

ST NEOTS NORTHERN FOOT AND CYCLE BRIDGE

To: Highways and Transport Committee

Meeting Date: 16 June 2020

From: Steve Cox, Executive Director; Place and Economy

Electoral division(s): St Neots Priory Park & Little Paxton and St Neots The Eatons

Forward Plan ref: N/A **Key decision:** No

Outcome: An agreed way forward for the project following a forecast increase in budget required.

Recommendation: The Committee is recommended;

a) To note the scheme development to date, recent market pricing activity and revised forecast budget required.

b) To halt further development of the project due to the reduction in the assessed value for money identified in the updated business case, following the increase in forecast budget required.

c) To re-allocate the remaining available allocated s106 funding of £128k to other transport projects in St Neots, subject to further approval of the specific projects by this Committee once identified.

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1. BACKGROUND

- 1.1 In 2016, the Economy & Environment Committee approved the development of options for a foot and cycle bridge in St. Neots and business case development, funded by an allocation of £1.2m in S106 Developer Contributions.
- 1.2 Initial work included the completion of a Feasibility Study undertaken by Skanska in May 2017, which estimated that a bridge in the proposed location could cost in the region of £3.5 - £4m to construct. This excluded development costs, such as design, management and planning processes and did not include risk and optimism contingency.
- 1.3 An appraisal of the likely future demand for the bridge at the chosen location was completed in July 2017, which fed into an outline business case that identified the bridge could deliver benefits of £5.6m.
- 1.4 In October 2017 the Cambridgeshire & Peterborough Combined Authority (CPCA) shortlisted the project as a priority transport scheme, committing £3.1 million in funding, subject to further development and the final business case. This was made up of £2.5m for the main bridge project together with £600k for a separate project to upgrade footpaths on Regatta Meadow / Riverside.
- 1.5 In June 2018 the project was also approved for inclusion within the St. Neots Masterplan and the business case was further developed in conjunction with the CPCA.
- 1.6 The additional £2.5m from the CPCA enabled the total secured funding for the bridge to rise from £1.2m to £3.7m.
- 1.7 A public consultation on the various options for the design of the bridge was conducted during the summer of 2018, which informed an options appraisal of the various bridge designs. The outcome led to a suspension bridge being the preferred design option.
- 1.8 In November 2018, the Economy & Environment Committee approved the further development of the suspension bridge option and progression to the developed design phase and submission of a planning application.
- 1.9 At this stage, however, it was highlighted that the total required budget to deliver the bridge was estimated to be in the region of £5.5 - £6.5m and subject to securing further funding estimated to be complete by the summer of 2021. This indicated a potential shortfall in funding of up to £2.8m, but further certainty could only be gained by proceeding with the next stage of development and involvement of a civil engineering contractor. Further opportunities to secure additional funding for the project were still being actively pursued. This included discussions with Huntingdonshire District Council, St Neots Town Council and Highways England through the legacy fund associated with the A428 Black Cat to Caxton Gibbet project.
- 1.10 In March 2019, following a procurement process through the Eastern Shires Purchasing Organisation (ESPO) Pro 5 Consultancy Framework, WSP was appointed as the consultant to deliver the planning application and detailed design.
- 1.11 This work proceeded to programme and reached the pre-application stage, which identified the need for an Environment Impact Assessment (EIA). This process included extensive

consultation with key stakeholders including Historic England, the Environment Agency and Historic Environment teams at Huntingdonshire District Council and the County Council.

- 1.12 The EIA requirement is a substantial additional task to the development stage of a project and was not originally expected to be required, based on initial discussions between the consultant and planning department. The scoping report for the EIA has now been completed, but this extended the estimated programme for completion of the scheme to winter 2021.
- 1.13 In a bid to secure greater cost certainty over the budget required to deliver the project, a contractor was engaged through the SCAPE Civil Engineering Framework in November 2019. The framework offers an Official Journal of the European Union (OJEU) compliant procurement route and immediate access to construction expertise, vital for project teams in delivering value, greater cost certainty and understanding of construction risks and buildability challenges. This is a single service provider framework awarded to Balfour Beatty, who initially undertook a detailed review of the project in order to complete a construction feasibility report, a service provided at no cost to potential clients.
- 1.14 This looked at various aspects of the construction of the project, from buildability issues to market testing the cost to construct the scheme with supply chain partners. The report was made available in February 2020 and set out the detailed brief and scope of the works, a construction budget for the project and an initial programme through to completion. It also identified risks and an associated financial contingency allowance within the construction budget and proposed the introduction of performance measures for the project.

2 MAIN ISSUES

- 2.1 The work completed by Balfour Beatty highlighted some significant civil engineering challenges. These were associated with the construction of the bridge support on the eastern side of the river. Further detailed design development work by WSP had already identified that ground conditions required a piled anchorage system. The implication of this was also magnified by the fact it is required to be constructed within a very restricted working space, located at the end of the turning head between the Priory Centre and a private walled garden. This not only added additional previously unquantified cost to the scheme, but also the need for a further risk allowance, given its challenging nature.
- 2.2 This has led to a £1.5m increase in the budget required to construct the bridge and when taking into account the necessary risk allowances, means that the total estimated budget required now exceeds the original higher £6.5m estimate, totalling £8m.
- 2.3 Opportunities were investigated by the project team to reduce the forecast cost through value engineering, but it was determined that this had limited scope to generate the value of savings now required. The value engineering exercise looked at reducing costs associated with the choice of materials and the type and method of construction for the bridge.
- 2.4 The further development of the project and forecast increase in budget required to deliver the bridge has also had a significant impact on the business case. It is now particularly challenging from a value for money perspective, given the updated benefit to cost ratio has dropped below 1.0, with valued benefits of £5.6m significantly less than the £8m estimated cost to deliver.

- 2.5 Given these changes, the CPCA decided at a meeting of its Board on 25th March 2020 to withdraw the £3.1m funding allocated and remove the project from its Business Plan. This was on the basis that the project no longer met the requirements of value for money set out in the CPCA Assurance Framework, as well as the issue set out in paragraph 2.5 above.
- 2.6 Development costs for the project to date total £962k, with all costs funded by S106 Developer Contributions. A breakdown is shown below;

Project Breakdown	Cost
CCC Management Costs since 2016:	£400,288.40
Skanska Design inc Knights Architects: (Location Feasibility, Design Options, Consultation etc)	£221,900.60
WSP Detailed Design and Planning Application:	£323,827.55
Communications (Public Consultations):	£10,885.20
Land / Legal:	£1,573.16
Archaeology / Ecology:	£960.00
Statutory Undertakers:	£210.00
Misc / Other:	£2,037.24
TOTAL	£961,682.20

- 2.7 Based on the above challenges all work has ceased, pending a decision by this Committee. The detailed design and development work can be archived and is available for further development, should an improved business case for an investment in a bridge at this location come forward in future.
- 2.8 To date £1.09m of the £1.2m S106 developer funding has been spent, £128k is therefore currently available for reallocation. It is recommended that the remainder of the S106 developer funding be reallocated to transport projects in St Neots, subject to approval by this Committee once identified.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 A good quality of life for everyone

More people cycling and walking contributes to a healthier population, improved productivity, reduced traffic congestion, reliability of journey times and adds capacity into an already constrained road network, all of which contributes to economic wellbeing.

3.2 Thriving places for people to live

The bridge project, if deliverable, is aligned with the St Neots Masterplan, part of a wider initiative to bring greater economic prosperity to the town.

3.3 The best start for Cambridgeshire's children

Currently many people including children feel unsafe cycling. Cycling is potentially a form of economic, reliable transport that allows them to access schools or training and hence independence, and the opportunity to incorporate active travel into their lives.

3.4 Net zero carbon emissions for Cambridgeshire by 2050

Better cycling and pedestrian links would contribute to reduced vehicle journeys. This would in turn contribute to a reduction in carbon emissions.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The resource implications are detailed within the main body of the report.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no implications, all work is proposed to be ceased and the contract with WSP terminated.

4.3 Statutory, Legal and Risk Implications

There are no implications, all work is proposed to be ceased.

4.4 Equality and Diversity Implications

The benefits the bridge would have generated in being fully accessible in terms of approach paths and ramps will not be realised should the project not proceed.

4.5 Engagement and Communications Implications

A thorough and extensive period of consultation and engagement was undertaken in 2017 and 2018. Recent engagement includes attendance at St Neots Masterplan Steering Group's meetings and engagement with local key stakeholders.

4.6 Localism and Local Member Involvement

A thorough and extensive period of consultation and engagement was undertaken in 2017 and 2018. Recent engagement includes attendance at St Neots Masterplan Steering Group's meetings and engagement with local key stakeholders. Officers have worked closely with local members.

4.7 Public Health Implications

More people cycling and walking undoubtedly contributes to improved public health. It is important that people are supported and encouraged to be physically active, and any efforts should focus upon interventions that mitigate any barriers like perceived safety risks.

The Transport and Health Joint Strategic Needs Assessment makes reference to encouraging short trips of less than 2km to be undertaken on foot or by cycle. The proposals supported and encouraged this. The bridge development was planned to be used as a broader catalyst to promote walking and cycling in St Neots with a particular focus on daily journeys to and from work and school.

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: Andy Preston
Have any Public Health implications been cleared by Public Health	Yes or No Name of Officer: Kate Parker

Source Documents	Location
Transport Strategy Consultation document 2001 St Neots Market Town Transport Strategy 2008 Option Study Utilisation Study St Neots Masterplan for Growth Consultation responses 2017 & 2018 Construction Feasibility Report – Balfour Beatty, January 2020	Room 310 Shire Hall