

Appendix 2 RFA Tables

SOUTH WEST REGIONAL ASSEMBLY**REGIONAL TRANSPORT BOARD****26 September 2007****Regional Funding Allocation Programme Update****1. Purpose of Report**

- 1.1 This report provides an update on the revised indicative Regional Funding Allocation (RFA) programme (2007/08 Quarter 2) and identifies a cost increase for the South Devon Link Road (A380 Kingskerswell Bypass).

2. Recommendation

- 2.1 It is recommended that the Board:

- (i) note the 2007/08 Quarter 2 programme monitoring data appended in **Appendices 1-3**, together with the commentary at **Appendix 4**;
- (ii) continue to support the South Devon Link Road (A380 Kingskerswell Bypass) scheme as a regional priority, noting the information supplied by Devon County Council at **Appendix 5**.

3. Background

- 3.1 The Region submitted its RFA advice to Ministers in January 2006, following discussion at the Full Assembly on 27 January 2006. The RFA advice was accepted by the Secretary of State for Transport in July 2006. At that time the Secretary of State indicated that Government expected to seek further formal advice on regional transport priorities in the South West within the next two years.
- 3.2 The Assembly organised a technical “refresh” peer review exercise in autumn 2006 to assess progress on the delivery of schemes and, in particular, to test and update the profiling of schemes in relation to the RFA period to 2016.
- 3.3 The implications for the RFA Programme arising from the 2007/8 Quarter 1 monitoring information were considered at the 26 September 2007 Regional Transport Board meeting. This report considers the implications arising from the 2007/8 Quarter 2 monitoring information, as set out in Appendices 1-4.

4. Indicative Programme

- 4.1 Appended to this report is the monitoring information received from Local Authorities for 2007/8 Quarter 2 (**Appendices 1 and 2**), a table highlighting the differences between the information received and the Refresh data (**Appendix 3**) and a commentary setting out the reasons behind the main changes (**Appendix 4**). The commentary does not necessarily make reference to minor cost adjustments or profiling changes which do not fall within the scope of the Protocol. At the quarterly update of the programme the Secretariat

will provide information on any likely implications of future cost increases, which will be reported for decision at future meetings of the Board.

- 4.2 The DfT is looking at how inflation should be accounted for and this may have implications for a number of schemes. Any changes to schemes costs will be reported to future meetings of the Regional Transport Board following an assessment against the Protocol.

5. Cost Increases

- 5.1 The Secretariat have been informed that an overall cost increase has been identified for the South Devon Link Road (A380 Kingskerswell Bypass) scheme, meaning a total scheme cost of **£130m**, £117m of which would fall on the RFA. This increase falls outside the delegated level in the *Protocol for Assisting Programme Management Decisions*, and therefore should be considered under the Protocol. Information concerning the need for and reasons behind the cost increase are attached at **Appendix 5**.
- 5.2 Based on the information received from the scheme promoter and following application of the Protocol, it is recommended that the Assembly continue to support the scheme as a regional priority within the RFA programme. It is understood that the RDA continue to support the scheme as a regional priority.
- 5.3 It is likely, due to a variety of factors including taking account of the DfT's advice on inflation, that further cost increases for other schemes will become apparent in future. Secretariat officers are aware of a number of such cases but these will need to be brought to a future meeting as scheme promoters have not approached the Secretariat directly to report them. These cost increases have become apparent through monitoring information supplied by scheme promoters to DfT and passed to the Assembly.
- 5.4 The RFA programme is now 25.2% over budget and advice from DfT is that the region should aim should to keep the programme around 20% over budget. The advice from TOG on cost increases was that it would only take a few schemes to slip back in the programme to move back to 20% over budget. TOG was agreed that Members be asked to support the cost increases and that a meeting be set up with DfT as soon as possible to discuss the RFA programme.

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Appendices

- 1 Latest information supplied to DfT (as at 31 Oct 2007)
- 2 Latest information supplied to DfT (as at 31 Oct 2007) – Chart
- 3 Difference between Refresh Data and latest information supplied to DfT (as at 31 Oct 2007)
- 4 Commentary on the differences between Refresh Data and latest information supplied to DfT (as at 31 Oct 2007)
- 5 South Devon Link Road (A380 Kingskerswell Bypass) Cost Increase information

Appendix 3

Table 2A - Schemes which require further work and/or that require further analysis in relation to profiling of the programme and that could potentially be added to the RFA programme (subject to environmental impact, affordability, deliverability and statutory procedures). Following 1st Refresh September 2006

Scheme name	Scheme Sponsor	Estimated cost (£M) 2007/08 to 2015/16
ESTIMATED SPEND OF (PROPOSED PROGRAMME - Table 1)		#REF!
Callington Road Link	Bristol City Council	20.0
Camborne Pool Redruth Transport Package	Cornwall CC	32.2
Exeter HQPT ⁽¹⁾	Devon CC	60.0
Gloucester A40 Improvements / Widening ⁽²⁾	Gloucestershire CC	9.0
Gloucester/Cheltenham Park and Ride	Gloucestershire CC	30.0
North Swindon Strategy (Great Western Way & Purton Link)	Swindon BC	50.0
SE Dorset ITS (network control and information)	SE Dorset	15.0
South Devon Link Road A380 (Kingskerswell Bypass)	Devon CC/Torbay BC	90.0
Truro Transport Package	Cornwall CC	24.2
Westbury Bypass (A350)	Wiltshire CC	32.2
Weymouth Relief Road (Some spend in 06/07) ⁽³⁾	Dorset CC	71.0
ESTIMATED SPEND OF (SCHEMES THAT REQUIRE FURTHER WORK - Table 2)		434
TOTAL ESTIMATED SPEND OF TABLES 1 AND 2		#REF!
REGIONAL ALLOCATION/PLANNING ASSUMPTION		865
PERCENTAGE OVERBUDGET		#REF!

(1) The Region is aware that funding from TIF is being actively sought for this project.

(2) Assumes start in 2014/15 - total cost of scheme £28m

(3) Scheme profile needs to be assessed re: deliverability/affordability of current programme and ability to complete project in time for Olympics

Notes:- Scheme Costs are the estimated outturn price and only include DfT funded capital expenditure. They include optimism bias and VAT (But need to be checked with all scheme promoters for accuracy).

Rail Issues: - The initial guidance on RFAs suggested a restricted relevance to the rail agenda. However the department has indicated a potential for increasing the engagement of the RFA discussions with rail issues in the future. The region has a number

