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| CABINET MEETING – 20th July 2011 EXECUTIVE SUMMARY SHEET – PART I | |
| Title of Report: Sunderland Strategic Transport Corridor (SSTC) – New Wear Crossing Progress | |
| Author Executive Director of City Services | |
| Purpose of Report: The report provides an update on the development of the Best and Final Bid (BAFB) to be submitted to the Department for Transport (DfT) by noon on 9 th September 2011 and describes the key activities throughout 2011 required to take forward the Project. | |
| Description of Decision: Cabinet is recommended to: <ul style="list-style-type: none"> § Endorse the proposed actions in respect of progressing the Best and Final Bid (BAFB), as set out in section 5 and the key activities summarised in section 6; § Authorise the Executive Director of City Services in consultation with the Executive Director of Commercial and Corporate Services to finalise and submit the BAFB to DfT; § Agree to receive a further report on the outcome of the BAFB submission. | |
| Is the decision consistent with the Budget/Policy Framework? Yes. | |
| If not, Council approval is required to change the Budget/Policy Framework | |
| Suggested reason for Decision: To enable the Council to take necessary actions to continue to progress the SSTC – New Wear Crossing. | |
| Alternative options to be considered and recommended to be rejected: No alternative options are proposed. | |
| Is this a “Key Decision” as defined in the Constitution? Yes | Relevant Scrutiny Committee: Environment and Attractive City |
| Is it included in the Forward Plan? Yes | |

SUNDERLAND STRATEGIC TRANSPORT CORRIDOR (SSTC) – NEW WEAR CROSSING PROGRESS

REPORT OF THE EXECUTIVE DIRECTOR OF CITY SERVICES

1.0 Purpose of the Report

- 1.1 The report provides an update on the development of the Best and Final Bid (BAFB) to be submitted to the Department for Transport (DfT) by noon on 9th September 2011 and describes the remaining key activities throughout 2011 required to take forward the Project.

2.0 Description of Decision

- 2.1 Cabinet is recommended to:

- § Endorse the proposed actions in respect of progressing the Best and Final Bid (BAFB), as set out in section 5 and the key activities summarised in section 6;
- § Authorise the Executive Director of City Services in consultation with the Executive Director of Commercial and Corporate Services to finalise and submit the BAFB to DfT; and
- § Agree to receive a further report on the outcome of the BAFB submission

3.0 Background

- 3.1 On 9th September 2009 Cabinet approved the development of the Project on the basis of the Landmark Bridge.
- 3.2 On 10th June 2010 the Department for Transport (DfT) confirmed that its process for developing major local transport schemes had been suspended whilst the comprehensive spending review (CSR) was underway.
- 3.3 On 21st July 2010, having received a report from the Council on the effects of the Government Grant reductions, Cabinet approved that the Project was progressed to finalise core elements of the Project, which would take the Project to an appropriate and defensible stage of development.
- 3.4 Following the CSR announcement on 20th October 2010, DfT subsequently invited the Council to submit an expression of interest (EOI), outlining the current status of the Project.
- 3.5 Cabinet at its meeting of 1st December 2010 approved the continuation of the project and submission of the EOI in line with DfT's requirements.

4.0 Current Position

- 4.1 The EOI was submitted to DfT on 23rd December 2010, and on 4th February 2011 DfT confirmed the Project is one of 45 schemes in the Development Pool, required to submit a BAFB for DfT funding by noon on 9th September 2011.
- 4.2 The BAFB process essentially places each of the projects in the Development Pool in competition with each other. DfT is using this approach to drive down the amount of funding contribution that it is required to make through either reductions in project costs or increases in contributions from local sources, or a combination of both of these.
- 4.3 DfT has confirmed that best and final offers to successful projects will be issued by the end of 2011.

5.0 Best and Final Bid

- 5.1 Since Cabinet approval to develop the landmark bridge project in 2009, the key achievements to date are provided in the table below.

| Milestones | Date |
|--|-------------|
| Cabinet decision regarding landmark bridge | Sep '09 |
| Lodge Compulsory Purchase Order (CPO) & Side Roads Order (SRO) | Oct '09 |
| Commence Detailed Design | Oct '09 |
| Commence Site Investigation | Dec '09 |
| Full Planning Permission | April '10 |
| Design Substantially Complete | Dec '10 |
| Expression of Interest to DfT | Dec '10 |
| DfT confirmation of Project in Development Pool | Feb '11 |
| Industry Market Sounding Event | Mar '11 |
| Submit Interim Information (BAFB) to DfT | Jun '11 |

- 5.2 By approving the continued development of the Project during 2010, Cabinet has enabled the project team to substantially complete the detailed design of the Project and minimise any delay to the overall implementation of the Project. This is significant, as DfT is seeking to ensure that projects are delivered as quickly and cost effectively as possible within the current spending period, ie, to 2014/15.
- 5.3 A number of actions are planned ahead of the decision from DfT that will assist with achieving earlier delivery of the Project.

These include:

- § holding the compulsory purchase order (CPO) and side roads order (SRO) public inquiry, which is confirmed to start on 11th October 2011, lasting 4 days (closing on 14th October 2011); and
- § commencing the pre-qualification stage of the tender process on 17th October 2011, i.e. immediately following the public inquiry. At the market

sounding event the private sector organisations were very supportive of this approach.

- 5.4 This will enable the project to be well positioned in the event of a satisfactory best and final offer (BAFO) from DfT. The project team will continue to refine the design up to submission of the BAFB.

6.0 Next Steps

- 6.1 The remaining key milestones (including those in 5.3 above) for the Project are set out in the table below.

| Milestones | Date |
|--|--|
| Gateway 2 Review – Pre Procurement (DfT Requirement) | 26 th – 28 th July '11 |
| BAFB Submission | 12 noon 9 th Sept '11 |
| CPO and SRO Public Inquiry | 11 th – 14 th Oct '11 |
| Pre Qualification stage of tender process commences | 17 th Oct '11 |
| BAFB Decision by DfT | By 31 st Dec '11 |
| Confirmation of outcome to Cabinet | Jan '12 |
| Commencement of tender process | Jan '12 |
| Full Approval submission to DfT | Autumn '12 |
| Commencement of construction | Autumn '12 |
| Planned Completion | Autumn '15 |

7.0 Alternative Options

- 7.1 No alternative options are proposed.

8.0 Reason for the Decision

- 8.1 To enable the Council to take necessary actions to continue to progress the SSTC – New Wear Crossing.

