# Major Road Network (MRN) & Large Local Major (LLM) Schemes

# Strategic Outline Business Case Submission

All submissions for consideration for the MRN or LLM pipelines and development funding must be supported by:

* A completed bid pro-forma (Part One).
* A checklist to highlight where key information can be found in the SOBC (Part Two).
* A Strategic Outline Business Case (SOBC) as defined in the Department’s Transport Business Case Guidance and any Annexes as necessary. Please see:

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/85930/dft-transport-business-case.pdf>

The checklist (b) details some key items that should be included within the SOBC for a candidate for MRN or LLM development funding.

The SOBC should be submitted alongside the MRN Regional Evidence Base and scheme priorities.

Proposed MRN and LLM schemes should only be road schemes as both programmes are now funded from the National Roads Fund. MRN schemes should be situated on the MRN, while LLM schemes should be for local roads which could include but are not limited to roads on the MRN. The Department's contribution will normally be between £20 million and £50 million for MRN schemes and above £50 million for LLM schemes.

# Part One: Pro-forma

## Basic Information

|  |  |
| --- | --- |
| Scheme Name |  |
| STB Region / Regional Group |  |
| Promoting Authority |  |
| Scheme location | Road name/number and section: |
| Scheme location  | Latitude and longitude: |

## Contact Details

|  |  |
| --- | --- |
| Please provide a contact **name** from the promoting authority for enquiries relating to this bid: |  |
| Please provide a contact **email** from the promoting authority for enquiries relating to this bid: |  |
| Please provide a contact **phone number** from the promoting authority for enquiries relating to this bid: |  |

## Consultancy Input

|  |  |
| --- | --- |
| Please provide the name of any consultancy companies/lead consultants involved in the preparation of the **OBC.** |  |
| Please provide the name of any consultancy companies/lead consultants involved in the preparation of the **modelling** (if different from above). |  |

1. Introduction

Please provide a clear narrative to describe the scheme in the text box below (max 100 words).

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1. Development of scheme so far

Which description in the table below best matches the current stage of scheme development? Please tick only one box

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| --- | --- |
| We have identified the problem (e.g. the stretch of road or junction) and have a wide range of potential options but have not yet started to identify specific solutions. |  |
| We have done some high level work to sift out some options and have a shortlist of high level options which can be described and drawn on a map. Alignments may not be precise. |  |
| We have sifted down to a small number of options (e.g. 2 to 4) with precise alignments but have not yet settled on a preferred option. |  |
| We have settled on a preferred option or alignment – possibly with some minor design elements left to decide (e.g. junction types). |  |

Have you produced any of the following documents (as defined in WebTAG)?

|  |  |
| --- | --- |
| Option Appraisal Report (OAR)  | Y/N |
| Appraisal Specification Report (ASR)  | Y/N |

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| Please provide any other information in the box below to describe what option development work has been done to date and reference with hyperlinks or attachments. In particular, illustrate why alternative/lower cost/phased options have been ruled out. |
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1. **Strategic Case – Problems and Objectives**

Please describe the problems the scheme is being designed to solve and how the scheme will support MRN and LLM objectives (see Strategic Case Checklist in Part B) and key national strategic priorities (e.g. access to international gateways and HS2 connections) in no more than 250 words.

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Please describe/explain in the box below the impact of not taking forward this scheme (max 200 words).

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1. Economic Case - Value for Money

Please summarise in the boxes below your current understanding of the likely costs and benefits of the scheme. Please include your estimate of the indicative Benefit Cost Ratio if one is available.

This should cover both monetised and non-monetised costs and benefits.

Please reference the SOBC where relevant and any reports on this to date (please provide hyperlinks or attachments).

If more than one option is still live please detail the relative costs and benefits of each, if available. In doing so, please make clear the age and source of the underlying data and any assumptions.

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| Indicative Benefit to Cost Ratio (if available) |  |
| Indicative value for money category |  |

Please outline in the box below the assumptions and uncertainties behind these benefit estimations.

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1. **Financial Case**

### Cost of producing OBC

Please provide a breakdown of the estimated costs of scheme development from inception to Outline Business Case in the following format.

|  |  |  |
| --- | --- | --- |
| **Heading** | **Spend to date and expected spend (to date of funding decision)** | **Further spend required to get to Outline Business Case** |
| Data Collection |  |  |
| Consultation |  |  |
| Environmental Surveys |  |  |
| [Other headings] |  |  |
| TOTAL |  |  |

It may be difficult to determine the precise date when scheme development started but we are interested in recent costs on this specific scheme. So please do not include:

* Historic costs. For example, if a body of work was undertaken ten years ago and shelved only to be restarted a year ago, only include costs from the restart.
* The cost of developing wider local transport strategies even if this scheme emerged from them.
* The cost of local model development for wider purposes. Only modelling specifically for this scheme should be included.

### Development funding request

Please break the total of producing the OBC into financial years and indicate how much is being sought from DfT. (Please express in £m to three decimal points)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2019/20** | **2020/21** | **2021/22** | **2022/23** | **TOTAL** |
| Funding sought from DfT  |   |  |  |  |  |
| Local funding |  |  |  |  |  |
| TOTAL |  |  |  |  |  |

|  |  |
| --- | --- |
| Please confirm whether the contribution to development funding sought from DfT can be capitalised (you may provide additional comments or qualifications as necessary)? | Y/N |

### Capital cost of scheme

Please provide your best estimate of the capital cost of the scheme (excluding the costs of producing an OBC above).

We recognise that the scope and cost of the scheme may be approximate at this stage, but, if possible, please provide:

* The cost of each option if more than one. And please express as a range if necessary.
* Out-turn prices but ensure that the current prices and inflation uplift can be separately identified.
* Please include and separately identify the preparation costs (between OBC and start of construction).
* Please include a reasonable estimate of risk/contingency but do not add an additional optimism bias uplift (reference web-tag guidance if unclear).
* Explain the basis of the cost estimate (e.g. is it derived from detailed bills of quantities, benchmarked against other schemes etc).

The following format would be helpful:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Preparation costs****(between OBC and construction)** | **Land purchase** | **Construction****costs** | **TOTAL** |
| Base cost |  |  |  |  |
| Risk |  |  |  |  |
| Inflation |  |  |  |  |
| TOTAL |  |  |  |  |

### Affordability (LLM schemes only)

Please provide in the box below a brief summary of why the scheme would be unaffordable other than via this bid to the LLM fund. Proposed LLM schemes should be single schemes that can only be delivered or justified as a whole. The Department's contribution will normally be above £50 million for LLM schemes.

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1. Management Case

### Outline Business Case delivery

Please provide a timeline for the production of an OBC.

A GANNT chart would be helpful but is not necessary. However please include the following milestones with dates:

* Production of SOBC, OAR and ASR (if not already produced).
* Production of LMVR.
* Completion of base model (if necessary)
* Forecasting report
* Start and end of public consultation
* Adoption of preferred option

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### Outline Business Case Governance

Please set out the basic governance arrangements for production of the OBC, roles, responsibilities, resources etc.

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### Scheme Delivery

Please state the estimated delivery milestones as below, assuming MRN or LLM Programme Entry is granted at least 3 months after submission of the OBC. Please amend/add to milestones as necessary.

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| --- | --- |
| Submission of Outline Business Case (OBC)(for subsequent milestones assume at least 3 months from OBC to programme entry decision). |  |
| Submission of planning application. |  |
| Determination of planning decision. |  |
| Publication of scheme orders/CPOs (see section 7 below). |  |
| Completion of Public Inquiry (if not applicable, see section 7). |  |
| Confirmation of all statutory orders and consents.  |  |
| Completion of procurement. |  |
| Full Business Case submitted to DfT. |  |
| Start of Construction(assume 3 months from FBC to funding commitment). |  |
| Scheme open to public. |  |

Note: If planning consent, scheme orders, CPOs or a public inquiry are not required please insert ‘n/a’ and provide an explanation in Section 7 below.

1. Orders and consents

|  |  |
| --- | --- |
| Do you envisage that CPOs will be necessary?If not please explain here or insert appropriate reference to relevant SOBC paragraph. | (Y/N)? |
| Are other statutory/highways orders required that would normally require a Public Inquiry (e.g. Side Roads Orders, Transport and Works Act Order). Please specify. | (Y/N)? |
| What other statutory orders/consents are required? (e.g. heritage, environmental consents). |  |
| If CPO and other orders are required does your timetable assume that there will be a public enquiry?If not please explain here or insert appropriate reference to SOBC document. | (Y/N)? |

1. Stakeholder Support

Please provide evidence of support for this scheme prior to the development of this bid, referencing activity from businesses, campaign groups, MPs etc.

It would be helpful to include any relevant links to news stories, campaign websites etc.

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Does this scheme have implications for Highway England or Network Rail infrastructure? If so, using the box below describe what discussions have taken place with either of these organisations to facilitate this scheme?

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1. Section 151 Officer Declaration

As Section 151 Officer for [name of promoting authority] I declare that the cost estimates quoted in this bid are accurate to the best of my knowledge and that [name of authority]

[1] has allocated sufficient budget to develop the scheme’s OBC on the basis of its proposed funding contribution.

[2] accepts responsibility for meeting any costs of developing the OBC over and above the DfT contribution requested, including potential cost overruns, and the underwriting of any third party contributions.

[3] accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested.

|  |  |
| --- | --- |
| Name: | Signed: |

### Please email this completed form to:

### LT.plans@dft.gov.uk

### Please note that the size limit for attachments to a single incoming email to DfT is 20MB. If your submission is larger than this please submit separate emails, use a zip folder, or convert large files to an alternative format.

### We would prefer it if annexes are separated out into individual pdf documents.

# Part Two: Checklist

Please complete this checklist by referencing locations where the relevant material can be found in the SOBC document.

### Strategic Case

| **Item** |  | **Section/Page** |
| --- | --- | --- |
| A detailed description of the physical scope of the scheme. |  |  |
| The objectives of the scheme. |  |  |
| A description of the process by which the scheme came to be identified as the preferred option for meeting those objectives including why alternative options were discarded. |  |  |
| How the objectives of the scheme align with the MRN, LLM and national transport objectivesWe do not expect all schemes to meet all of these objectives so please mark n/a if necessary. | * To ease congestion and provide upgrades on important national, regional or local routes.
 |  |
| How the objectives of the scheme align with the MRN, LLM and national transport objectivesWe do not expect all schemes to meet all of these objectives so please mark n/a if necessary. | * To unlock economic growth, job creation opportunities, and support rebalancing.
 |  |
| How the objectives of the scheme align with the MRN, LLM and national transport objectivesWe do not expect all schemes to meet all of these objectives so please mark n/a if necessary. | * To enable the delivery of new housing developments.
 |  |
| How the objectives of the scheme align with the MRN, LLM and national transport objectivesWe do not expect all schemes to meet all of these objectives so please mark n/a if necessary. | * To support all road users.
 |  |
| How the objectives of the scheme align with the MRN, LLM and national transport objectivesWe do not expect all schemes to meet all of these objectives so please mark n/a if necessary. | * To support the Strategic Road Network.
 |  |
| For schemes that directly aim to facilitate commercial or housing development on specific sites, details of the sites, current planning status, status of developer commitment and the expected impact of the scheme. |  |  |
| The impact the scheme would have on:* **Access to planned HS2 stations or sites.**
 |  |  |
| * **Access to International Gateways.**
 |  |  |
| If relevant, details of public consultation activities on the scheme to date, and key findings including how any key questions/concerns have been addressed. |  |  |

### Economic Case

Not all of the following documents are required at the SOBC stage.

If they have been produced please reference their location within the SOBC and/or supply the necessary documents.

| **Item** | **Section/Page** |
| --- | --- |
| Option Assessment Report (OAR) |  |
| Data Collection Report |  |
| Local Model Validation Report (LMVR) |  |
| Present Year Validation Report (if required) |  |
| Forecasting Report |  |
| Economic Appraisal Report |  |
| Social and Distributional Impacts Assessment |  |

### Management Case

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| --- | --- | --- |
| **Item** |  | **Section/Page** |
| Governance structure (including SRO, Project Board, Project Manager, and other key roles, and resourcing levels). |  |  |
| Detailed Project Plan |  |  |
| Risk Management | Detailed Risk Register |  |
| Risk Management | Narrative to explain the most significant risks, how they are being managed and their potential impact on time and budget. |  |
| Risk Management | Risk management strategy |  |
| Project Assurance e.g. Gateway Reviews |  |  |
| EvaluationOutline evaluation plan including a statement of core evaluation objectives. |  |  |

### Commercial Case

| **Item** | **Section/Page** |
| --- | --- |
| Description of the preferred procurement strategy  |  |
| Rational for the selection of preferred procurement route against possible alternatives |  |
| Explanation of how costs and risks will be shared throughout the contract |  |

### Financial Case

| **Item** | **Section/Page** |
| --- | --- |
| Cost breakdown |  |
| Details of and justification for inflation assumption used. |  |
| Risk Assessment |  |
| Evidence of potential third party contributions |  |