ANGUS COUNCIL
ROADS COMMITTEE
25 JANUARY 2001
MONTROSE BRIDGE REPLACEMENT
OUTLINE BUSINESS CASE
REPORT BY THE DIRECTOR OF ROADS

ABSTRACT
This report outlines the preparation of an updated Outline Business Case for the replacement of the road bridge over the River South Esk at Montrose, advises the Committee that the document has been forwarded to the Minister for Transport for her consideration and encloses a copy of the Minister’s reply.

1 RECOMMENDATIONS

It is recommended that the Committee agree to note:

(i) that an updated Outline Business Case has been prepared for the replacement of the road bridge carrying the A92 over the River South Esk at Montrose;

(ii) that the Outline Business Case has been provided to the Minister for Transport, Sarah Boyack MSP by Councillor Rob Murray the Leader of the Administration, for her information and consideration, and that a reply has now been received from the Minister;

(iii) that the Scottish Ministers “would be happy to consider any request from the Council for assistance in funding this project” once the Council has had an opportunity to finalise its spending plans.

2 INTRODUCTION

Committee will be aware that the Council has been seeking to prepare the way for the replacement of the existing road bridge carrying the A92 over the River South Esk at Montrose in recognition of the deterioration in the existing structure and its now poor prognosis.

The programme for the replacement of the bridge was reported to Roads Committee in April 2000 (Report No 457/00) and engineering consultants (Halcrow Crouch) have been appointed to assist the Council in the preparatory stages of the project (Report No 1163/00 considered by Roads Committee at their meeting of 12 October 2000).

However to fund the replacement wholly from within the Council’s known and likely financial resources will put a severe strain on other services provided by the Council. In recognition of this the Council has been in correspondence with the Scottish Executive and others to explore whether there may be other possible sources of
funding which may be available to the Council to augment the financial resources available at the relevant time.

3 **DETAILS**

In June 1998 the Council submitted a Business Case to the Scottish Office proposing that the procurement of a replacement bridge could be included as a part of an extended A92 project and on that basis might be eligible for notional loan charge support in the same way as the core A92 project. Regrettably that bid was subsequently rejected by the Scottish Office.

Since then the replacement of the bridge has been pursued as a discrete project, standing separately from the A92 (PFI) project.

However it is clear that the cost of the replacement, particularly the capital construction costs of circa £6.2m spread over 2003/04 and 2004/05 would make very severe demands on the Council’s likely level of financial resources available at that time to the detriment of other Council priority projects.

A revised Outline Business Case document has now been prepared taking account of the latest information which is available to the Council both on the condition of the existing bridge and on the likely timescale for the procurement of a new structure taking cognisance inter alia of the need for thorough consultation, the statutory planning processes and the EC procurement regulations. The document also highlights the severe financial difficulties which this presents to the Council.

It was considered that in order to best inform the financial decisions being taken by the Scottish Executive, the Outline Business Case should be forwarded to the Minister (and the appropriate officers of the Executive) at the earliest opportunity. The Leader of the Administration, Councillor Rob Murray agreed to forward the document to the Minister for Transport, Sarah Boyack MSP at the beginning of December 2000 and further copies have since been sent also to the relevant officers in the Executive.

A copy of the Outline Business Case has been placed in the Members’ Lounge for the reference of the members of the Council.

A copy of the Minister’s reply, which has recently been received, is appended to this Report for the interest of the Members of the Committee.

4 **FINANCIAL IMPLICATIONS**

There are no financial implications arising directly in consequence of this Report.

5 **HUMAN RIGHTS IMPLICATIONS**

There are no human rights implications arising as a direct consequence of this Report.

6 **CONSULTATION**

The Chief Executive, The Director of Law and Administration and the Director of Finance have been consulted in the preparation of this report.
7 CONCLUSION

A revised Outline Business Case for the replacement of the road bridge carrying the A92 across the River South Esk at Montrose has been prepared and has been forwarded to the Minister for Transport, Sarah Boyack MSP. The document highlights the severe pressure this will place on the Council’s likely financial resources particularly at the time of construction namely during 2003/04 and 2004/05 financial years.

Dr Bob McLellan
DIRECTOR OF ROADS

NOTE

No background papers as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

JG/SH
REPORTS/mont.br.outline
20 December 2000
Thank you for your letter of 23 November enclosing the Council’s Outline Business Case for the replacement of the Montrose Bridge.

I can readily appreciate its strategic importance given the geography of the area. I note that the estimated cost of the replacement of the Montrose Bridge is £6.7m at outturn prices and the Council is making provision totalling £0.5m up to and including the financial year 2002/03 for the preparatory stages of the procurement process.

As you know, following the outcome of Spending Review 2000, I announced increased provision for capital investment in local roads and bridges by councils over the next 3 years. Moreover, Angus Mackay, Minister for Finance and Local Government, announced on 7 December 3 year capital allocations for each council, which should make it easier to plan the financing of major capital projects. This should place the Council in a better position to plan the funding of the Montrose Bridge. Once the Council has had an opportunity to finalise its spending plans in light of Departmental Finance Circular No 13/2000 Scottish Ministers would be happy to consider any request from the Council for assistance in funding this project.

I hope this information is helpful.