

CAPITAL BUSINESS CASE CHANGE REQUEST

Colesdown Underbridge



What is the endorsement you are seeking from CPOG

To allocate £1.903 million of Sherford section 106 Transport funding to the Colesdown Underbridge project.

Business Case Change CATEGORY (Tick one or more box as appropriate and insert the funding source)

Project Variations	Add Funding <input checked="" type="checkbox"/>	Funding Source	Section 106
	Remove Funding <input type="checkbox"/>		
	Virements <input type="checkbox"/>		

Other please specify:

Project Detail

Insert previous business case number and link to the business case	Business Case.pdf and Decision - L41 24/25 Colesdown Hill Underbridge Walking and Cycling Route - Modern Council		
Total value of capital project currently within the approved capital programme.	£ 4,324,614.04		
Value to be added/ - removed from Capital programme (if any)	£1,903,000 additional		
Does this project need to go to CMT?	No	Date business case approved by CMT (if required)	
Portfolio Holder	Councillor Stephens	Service Director	Paul Barnard
Senior Responsible Officer (client)	Philip Heseltine	Project Manager	Jim Woffenden

Purpose of Business Case Change Request: (Provide a brief outline of what has happened to date. Explain the details of the proposal and how the proposal will address the issue)

The purpose of this business case change request is to update the Capital Programme Officer Group (CPOG) now that the final designs and construction costs for the Colesdown underbridge scheme are confirmed, and request that additional Sherford section 106 transport funding is added to the capital programme to support the delivery of this project.

The increase in cost has been due to increases in design and construction costs in the following key areas: diversion of utilities; scheme durations; and materials costs.

To establish the construction method and condition of the historic abutments, cores were undertaken in May 2025. The results of these investigations were inconclusive meaning that additional design time, construction duration and cost is required to ensure that the scheme can be constructed safely.

Initial cost estimates by utility companies significantly underestimated the cost of their work. These costs have now been updated.

Revised Key Risks: *(Explain any changes to the risk register / risk log in the approved business case)*

Cost increases were identified as a risk in the business case, and it was identified that if this were to occur, further external funding would be sought. External section 106 transport funding has been identified to support this project and this business case change request seeks to add this external funding to the capital programme.

The trigger of 1,600 dwellings occupied for the section 106 funding has not yet been reached, but the [2025 Plymouth, South hams and West Devon housing supply position statement](#) indicates that trigger would be reached before March 2027 in time for the funding of the 2026/27 capital programme. In the unlikely event that the construction and occupation of houses is significantly delayed, this eventuality would need to be covered from corporate borrowing.

The proposed target price for the construction has now been received from the preferred contractor which provides a high level of confidence in the scheme cost. In line with good project management practice, an additional 10% contingency has been included on top of the overall construction budget following a quantified risk management workshop involving the client, contract manager and contractor.

Revised Outcome and Benefits: *(Explain any changes to the financial and non-financial outcomes and benefits as identified in the approved business case)*

No changes to the planned outcomes.

The revised costs have been used to assess the value for money of the scheme's delivery using the DfT's Active Mode Appraisal Tool (AMAT). This assessment indicates a benefit cost ratio of more than 2 to 1, which is in the "high value for money" category.

Revised Milestones and Date:

Has the start /completion date changed? (If so, please update with new dates)		Yes
Contract Award Date	Start On Site Date	Completion Date
January 2026	February 2026	July 2027

Is further Consultation required: (if so, please ensure you consult with legal and procurement prior to submission)	
Will this change request require new procurement activity or the variation of an existing contract? If yes, have procurement been consulted? Provide name of Procurement Officer consulted:	No
Does the change in your project require Legal advice? if yes please explain why.	No

Does the change alter the Climate Impact Assessment. (If yes, this would need to be updated)	No	Does the change alter the Equalities Impact Assessment. (If yes, this would need to be updated)	No
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Revised Financial Implications: (Capital and Revenue – capital profile and ongoing PCC revenue implications)								
Capital Cost and Financing:								
Breakdown of project costs including fees surveys and contingency	Prev. Years £	25/26 £	26/27 £	27/28 £	28/29 £	29/30 £	Future Years £	Total £
Original business case capital cost	589,619.01	1,203,621.00	2,020,862.03	510,512.00				4,324,614.04
Revised capital costs	589,619.01	1,203,621.00	3,325,780.03	1,108,594.00				6,227,614.04
Difference	0	0	1,304,918.00	598,082.00				1,903,000.00

Detail on financing change (+£ or -£) to match the difference above								
		25/26 £	26/27 £	27/28 £	28/29 £	29/30 £	Future Years £	Total £
Grant Funding (Ringfenced/ Un-Ringfenced)								
Existing S106 /CIL			510,512.00	-510,512.00				0.00
New, untriggered, S106 /CIL			794,406.00	1,108,594.00				1,903,000.00
Corporate / Service Borrowing								
Internal Contribution (RCCO)								
External Contribution								

Are there any bidding constraints /restrictions/ conditions attached to the funding	<p>The additional funding is Sherford major works section 106 which can be drawn down by the council once 1600 dwellings are occupied. It is necessary to underwrite this with corporate borrowing in order to cover the very unlikely eventuality that the occupation of these dwellings is significantly delayed. To minimise risk exposure, the existing S106 funding would be reprofiled from 2027/28 to 2026/27 to allow this new funding to be profiled as follows:</p> <p>2026/27: £794,406 2027/28: £1,108,594</p> <p>In summary, as the existing 2027/28 FY's £510,512 is already available, this will be brought forward and used in 26/27 so that the not yet triggered section 106 is required as late as possible in the project.</p> <p>The 2025 housing land supply position statement states that as of April 1st, 2025 1,347 houses had been constructed at Sherford, following delivery of 267 dwellings in the 2024/25 financial year.</p> <p>South Hams have recorded that 391 dwellings were under construction on April 1, 2025 and the housing supply position statement projects a further 350 dwellings per annum through to March 2034. This rate of construction would bring completions to 1,697 by March 2026, with occupations to follow soon after in time for the funding of the 2026/27 capital programme. Therefore, it is projected that there will be no need to call upon corporate borrowing</p> <p>5 Year Housing Land Supply Position Statement and Housing Delivery Test result PLYMOUTH.GOV.UK</p>
Does the change have any Tax and VAT implications. (If yes, please contact Sarah Scott)	No

Revised Revenue Implications:

Revised Revenue Implications for Service Area:

	25/26 £	26/27 £	27/28 £	28/29 £	29/30 £	Future Yrs.
Original business case revenue cost (A)						
Change to costs (B) increase / - reductions						
Change in income (C) reduction / - increase						
Revised revenue costs D = (A+/- B & C)						
Difference (Colesdown underbridge A – D)						
Revised Service Area benefit & savings:	No changes					

Has the revised cost changes from this request been budgeted for or would it make a revenue pressure.				N/A		
Loan value	£	Interest Rate	%	Term Years		Annual Repayment £

Service Director		
Either signed		<i>Date</i>
Or Email date:	Paul Barnard, by email	<i>Date 19</i> <i>December 2025</i>