

BRIEFING REPORT

Plymouth MRN Scheme: Allocation of funding following OBC approval



INTRODUCTION

This executive decision is to allocate funding to the budget of the Plymouth Major Road Network (MRN) scheme following approval by the Department for Transport (DfT) of the Outline Business Case for the scheme. This will enable the design to be progressed to an advanced stage and the Final Business Case (FBC) to be submitted to the DfT.

BACKGROUND

The Plymouth MRN scheme is one of the Council's strategic transport schemes identified to support the delivery of the Plymouth & South West Devon Joint Local Plan.

The MRN scheme is a package of improvements at specific sites along the city's sole Major Road Network route as designated by the DfT.

The scheme will deliver targeted road capacity, bus priority and cycling and walking improvements at Marsh Mills roundabout and along the St Budeaux Bypass including Camels Head junction. Also included is a second phase of the Flood Prevention works along Embankment Road at Arnold's Point and the removal of the disused railway bridge just east of Embankment Lane. Part of the Strategic Cycle Network along Embankment Road at Blagdons Meadow and along the St Budeaux Bypass will also be upgraded.

The Council submitted a successful Strategic Outline Business Case (SOBC) to the DfT in 2019 securing development funding to produce the Outline Business Case (OBC). The OBC was submitted to the DfT in August 2022 and was approved in April 2024, securing further funding to develop the scheme to an advanced stage and prepare the Final Business Case, which is currently planned to be submitted to the DfT in late 2025.

The MRN scheme was entered onto the Council's Capital Programme following the successful SOBC bid and following approval by the City Council Investment Board (CCIB). The associated Executive Decision reference is L28 19/20 dated July 2019.

FINANCIAL IMPLICATIONS

The total budget for the MRN scheme is £49.95m with 85% provided by the DfT. The majority of the DfT funding is for the construction of the works and will only become available if the Final Business Case (FBC) bid is approved by the DfT.

It is recommended to allocate £6,355,752 to the scheme budget to enable the design to be progressed to an advanced stage and the Final Business Case (FBC) to the DfT to be produced.

The £6,355,752 is funded from DfT s31 Grant (£5,055,752), Environment Agency grant (£800,000) and s106 (£500,000). All of which were already included as part of the overall £49.95m MRN funding package approved by the s151 officer for the Council's OBC submission.

There is no Corporate Borrowing.

Further funding will be allocated to the budget for the scheme if the FBC bid is approved by the DfT and their funding contribution for the construction of the works has been confirmed. This will require a new Executive Decision.

PROJECT RISKS

There is a risk that the scheme fails to secure FBC approval however, the Plymouth MRN scheme was afforded high praise from the DfT at the SOBC stage and has been approved at the OBC stage,

securing significant funding from the DfT to develop the scheme to an advanced stage and produce the FBC.

Progressing the design to an advanced stage will improve the cost certainty of the construction works, even if further DfT MRN funding is not secured and other funding sources are needed.

RECOMMENDATIONS

It is recommended that £6,355,752 is allocated to the scheme budget, funded from DfT s31 Grant (£5,055,752), Environment Agency grant (£800,000) and s106 (£500,000), to enable the design of the scheme to be progressed and the Final Business Case to the DfT to be produced.