



## Department for Transport

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Cllr Andrew Boswell  
23 Havelock Road,  
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Norfolk  
NR2 3HQ.

DATE: 17 November 2015

Dear Cllr Boswell,

### **Norwich Northern Distributor Road**

Thank you for your letter of 9 November concerning the Norwich Northern Distributor Road.

The Department is aware that the Judicial Review into Norfolk County Council's (the Council) funding decision has been quashed and that the Council subsequently approved the scheme's funding at a meeting on 6 November. There is now no legal barrier to the Government approving the funding.

You raise again the issue of the cost increase on the scheme which the Council say is largely due to significant construction cost inflation. Whilst this is of interest to the Department the procurement of major scheme is a matter for the promoter. Costs of such schemes do increase, and in some cases decrease, at the final approval stage. As you are aware the Council sought £15m of additional funding to help cover the increase in costs. Our Ministers decided to provide additional funding, on an exceptional basis so as to make sure that the scheme and the benefits it will bring could be delivered, although he agreed that a lower (£10m) amount should be provided. This allowed the Council to finalise the funding and submit the full approval bid.

As to the value for money of the scheme, even at the higher cost, it is still rated as being "very high" with a Benefit Cost Ratio of 6.07 compared with one of 5.4 at the programme entry stage in 2011. As such the Department is happy that the scheme is still worth funding.

We will shortly be seeking the Minister's agreement to announce approval of the scheme. We will however make sure that he is aware of the issues you raise as well as the Council's latest position on these so that, should he choose to, he can decide to delay approval so that further work can be undertaken.

Yours sincerely,

Anthony Boucher