

Ash Road Bridge – Appendix 8 Document to Full Council Report (Part 1)

Appendix Title: Management Strategy
Subject: Management and Governance approach for the Project
Author: ARB Project Team
Date: 1 April 2021

1. Summary:

1.1 The Ash Road Bridge ('ARB') Scheme will be managed within the remit of the Council's Corporate Programme Portfolio. The Corporate Programmes Team ('CPT') acts as the programme management office internally. The CPT has the capacity to oversee and project-manage the Scheme with support from other relevant teams across the Council, or external support if required. The purpose of the CPT at the Council is to:

- Focus resources on the implementation of property regeneration and infrastructure projects arising from the production of development and corporate mandates and plans and to implement the agreed projects; and
- Undertake direct development in commercial, housing, infrastructure and other uses on behalf of the Council by identifying sites and projects to be put into the Capital Programme requiring implementation; and work with third party developers and occupiers to stimulate a collaborative approach to delivery.

1.2 The Council Corporate Programmes Portfolio Board consists of senior officers and Councillors which oversee and monitor the Corporate Programme Projects. The Board receives overall programme updates and highlight reports across the project portfolio and at each monthly meeting focus on individual project updates. An overview of the Council's Corporate Programmes project management arrangements for the ARB Scheme is as follows:

Gate 0/1: Strategic Assessment: The Ash Road Bridge Project was subject to an initial bid for funding through the Council's budget process which sets out the strategic fit of the project with the Council's Corporate and Local plan priorities. The bid was evaluated by the Council's Corporate Management Team, Joint Executive Advisory Board, Executive and Council before being accepted as a project and an initial budget being included on the Council's provisional capital programme.

Gate 2: The Outline Business Case: The outline business was previously prepared and presented to the Council's Corporate Management Team following delegation from the Executive for final approval.

Gate 3: Procurement: The Council has undertaken a process in line with its procurement procedure rules to find the best value approach for the appointment of consultants and a contractor for the project. The Council has a Corporate Procurement Board and Head of Procurement who has approved the best value process of a route to market and selection of a preferred contractor in line with the approved business case.

Gate 4: Final Business Case: and Investment Decision: This is the stage we are now at. Following the procurement and selection of a preferred contractor, the business case will be updated and finalised. The Council's Executive Committee has given approval to proceed with the project and approval to proceed is now sought from Full Council.

Gate 5: Benefits Realisation: Through the implementation of the project regular monitoring and progress reports will be prepared and submitted to the Council's Corporate Programmes Portfolio Board.

2. **Project Governance:**

- 2.1 This project is owned by Director of Strategic Services – Dawn Hudd
- 2.2 The lead Councillor is John Rigg – Council Lead for Infrastructure & Regeneration
- 2.3 The following measures (covering inputs, outputs, outcomes and impacts) will be monitored:
- Scheme build
 - Delivered scheme
 - Costs
 - Scheme Objectives
 - Travel demand / usage
 - Travel times and reliability of travel times
 - Impacts on housing and the economy; and
 - Carbon impacts
- 2.4 These will be reported in both a 'One Year After' and a 'Final' evaluation report.

3. **Project Team:**

- 3.1 The Council have appointed a number of leading private sector partners to assist and advise on the project. These include:
- AECOM – Planning, Technical & Cost Lead
 - Pinsent Masons - Legal
 - Savills – Land Acquisition and CPO advice
 - MKTP – Transport Planning
- 3.2 A table showing Project Team (roles and responsibilities **for this stage**) is provided below:

Table 1: Project Team Roles and Responsibilities

Role	Name	Responsibilities
Senior Responsible Officer	Dawn Hudd – Director of Strategic Services	Approve the overall project direction together with the proposed procurement strategy and development principles. Approval of Change Control Proposals.
Project Leader	Mike Miles	Overall management of the project, giving direction to the Project Team. Day to day management of the project including payments, procurement, and reporting. Liaison between project team and Council.
Design, Project Management and QS Support	AECOM	Design, Project Management and Cost Management Support to assist the Client, develop the technical design information for the new bridge and associated works. Design and technical support to respond to relevant conditions detailed in the planning permission for the proposed development. PQS (Project Quantity Surveyor) to manage overall cost of the project.
Land Advice / Agent	Savills	To provide Specialist Land advice on procuring the land required to build the bridge by negotiation with the land owners. Giving advice relating to CPO position.
Legal Advice	Pinsent Masons LLP	Planning, Environment, Highways, Compulsory Purchase legal advice in relation to promotion of the Ash Road Bridge Project. Property title and related advice in relation to the Ash Road Bridge Project. Agreement with Network Rail and Guildford Borough Council in relation to the Ash Road Bridge Project. Associated funding agreement advice, including HIF with Homes England and other related advice as required, including potentially State Aid, Procurement, Construction and Freedom of Information advice.
Specialist Support (As required)	MK Transport	Road & Transport advice and recommendations, including interface with Highways Authority and statutory consultations.
GBC Legal (As required)	Diane Owens / Beejal Soni	Legal advice in relation to contracts / planning, financial & constitutional issues.
GBC Procurement (As required)	Faye Gould	Advice on procurement issues and compliance with appointment of contractors and consultants to the project.

4. Assurance:

- 4.1 Due to the complex nature and cost of the ARB Scheme, Independent external assurance may be necessary for this project. If required the project leader will include this activity in the project plan.

5. Timescales and Plan:

- 5.1 The project leader has developed a project plan showing key activities, milestones and gateway's for completion of the project.

6. Dependency Management:

- 6.1 The project leader will agree key dependencies as identified with owners of those elements and build milestones into the project plan.

7. Stakeholder Engagement & Comms:

- 7.1 There are a range of external stakeholders involved in this project including: Homes England; Surrey County Council; Local Residents and Residents Groups; Land-Owners; Developers; and the Environment Agency.

- 7.2 Internal stakeholders include: Local and All Councillors, GBC Finance, GBC Procurement, GBC CPT PMO, GBC Comms Team, GBC Planning Policy and GBC Legal.

- 7.3 The key stakeholders with whom the Council are undertaking significant liaison are:

- **Surrey County Council** – are the highway authority for the Scheme and are a key stakeholder in respect of the planning, design and technical consents and agreements. They have been supportive of the ARB Scheme and are being consulted regularly as the design is progressed. Surrey County Council are expected to adopt the new road bridge and associated works, through a Section 38 / 278 agreement.
- **Network Rail** – are a key stakeholder as their infrastructure is being crossed by the proposed road bridge and footbridge. They have been supportive of the Scheme. Regular collaborative meetings with Network Rail are being undertaken to take the Scheme forward and a joint delivery strategy is being developed for the footbridge and closure of the Ash level crossing.
- **Homes England** – are a key stakeholder in providing significant funding towards the Scheme and the project team. The project delivery timescale is influenced by the Council's successful achievement of £23.90 million funding from the HE Housing Infrastructure Fund (HIF), which has a requirement to be utilised by the end of March 2023.
- **Landowners & Developers** – the project team are in regular contact with landowners and developers impacted by the road bridge in respect of the progress and design of the Scheme. The most significant of these at this stage is Bellway Homes at 'Land South of Guildford Road' who are constructing the improvements to the Guildford Road / Ash Hill Road roundabout and the section of road associated with Ash Road Bridge that falls within their land. Design checks of the work have been completed by the ARB Project Team and regular meetings have been held with the

landowner and Surrey County Council, as highway authority, to ensure an acceptable scheme is progressed.

- **Local Community** – A number of presentations have previously been given to the local community as well as question and answer sessions including with the Leader and Deputy Leader of the Council and local resident groups. Moving forward it is the intention to positively re-engage with the community to maximise the potential social value accrued through Stage 1 of the ARB scheme and to engage the community in regards to the plans for the footbridge and closure of the Ash level crossing.

7.4 A ‘communications strategy’ has been developed by the ARB Project Team and is considered a live document. Moving forward it is the intention that the project team will regularly update the ‘communications strategy’, as well as the Scheme web pages and produce an FAQ document. The Council will also continue to maintain dialogue with resident groups.

7.5 During the mobilisation of the construction stage, it is anticipated that the construction delivery partner will take ownership of the stakeholder engagement using a combination of drop-in sessions, letter drops and updates to the Council web pages. The contractor will manage the stakeholder engagement with oversight by the CPT project Leader for the remainder of the construction process.

7.6 GBC CPT is also seeking Homes England Capacity Funding to support the part-time appointment of a Community Relations Manager for Stage 1 of the scheme, based on the recommendations of the Equality Impact Assessment. Their role will be to take ownership of engagement with the community prior to and during the construction stage to consider any specific needs.

8. Contract Management, Change Management & KPIs:

8.1 The project leader has developed an approach to contract management with the project and procurement team for pre-construction and construction phases of work as detailed below.

8.2 KPI’s will be in place for the construction contractor in line with the Framework appointment parameters.

8.3 The project leader will work within agreed tolerances and delegated authorities against the baseline agreed and will manage any requests for changes from the agreed baselines through formal change control.

8.4 The project leader, along with the project team and where required the contractor, will manage risks and issues and report on them as required as follows:

Pre- Construction Phase - Management of Change & Risk:

- Risk management profiling will be implemented to reflect the HM Treasury ‘Green Book’ 5 case business model. (However, the project did not follow the HM Treasury model from inception).
- The Implementation of a robust costed risk register including OB (Optimism Bias) to be used as a management tool.
- The Implementation of OB (Optimism Bias) using approved Algorithm methodology for calculation (OB included in costed risk modelling).

- Regular risk workshops set up to be undertaken to review, mitigate and revise the risk modelling.
- Monthly reconciliation finance meetings have been set up and undertaken with GBC finance to review, appraise and report on project finances. These will continue for the duration of the project
- The Implementation of a change control model (approved by GBC Finance), to manage project finances to include management of workstreams including the use of risk and OB (Optimism Bias), as required.
- Change Control model, identifies the hierarchy for delegated authority sign off of discretionary and non-discretionary spend on the project, by implementation of standard forms.

Construction Phase Management of Change & Risk:

- It is envisaged that the construction phase of the project will be undertaken using an NEC (National Engineering Contract) 4.
- A risk and OB (Optimism Bias) budget has been identified to form part of the overall project budget required to deliver the scheme and identified as workstreams within the overall budget provision.
- The current risk management tool will become the 'Early Warning Risk Register' during the construction phase.
- Regular risk workshops will be undertaken (Bi-Monthly) during construction to review, mitigate and revise the 'Early Warning Risk Register' as required. These meetings will include the contractor as required.
- Monthly reconciliation finance meetings to continue with GBC finance to review, appraise and report on project finances.
- Continue change control model (approved by GBC Finance), to manage project finances to include management of workstreams including the use of risk and OB, as required.
- Change Control model, identifies the hierarchy for delegated authority sign off of discretionary and non-discretionary spend on the project, by implementation of standard forms.

9. Realisation of Benefits:

9.1 Appendix 2 considers the strategic objectives and benefits of the project, which in summary include:

- Facilitating the delivery of new homes which is an important factor recognised in securing continued economic growth. This is particularly important within Guildford Borough which has poor affordability and Ash is typically a more affordable area within the Borough. The delivery of new homes will assist in ensuring that there is a varied workforce, including highly mobile and qualified 25 – 34 year olds, available to local businesses supporting economic growth.



- Reducing congestion, its cost to local businesses, community and hindrance to economic growth. Congestion is estimated to have a significant cost per annum in Surrey and many businesses found congestion and accessibility to be a significant issue for their business.
 - Reducing the use of local roads by vehicles seeking to avoid delay at the Ash level crossing.
 - Improving safety for drivers, pedestrians and cyclists crossing the North Downs Line and using Ash Station which will include mitigating the increased risks to users at the Ash level crossing resulting from the increase in train services on the line; and a predicted increase in vehicular traffic in the locality.
 - Increasing connectivity by reducing congestion on the A323, which has the potential to improve local and wider connectivity between Ash and the surrounding Step Up and Growth Towns, including Aldershot, Farnborough, and Guildford. This will improve connectivity between employers and potential employees.
- 9.2 The benefits of the Project will start to be realised at the start of construction in November 2021 in respect of construction jobs created by the delivery of the Project with potential for construction jobs associated with the delivery of housing already in progress. Other benefits will start to be realised following practical completion and opening of the road bridge and associated works in March 2023, which will enable the A323 to be diverted along the new road alignment, which will immediately reduce risk from motor vehicles at the Ash level crossing.
- 9.3 Through the procurement of the project there is also the opportunity to deliver broader social outcomes. The proposed contractor will commit to delivering a number of KPIs relating to social value, which include creating jobs, providing opportunities for local small and medium enterprises, working with local schools to educate and supporting the training of individuals and additional high level qualifications.
- 9.4 As per similar schemes in Guildford, we will be looking to work with stakeholders to identify opportunities to provide a lasting social value legacy. A recent successful example is engagement with The Lockwood Day Care Activity Centre that was developed at Slyfield, with the proposed contractor continuing to work with GBC to add social value, which includes the community garden.
- 9.5 There are also many wider economic benefits to the delivery of an infrastructure scheme such as this, including but not limited to:
- Direct construction employment and training opportunities.
 - Indirect construction employment - the construction of dwellings facilitated by the Scheme would create and support employment opportunities in the wider supply-chain.
 - Additional local expenditure from the new housing units is likely to have a beneficial, long-term, permanent effect on the borough economy; and
 - New housing units will contribute to public finances through tax revenues generated by developers and residents.

- 9.6 The construction of new housing units will trigger the provision of social infrastructure to support both the existing residents of Ash and those residing in the new residential units. Each residential plot unlocked by the Ash Road Bridge will be required to provide sufficient primary and secondary school places, GP healthcare facilities, open space and children's play space or contributions towards these, which will be beneficial to the existing baseline population of Ash and the surrounding areas as well.

Ash Road Bridge (ARB Project Board)

Terms of Reference

Annexe to Appendix 8.

1) Purpose of the Terms of Reference:

The Council is engaged in a project to construct a road bridge over the railway in Ash to enable development of the local surrounding area under Planning Policy A31 of the adopted local plan and enable the closure of the level crossing and provision of a footbridge (subject to agreement). This is a large infrastructure project requiring engagement with landowners, developers, internal and external stakeholders.

The purpose of the Scheme is to provide infrastructure needed in connection with the provision of approximately 1,750 new homes in accordance with Policy A31 of the adopted local plan. Implementation of the Scheme will contribute to the proper planning of Ash and Tongham. It will also bring economic, social and environmental well-being benefits to Ash and Tongham and wider areas of the Borough.

In October 2018 the Executive authorised officers to commence the processes to assemble the land and rights, to be able to deliver the scheme, including the opening of negotiations with third party landowners, entering into Licencing agreements to acquire land necessary to facilitate the build. These negotiations are currently continuing, with a view to conclude in the coming months. In addition, in September 2019 the Executive also gave the go-ahead to enter into a HIF funding agreement with Homes England and to progress the scheme from planning permission (once granted) to pre-construction stage.

Ash is located to the west of Guildford, approximately two miles east of Aldershot. Ash station is located on the North Downs line, between Reading and Gatwick. The station sits within the Wessex region and the operator in this area is Great Western Railway.

A level crossing is located immediately to the east of Ash Station on the A323 Guildford Road. Accordingly, when trains pass through the station the level crossing is closed, causing delays to all users of Guildford Road.

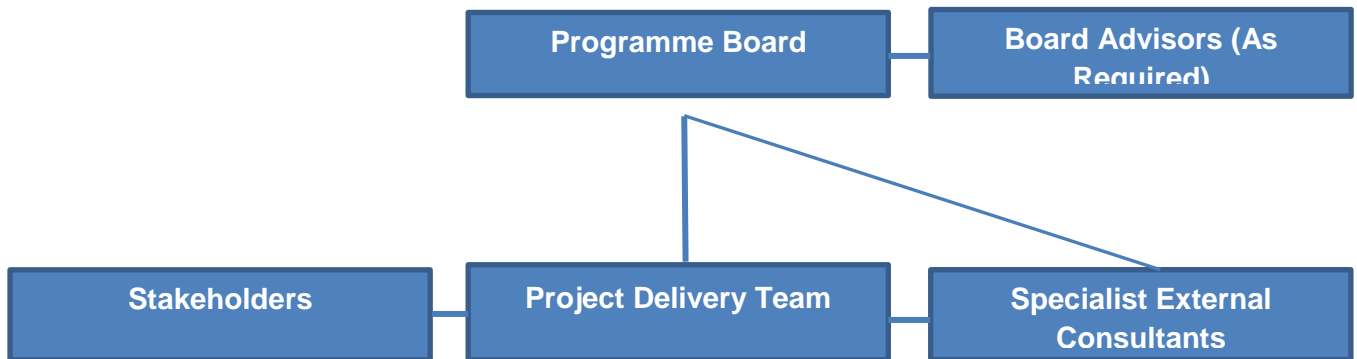
The level crossing in Ash is currently closed for substantial amounts of time during peak times and throughout the day. Improvements being considered by the rail operator, including service frequency increases (*A 3rd train per hour has commenced operating on this line on Saturday's only with a view to increasing the service to a 3rd train on week days pending completion of the new Gatwick terminus*), line electrification and longer trains could all potentially add to the amount of level crossing down time and therefore delays on Guildford Road. There is also a current interface with the proposed Guildford West station, which is proposed on the same line, close to Ash.

The Ash level *crossing* is a Network Rail safety hotspot and its frequent closures encourages rat running on rural roads that are not designed to take this level of traffic.

As stated, significant development is already occurring in Ash and Tongham and is proposed in Guildford's Adopted Local Plan, Policy A31. A new road bridge, link roads and footbridge are planned to allow closure of the level crossing and to alleviate the existing and future traffic congestion and level crossing safety concerns.

It is critical that a project of this size receives oversight from officers and senior managers from across the Council alongside nominated Councillors, hence the suggested requirement of a Programme Board. The purpose of the Programme Board is to assist the GBC Project Leader with managing the project and assisting with making key decisions through the project stages. The need to form a Governance Structure for a project of this size will also assist with ensuring that this project continues to meet the corporate governance requirements.

Governance Structure



2) The Programme Board:

The Programme Board provides strategic direction for the project and along with the SRO will have delegated authority to decide on the project changes and Governance procedures.

3.2 Programme Board Members:

Dawn Hudd	Strategic Services Director & SRO
Elizabeth Fleming	Interim Corporate Programmes Consultant
Claudia Frost	Senior Programme Manager
Mike Miles,	Interim Project Leader
Sarah White	Principal Solicitor
Martin Knowles	Transport Consultant
Cllr John Rigg	Lead Councillor for Regeneration
Cllr Caroline Reeves	Deputy Leader of the Council
Cllr Joss Bigmore	Leader of the Council
Cllr Paul Spooner	GBC Councillor
Cllr Ramsey Nagaty	GBC Councillor

3.3 Board Advisors: (As required)

Faye Gould,	Procurement Manager
Victoria Worsfold	Financial Services Manager

4) Project Delivery Team:

The Project Team consists of both council officers and external consultants employed that are actively working on the ARB project on a daily basis.

4.1 Project Team:

Mike Miles,	Interim (Consultant) Project Leader
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Martin Knowles (MKTP)	Consultant
AECOM	Consultant
Pinsent Masons	Consultant
Savills	Consultant
LRS	Consultant
EG Management	Consultant

5. Roles and responsibilities:

5.1 ARB – Programme Board:

- Approve the overall project direction together with the proposed procurement strategy and development principles.
- Approve the funding of the project and accept it as a line within the GBC's current agreed funding for each stage of the project.
- Delegate approval to the Project Team in respect of the procurement strategy; appointment methodologies; spend approval and the project delivery structure.
- Consider and manage the strategic context of the project in relation to other aspirations within Guildford and the wider area.
- Approve the processes of procurement; appointments and spend through the delegated authority from CMT and Members.
- Provide strategic project guidance in relation to the broader context of wider regeneration of Guildford.
- Approve key milestones in terms of budget and ongoing spend together with variations throughout all stages of the project.
- Receive project programme and budget update reports from the Project Team.
- Provide the appropriate level of performance monitoring and completion of timely outputs.
- Regularly review the resource requirements as the project develops and bringing in specialist advisors as required.
- Monitor / comment on the updated costed risk register and issues log.

5.2 ARB - Project Team:

- Provide strategic input to the project and provide the link to the Programme Board and the Corporate Programme Board.
- Champion and lead the delivery of the project against the agreed milestones and budget parameters to the outputs and deliverables of the Project.
- Provide the interface between the consultants, contractor and GBC's internal team.
- Continually monitor the progress of the project against the agreed deliverables and the expectations of the wider regeneration of Guildford.
- Provide connection into other external consultants and Council resource as required and coordinate the interface of this resource into the Project Team as and when required.
- Ensure that the project is suitably and appropriately resourced.
- Make budget and resource recommendations to the Corporate Programmes Portfolio Board
- Provide sign off for the project at key stages and against key milestones.
- Manage and oversee the development and progress of the project at a detailed level to all stages.
- Work directly with the Consultant Team to monitor the progress of the project and 'manage out' issues, challenges and risks, by maintaining a 'live' risk register.
- Manage and recommend all as required all changes, compensation events and applications for payment throughout the life of the project.

5.3 ARB - Specialist advisors / Consultants (to Construction Phase):

- Provide ongoing external project resources (Transport, Legal, Planning and Design, Land & Value, CPO, Construction).

- Provide the detailed design of the Road bridge.
- Continue the process to secure external funding.
- Continue to progress negotiations with stakeholders.
- Continue to progress negotiations with landowners / developers to secure the land required for the development and S106 / CiL contributions.
- Undertake full planning application for the Footbridge (requires track side geotechnical investigation).
- Along with GBC continue to work with NR to agree the legal parameters and deliverables of the Footbridge and Road Bridge.
- procurement of a New Engineering Contract (NEC) Project Manager and Project Quantity Surveyor.
- Undertake Ground Penetrating Radar (GPR) surveys to further detail and cost utilities diversions if required.
- Provide preconstruction services and preparing the procurement of the construction phase.
- Manage and Undertake the CPO process (If Required).

6) Meeting frequency and distribution of papers:

The ARB Programme Board will meet every Quarter throughout the lifecycle of the project to completion. Meeting frequency can be reviewed as the project develops.

The meeting agenda and any papers will be distributed by either the ARB Project Leader or designated support officer 5 days before the meeting takes place. Where papers may require a significant review time, papers will be circulated a week in advance of the meeting.

The meeting minutes either will be circulated by the Project Leader or designated support officer within a week of the date of the meeting. Attendees will be given a week to respond to request any alterations to the meeting minutes, including the actions and decisions.

Issue Escalation: Where matters arising cannot be resolved by the Project Team, the Project Leader will escalate the issue to the SRO (Senior Responsible Officer) / Programme Board for a decision.