

REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE SERVICES COMMITTEE ON 13 MARCH 2012

SUBJECT: ELGIN WESTERN DISTRIBUTOR ROAD – CAPITAL PLAN 2012/13 AND PROJECT EXECUTION PLAN

BY: CORPORATE DIRECTOR (ENVIRONMENTAL SERVICES)

1. REASON FOR REPORT

- 1.1 This report asks Committee to approve the Project Execution Plan for the delivery of the Western Distributor Road (WDR) and the detailed allocation of budget from the Capital plan 2012/13.
- 1.3 This report is submitted to Committee in terms of Section G (16) of the Council's Administrative Scheme relating to the design and construction of roads and bridges.

2. RECOMMENDATION

It is recommended that Committee:-

- (a) approve the Project Execution Plan for the WDR; and**
- (b) approve the 2012/13 Capital Plan allocation for the Western Distributor Road as outlined below;**
- (c) agree that EC Harris, commissioned under their Government Buying Solutions Framework Contract for the Moray Flood Alleviation Schemes, undertake similar services for this project.**

3. BACKGROUND

- 3.1 Economic Development and Infrastructure Services Committee on 6 September 2011 (para 9 of the Minute refers) approved the route of the Western Distributor Road (WDR) and instructed officers to proceed with the detailed design process.
- 3.2 In order to support the Scheme's successful delivery, a Project Execution Plan (PEP) has been prepared. The PEP outlines the key issues and objectives setting proposals for delivery of the project as well as the programme, resources and funding requirements.
- 3.3 The proposed PEP is attached as **APPENDIX 1**. The Plan will be reviewed and updated at key stages of the project and submitted for approval.
- 3.4 With the project entering the detailed design stage responsibility for this next stage it transfers from the Transportation to Consultancy Service.
- 3.5 The Elgin Traffic Management heading of the Capital Plan identifies the extension of Edgar Road separately from the development of the WDR. As

indicated below, these elements form part of a single project and the budget heading should be combined.

- 3.6 Economic Development and Infrastructure Services Committee on 1 November 2011 (para 17 of the Minute refers) approved the approach to land acquisition and compensation.
- 3.7 Land acquisition will form a significant part of the 2012/13 project expenditure. The District Valuer (DV) is currently updating projected costs but meantime an allowance of £1 million is included in the projected costs for 2012/13. The DV has been instructed to acquire the three properties and it is expected that the bulk of the 2012/13 budget allocation will be used for this.
- 3.8 The programme indicates the earliest completion would be autumn 2015. The PEP shows indicative allocations from the approved Capital Plan 2012 – 2022 for the whole project to match the earliest completion date.
- 3.9 It is proposed that EC Harris, who, under a Government Buying Solutions framework contract provide cost management services for Moray Flood Alleviation Schemes, extend services to this project. This provides an independent view on cost management and removes a potential conflict of interest should Jacobs provide this service. The Buying Solutions framework is available for any UK public body to use.
- 3.10 Stakeholder engagement is very important so a strategy will be developed in consultation with stakeholders and submitted to a future Committee.

4. SUMMARY OF IMPLICATIONS

(a) Single Outcome Agreement/ Service Improvement Plan

This report is in line with National Outcome 1 and Local Outcome 3: “Moray will benefit from an improved and safer transportation infrastructure”.

Service Priority 2 (Elgin Traffic Management Plan) of the Service Improvement Plan.

National outcome 9 “We live in well-designed, sustainable places where we are able to access the amenities and services we need.”
Local priority 4 “ housing and homelessness – more people in Moray will have access to affordable housing” – completion of the Western Distributor Road will enable access to land designated for much needed affordable housing in Elgin.

(b) Policy and Legal

There are no policy or legal issues.

(c) Financial implications

The overall project budget requirements are detailed in the PEP. The allocation for 2012/13 is identified separately for the main WDR development and for land acquisition. A summary of the implications are shown below.

Current Capital Allocation:

£,000	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Total
WDR	300	1,895	2,240	3,360	2,445	2,560	0	12,800
Extension of Edgar Road	1,500	100	0	0	0	100	100	1,800
Total	1,800	1,995	2,240	3,360	2,445	2,660	100	14,600

Proposed Capital Allocation 2012/13:

Western Distributor Route – design etc £800,000
Property Acquisition £1,000,000

The proposal to employ EC Harris has no identifiable financial implication because these services are already required and allowed for in estimates.

(c) Risk Implications

The PEP recognises that there are a number of significant risks associated with the project. Subject to Committee agreeing the recommendations, EC Harris would lead development of a more detailed cost plan and risk register

(d) Staffing Implications

There are no staffing implications resulting from this report.

(f) Property

There are no property implications.

(g) Equalities

There are no equality implications from this report but the Scheme will take into account equalities issues, particularly in terms of stakeholder engagement and detailed design.

(h) Consultations

Lorraine Paisey, Principal Accountant has been consulted and contributed to this report.

Alex Burrell, Estates Surveyor has been consulted and his comments have been included in this report.

5. CONCLUSION

- 5.1 The Project Execution Plan (PEP) is a fundamental document in ensuring sound management and effective delivery of this project. It will be reviewed and resubmitted at appropriate stages.**
- 5.2 As the project develops progress updates will be reported through appropriate Council structures so that Members are properly advised.**
- 5.3 Appointing independent cost consultants provides clearer definition of roles and promotes sound governance.**
- 5.4 A stakeholder engagement strategy will be developed in consultation with stakeholders.**

Author of Report: Consultancy Manager

Background Papers:

Ref: