funded by the Community Infrastructure Levy.</p> <p>A further £1,708,477 is required to deliver the preferred scheme and funding has been identified from the Integrated Transport Block and reinvesting salary capitalisation.</p> <p>There is no Corporate Borrowing ask for this scheme and therefore no revenue implications.</p>												
<p><b>8</b></p>	<table border="1"> <tr> <td data-bbox="236 1590 766 1998"> <p><b>Is the decision a Key Decision?</b> (please contact <a href="#">Democratic Support</a> for further advice)</p> </td> <td data-bbox="766 1590 861 1691"> <p><b>Yes</b></p> </td> <td data-bbox="861 1590 973 1691"> <p><b>No</b></p> </td> <td data-bbox="973 1590 1500 1691"> <p><b>Per the Constitution, a key decision is one which:</b></p> </td> </tr> <tr> <td></td> <td data-bbox="766 1691 861 1854"> <p>X</p> </td> <td data-bbox="861 1691 973 1854"></td> <td data-bbox="973 1691 1500 1854"> <p>in the case of <b>capital</b> projects and contract awards, results in a new commitment to spend and/or save in excess of <b>£3million</b> in total</p> </td> </tr> <tr> <td></td> <td data-bbox="766 1854 861 1998"></td> <td data-bbox="861 1854 973 1998"> <p>X</p> </td> <td data-bbox="973 1854 1500 1998"> <p>in the case of <b>revenue</b> projects when the decision involves entering into new commitments and/or making new savings in excess of <b>£1 million</b></p> </td> </tr> </table>	<p><b>Is the decision a Key Decision?</b> (please contact <a href="#">Democratic Support</a> for further advice)</p>	<p><b>Yes</b></p>	<p><b>No</b></p>	<p><b>Per the Constitution, a key decision is one which:</b></p>		<p>X</p>		<p>in the case of <b>capital</b> projects and contract awards, results in a new commitment to spend and/or save in excess of <b>£3million</b> in total</p>			<p>X</p>	<p>in the case of <b>revenue</b> projects when the decision involves entering into new commitments and/or making new savings in excess of <b>£1 million</b></p>
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		X	is <b>significant</b> in terms of its effect on communities living or working in an area comprising <b>two or more</b> wards in the area of the local authority.
	<b>If yes, date of publication of the notice in the <a href="#">Forward Plan of Key Decisions</a></b>	06 October 2020	
9	<b>Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:</b>	<p>The Forder Valley Interchange scheme compliments the Forder Valley Link Road works and the two schemes together optimise the benefits of providing a new key link as an alternative route to the north of the city from the east.</p> <p>The new link this scheme facilitates is fundamental in relieving congestion at Manadon Roundabout and is therefore an essential project to the delivery of the growth identified in the Joint Local Plan.</p> <p>The project is identified as a part of the strategic transport infrastructure required to support the significant numbers of new homes and jobs that are planned for the north and east of the city over the lifespan of the Plymouth and South West Devon Joint Local Plan. The Forder Valley Interchange scheme directly supports the following Joint Local Plan policies: SPT8; SPT9; SPT10; SPT12; PLY47; and PLY57.</p> <p>The Forder Valley Interchange scheme will relieve an existing pinch point on the network resulting in improved journey times and reliability, whilst freeing up capacity to ensure that additional travel demand can be accommodated and as a result unlocking large scale development to the north and east of the city.</p> <p>Improvements for pedestrians and cyclists will also be maximised within the scheme in order to encourage more sustainable journeys.</p> <p>This project combined with the Forder Valley Link Road project (FVLR) enable the creation of an important new public transport link between the east of the City and the second busiest interchange at Derriford Hospital. It also facilitates the future link needed for the proposed Deep Land Park and Ride connection which is to be delivered as part of the Sherford new community.</p> <p>Good connectivity and a resilient transport network supports the effective functioning of our economy, enabling residents to access employment opportunities and linking businesses to skill, customer and supply chain markets. Significant investment from the Department for Transport has already been successfully secured to provide this essential transport</p>	

		<p>infrastructure to support growth and the future of the city.</p> <p>Successful delivery of this scheme will give further confidence to national and regional funding decision makers that Plymouth is a city that can deliver large scale investment projects that will make a real difference in driving forward growth and the local economy. Being able to cite recent examples for the project such as Derriford Hospital Interchange and Marjons Link Road has helped secure Department for Transport NPIF funding for this scheme; successful delivery of the project will give the same confidence when the Council is seeking funding for other future major projects.</p>		
<b>10</b>	<b>Please specify any direct environmental implications of the decision (carbon impact)</b>	The scheme supports Government priorities for sustainable growth and decarbonising transport by improving the quality of travel options by non-car modes.		
<b>Urgent decisions</b>				
<b>11</b>	<b>Is the decision urgent and to be implemented immediately in the interests of the Council or the public?</b>	<b>Yes</b>		(If yes, please contact Democratic Support ( <a href="mailto:democraticsupport@plymouth.gov.uk">democraticsupport@plymouth.gov.uk</a> ) for advice)
		<b>No</b>	X	<b>(If no, go to section 13a)</b>
<b>12a</b>	<b>Reason for urgency:</b> N/A			
<b>12b</b>	<b>Scrutiny Chair Signature:</b>		<b>Date</b>	
	<b>Scrutiny Committee name:</b>			
	<b>Print Name:</b>			
<b>Consultation</b>				
<b>13a</b>	<b>Are any other Cabinet members' portfolios affected by the decision?</b>	<b>Yes</b>	X	
		<b>No</b>		<b>(If no go to section 14)</b>
<b>13b</b>	<b>Which other Cabinet member's portfolio is affected by the decision?</b>	Councillor Coker, Cabinet Member for Strategic Planning and Infrastructure		

<b>I3c</b>	<b>Date Cabinet member consulted</b>	10 December 2020		
<b>I4</b>	<b>Has any Cabinet member declared a conflict of interest in relation to the decision?</b>	<b>Yes</b>	<input type="checkbox"/>	If yes, please discuss with the Monitoring Officer
		<b>No</b>	<input checked="" type="checkbox"/>	
<b>I5</b>	<b>Which Corporate Management Team member has been consulted?</b>	<b>Name</b>	Anthony Payne	
		<b>Job title</b>	Strategic Director for Place	
		<b>Date consulted</b>	21 December 2020	
<b>Sign-off</b>				
<b>I6</b>	<b>Sign off codes from the relevant departments consulted:</b>	<b>Democratic Support (mandatory)</b>	DS80 20/21	
		<b>Finance (mandatory)</b>	djn.20.21.202	
		<b>Legal (mandatory)</b>	MS/17.12.20	
		<b>Human Resources (if applicable)</b>	N/A	
		<b>Corporate property (if applicable)</b>	N/A	
		<b>Procurement (if applicable)</b>	SN/PS/571/ED/1220	
<b>Appendices</b>				
<b>I7</b>	<b>Ref.</b>	<b>Title of appendix</b>		
	A	Forder Valley Interchange – Part I Briefing Note – Business Case Update & Contract Award		
	B	Forder Valley Interchange Equalities Impact Assessment		
<b>Confidential/exempt information</b>				
<b>I8a</b>	<b>Do you need to include any confidential/exempt information?</b>	<b>Yes</b>	<input checked="" type="checkbox"/>	If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in <b>I8b</b> below.  (Keep as much information as possible in the briefing report that will be in the public domain)
		<b>No</b>	<input type="checkbox"/>	

		Exemption Paragraph Number						
		1	2	3	4	5	6	7
<b>18b</b>	<b>Confidential/exempt briefing report title:</b>							
<b>Background Papers</b>								
<b>19</b>	<p>Please list all unpublished, background papers relevant to the decision in the table below.</p> <p>Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</p>							
Title of background paper(s)		Exemption Paragraph Number						
		1	2	3	4	5	6	7
Forder Valley Interchange – Part II Briefing Note – Business Case Update				X				
Forder Valley Interchange – Part II Briefing Note – Contract Award Report				X				
<b>Cabinet Member Signature</b>								
<b>20</b>	<p>I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.</p>							
<b>Signature</b>				<b>Date of decision</b>	5 January 2021			
<b>Print Name</b>	Cllr Tudor Evans OBE							