

CHISHOLM TRAIL AND ABBEY CHESTERTON BRIDGE PROJECT STATUS UPDATE

To: Highways and Transport Committee

Meeting Date: 1st December 2020

From: Steve Cox, Executive Director, Place and Economy

Electoral division(s): All Cambridge Divisions

Forward Plan ref: N/A

Key decision: No

Outcome: To update the committee on the programme and cost for the Chisholm Trail project including Abbey Chesterton Bridge, and seek agreement for additional project funding from the Greater Cambridge Partnership

Recommendation: Committee is recommended to:
a) note the project update;
b) to seek additional s106 funding of £2.063m for the Abbey Chesterton Bridge through the Greater Cambridge Partnership Executive Board.

Officer contact:

Name: Alex Deans
Post: MID Group Manager
Email: alex.deans@cambridgeshire.gov.uk
Tel: 07936 903111

Member contacts:

Names: Cllr Ian Bates
Post: Chair
Email: ian.bates@cambridgeshire.gov.uk
Tel: 01223 706398

Names: Cllr Mark Howell
Post: Vice Chair
Email: mark.howell@cambridgeshire.gov.uk
Tel: 01223 706398

1. Background

- 1.1 The Chisholm Trail is a strategic, predominantly off-road, walking and cycle link between the central Cambridge railway station/CB1 development/Southern Busway spur and Cambridge North Station. Once completed, the route will link into a network of existing cycle routes, creating a direct high quality north-south route across the city. It is a long-time aspiration and a flagship investment for the County Council (CCC) and subsequently the Greater Cambridge Partnership (GCP), making a significant contribution towards strategic objectives including modal shift for the City.
- 1.2 It is essentially one project, consisting of a number of elements – the Abbey Chesterton Bridge is a key element funded by CCC, and the remainder of the trail is funded by GCP. Delivery of the trail was split into two phases, Phase 1 from Cambridge North Station to Coldham's Lane. There is also a section across Coldham's Common which is being delivered using Department for Transport (DfT) grant funding. The remainder is in a future Phase 2. The current phases are being led and managed by a single project team based at the County Council.
- 1.3 Following feasibility work and public consultation, a route closely following the railway line was selected and developed. Outline and detailed design of the bridge and Phase 1 was undertaken by CCC's term-service consultant SKANSKA, with a specialist bridge architect working with the consultant on the Abbey Chesterton Bridge. Planning applications were submitted, with consent for the bridge and trail given in February and July 2017 respectively.
- 1.4 The project was considered by Economy and Environment Committee in December 2016. A tender process was undertaken and the tender was awarded on the 28th June 2017 to construct Phase 1 of the trail (excluding the link on Coldham's Common which is linked to Department for Transport (DfT) grant funding) and bridge, using the Eastern Highways Alliance Framework contract. The contract was initially awarded to a joint venture between Carillion and Tarmac Construction. Tarmac Construction continued with the contract following the collapse of Carillion early in 2018.
- 1.5 The contract was awarded under a New Engineering Contract 3, Option C, Target Price contract. Such contracts are used commonly in construction and are based on an agreed target cost for a defined scope of work, with a cost-reimbursable mechanism in which the contractor is paid for their actual costs. Compensation Events may adjust the target cost, for example if the scope of work changes or if there have been unforeseen circumstances. At the end of the contract, any variance between the final target cost and contractor's actual cost is apportioned between the contractor and the employer, allowing the contractor to share any savings made or to contribute towards any overspend. This mechanism incentivises all parties to work collaboratively to deliver the project as economically as possible, as underspends (gain) or overspends (pain) are shared in an agreed proportion.
- 1.6 Included in the planning consent for Phase 1, but not part of the current contract under construction, are connections and improvements to the existing path on Coldham's Common. A DfT funding contribution of £500,000 is available for this section. Work on Common Land has required additional consent, though the Planning Inspectorate, which is

in place and requires work to commence before 15th January 2021. This element is being led by CCC although construction work has not yet started.

- 1.7 Phase 2 continues the route from Coldham's Lane to the central railway station. This is partly on existing streets and on land adjacent to the railway. It will also use new roads that will be constructed as part of new developments. As this part of the scheme is contingent on those developments, the delivery programme is uncertain, although some work has been undertaken by Network Rail to improve access using arches under Mill Road Bridge.

2. Main Issues

Cost and Programme

- 2.1 As noted above, there has been a long standing aspiration to deliver the Chisholm Trail, with a range of s106 contributions being secured specifically for the scheme over a number of years. Once the planning permissions were secured, work started on site quickly, getting the project underway. As part of the estimated cost at the time, risk allowances were made, including areas where there was considered to be uncertainty. It has now become clear to officers, however, that these risks were significantly underestimated in terms of the complexity of the project and that there had been insufficient development and design of the project before it was tendered. In hindsight, therefore, a later start date would have resulted in a better understanding of the full outturn cost for the project and a more accurate tender. This would have meant that at the time the project was presented to Members for approval, the cost would have been significantly higher, but that in itself, would have allowed Members of the Committee and the GCP Executive Board to judge the value for money of the scheme more effectively.
- 2.2 The consequence of the limited preparatory work, has been a significant number of additional design elements and compensation events for changes to the scope of work once the project was on site, resulting in cost increases and programme delays.
- 2.3 Similarly, the early start on site and incomplete design work has had impacts on land acquisition, access costs and gaining third party approvals. These issues have resulted in additional resource costs and programme delays.
- 2.4 Combining the bridge and the trail into one construction contract has provided some economies of scale in material costs, although reporting separately for both parts of the project has complicated contract and financial control and forecasting.
- 2.5 It is recognised by officers that shortcomings in project management during the early stages of this project have contributed to the current situation. Although most of the items that have come to light since the project has been on site would have occurred anyway, that does not change the fact that this information should have been available for Members and the GCP Executive Board at the time the decision was taken to proceed with the project to give a full view on the likely costs. Given this, the Executive Director has undertaken a management review of working practices and processes within the delivery teams and new processes and procedures are being developed and embedded to ensure projects operate differently and more effectively in future. A completely new team is also now running the

project and additional external resource is being secured to ensure contractual firm push back on contractual issues.

- 2.6 There remain significant risks within the overall project, although at this stage, with the works on the bridge largely complete, these sit predominately with the trail element and in particular, the Newmarket Road underpass programmed for Spring 2021. These are issues that will be considered by the GCP as they are funding the Trail element of the scheme.
- 2.7 The table below provides a summary update on the various phases and sections of the project.

Section	Status	Estimated completion date
PHASE 1: Abbey Chesterton Bridge	Under construction	July 2021
PHASE 1- Trail-Fen Road to Barnwell Lakes	Under construction	November 2021
PHASE 1- Trail-Coldhams	Design underway, works not instructed yet.	TBC

Budget and expenditure

- 2.8 The table below summarises the current and forecast financial position for the Abbey Chesterton Bridge:

Phase/Section	Approved Budget (£)	Forecast contract Outturn (£)	Additional Budget Requested (£)
PHASE 1- Abbey Chesterton Bridge	4,886,500	6,949,909	2,063,409

- 2.9 Given the stage that the bridge element of the scheme has reached, being substantially complete, no further contingency over the quantified risks are included in the forecast outturn figure.
- 2.10 Whilst these figures are forecasts of the outturn position, measures are in place across both the bridge and trail elements, through contractual mechanisms, to minimise where possible any additional funding that is required. However, until those processes have concluded, it would not be prudent to assume any lower final costs than those provided in the table above.
- 2.11 Appendix 1 provides a breakdown of where the additional costs on the bridge project have arisen.

Funding requirement – Abbey Chesterton Bridge/ Coldhams Common

2.12 Phase 1 bridge funding of £4,886,500 was approved by CCC and comprised of £2.7M from the Department for Transport's Cycle City Ambition grant with the remaining funds to come from Section 106 contributions and residual capital funding. The latest forecasts show that the budget shortfall for the bridge is £2,063,409 and it is proposed that this should be made up from CCC secured s106 contributions in the Cambridge area. These funds are currently administered by the GCP and so approval to use these contributions will be sought from the GCP Executive Board on 10 December 2020.

Phase 1 - Trail

2.13 Phase 1 and 2 of the Trail are funded by the GCP. The currently approved budget for phase 1 of the Trail is £9,269,000 and the current forecast outturn is £15,850,625, meaning a projected additional budget that is required of £6,581,625. These figures include a contingency over and above quantified risks given the nature of the project and the substantial elements remaining for completion. There remain significant risks within the project, especially the Newmarket Road underpass where deep excavations could result in unforeseen issues/delays and cost with statutory undertakers plant, and risks around archaeology which could also lead to cost and programme delays. Archaeological investigations at the underpass site have been undertaken so far as reasonably practicable. However, closing Newmarket Road for the time required for investigations under its embankment was not possible, so there remains a risk of archaeological finds, particularly at the site is in close proximity to the historic Leper Chapel.

2.14 Appendix 2 provides a breakdown of where the additional costs on the trail part of the project have arisen.

2.15 As the Trail element of the overall project is funded by the GCP, it will be for the GCP Executive Board to consider any changes to the scheme or additional funding to be provided.

3. Alignment with corporate priorities

3.1 A good quality of life for everyone

The following bullet points set out details of implications identified by officers:

- Promoting pollution-free journeys on foot and by cycle, thus reducing harmful effects of travel on the people of Cambridgeshire
- An associated benefit to health and wellbeing from improved fitness

3.2 Thriving places for people to live

The following bullet points set out details of implications identified by officers:

- The route improves connectivity for different sustainable modes of transport and an attractive, free-to-use, facility
- It provides links between residential, leisure and employment areas with the city centre and central station

3.3 The best start for Cambridgeshire's children

Providing a high-quality pedestrian/cycle route, segregated from motor vehicles can create a culture of walking and cycling at an early age, can lead to healthier lifestyles which is likely to carry on into adult life, thus reducing the need for access to healthcare services.

3.4 Net zero carbon emissions for Cambridgeshire by 2050

The following bullet points set out details of implications identified by officers:

- The route provides a dedicated safe route for zero carbon journeys by reducing reliance on car journeys

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

This report sets out significant implications in para 2.1-2.11.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

This report sets out the procurement route and form of contract in para 1.4-1.5

4.3 Statutory, Legal and Risk Implications

The following bullet points set out significant implications identified by Officers:

- The scheme is being delivered in compliance with all statutory requirements and third party consents required
- There are reputational impacts in not completing or delaying parts of the scheme
- There are risks consents may lapse and may not be granted upon re-application
- Health and Safety requirements are being upheld in the design and construction process
- Although the forecast captures risk allowances, there is still potential for unforeseen risks to emerge

4.4 Equality and Diversity Implications

There are no significant implications within this category

4.5 Engagement and Communications Implications

The following bullet points set out details of significant implications identified by officers:

- Full engagement with members and the community has been undertaken throughout the development of the scheme
- The scheme has generally received a high level of public and member support

4.6 Localism and Local Member Involvement

There are no significant implications within this category

4.7 Public Health Implications

The following bullet points set out details of significant implications identified by officers:

- The scheme offers a potential for improved public health through promoting use of non-motorised transport and its associated exercise benefits, along a route less-affected by pollutants

Implications

Officer Clearance

Have the resource implications been cleared by Finance?

Yes
Name of Financial Officer: Sarah Heywood

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?

Yes
Name of Officer: Gus de Silva

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?

Yes
Name of Legal Officer: Fiona McMillan

Have the equality and diversity implications been cleared by your Service Contact?

Yes
Name of Officer: Elsa Evans

Have any engagement and communication implications been cleared by Communications?

Yes
Name of Officer: Sarah Silk

Have any localism and Local Member involvement issues been cleared by your Service Contact?

Yes
Name of Officer: Graham Hughes

Have any Public Health implications been cleared by Public Health

Yes
Name of Officer: Iain Green

5. Source documents guidance

5.1 None

APPENDIX 1: Areas of cost increase – Abbey Chesterton Bridge

Item	Cost Increase
Design changes and supervision Includes items omitted from tendered design, amended designs arising from changes to land and third party requirements, design issues payable under the Highways Services Contract.	205,400
Construction costs Additional work/materials and time arising from changes to design and third party requirements	761,050
Land and Access costs Changes to land required and accommodation works, increasing costs of land leases for construction access. Additional land agent and legal costs.	380,150
Third party consents and approvals Costs arising from third party requirements, e.g. Network Rail	70,250
Professional advice, Management and staff Costs Additional commercial advice and cost consultants given the complexity of the project and design/construction issues on site. Additional contract administration	365,400
Miscellaneous Additional communications, direct planning costs, restrictions resulting from Covid-19 pandemic and other minor changes that are part of a complex contract.	281,059
TOTAL	2,063,409

APPENDIX 2: Areas of cost increase – The Trail

Item	Cost Increase
Design changes and supervision Includes items omitted from tendered design, amended designs arising from changes to land and third party requirements, design issues payable under the Highways Services Contract.	129,030
Construction costs Additional work/materials and time arising from changes to design and third party requirements	3,515,794
Land and Access costs Changes to land required and accommodation works, increasing costs of land leases for construction access. Additional land agent and legal costs.	207,868
Statutory Undertakers' costs Additional cost associated with moving statutory undertakers plant and equipment	139,416
Professional advice, Management and staff Costs Additional commercial advice and cost consultants given the complexity of the project and design/construction issues on site. Additional contract administration	694,460
Miscellaneous Additional communications, direct planning costs, restrictions resulting from Covid-19 pandemic and other minor changes that are part of a complex contract.	111,948
Contingency	1,783,109
TOTAL	6,581,625