

LINCOLNSHIRE

STRATEGIC TRANSPORT BOARD

Monday 9th February 2015

Consideration of Grantham Southern Relief Road Outline Business Case

1. Working has been ongoing on the further development of the proposed Grantham Southern Relief Road, including the preparation of the Outline Business Case (OBC).
2. The Governance Assurance Framework for the Board requires the OBC to be presented to the Board for consideration, which is the purpose of this paper.
3. The full Outline Business Case and its supporting appendices have been prepared in line with Department for Transport's (DfT) WebTag guidance and, as such, run to several hundred pages. However, the overall outcome is summarised in the Value for Money assessment, again prepared in line with the DfT's document "Value for Money Assessments: Advice Note for Local Transport Decision Makers". The Value for Money assessment has been extracted from the OBC and is attached to this paper as Appendix A. A copy of the full OBC is also available online at www.lincolnshire.gov.uk/lstb.
4. In summary, the Value for Money assessment begins with an initial Benefit to Cost Ratio (BCR) calculated using industry standard processes in line with DfT guidance. This is then further adjusted to reflect monetary assessments of the wider economic impacts. Finally, the qualitative impacts are also summarised and the three elements combined to produce an overall Value for Money (VfM) category. As can be seen in Appendix A, this has been assessed as "High" for the proposed Grantham Southern Relief Road scheme. Officers from the Lincolnshire Highways Alliance will be present at the meeting to outline the work undertaken and answer any questions.
5. In order to provide an independent scrutiny of the work, a County Council officer not directly involved with the scheme has sat in on Highway Alliance progress meetings to scrutinize and, where necessary, challenge the assessment. As a result, the Executive Director for Environment and Economy as Principal Advisor to the Board has signed off the VfM statement.
6. Should Members of the Board approve the Outline Business Case and the associated Value for Money assessment today, then a Full Business Case will be prepared at a

later date and brought to the Board for approval as the final step in releasing the £11.9m funding allocation for the scheme.

RECOMMENDATION

That the Outline Business Case for the proposed Grantham Southern Relief Road be approved