



Mersey Gateway Executive Board

**Monday, 18 June 2007 9.30 a.m.
Marketing Suite, Municipal Building**

A handwritten signature in black ink, appearing to read 'David W R', is written over a faint rectangular stamp.

Chief Executive

BOARD MEMBERSHIP

Councillor Tony McDermott (Chairman)	Labour
Councillor Mike Wharton	Labour
Councillor Rob Polhill	Labour

*Please contact Lynn Derbyshire on 0151 471 7389 or e-mail
lynn.derbyshire@halton.gov.uk for further information.
The next meeting of the Board is on Thursday, 20 September 2007*

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

Part I

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PART II

**ITEMS CONTAINING "EXEMPT" INFORMATION FALLING
WITHIN SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT
1972 AND THE LOCAL GOVERNMENT (ACCESS TO
INFORMATION) ACT 1985**

In this case the Board has a discretion to exclude the press and public but, in view of the nature of the business to be transacted, it is RECOMMENDED that under Section 100(A)(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3 and 5 of Part 1 of Schedule 12A to the Act.

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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

MERSEY GATEWAY EXECUTIVE BOARD

At a meeting of the Mersey Gateway Executive Board on Thursday, 19 October 2006 in the Marketing Suite, Municipal Building

Present: Councillors McDermott (Chairman - in attendance for Minute Numbers MGEB10 to MGEB14), Polhill and Wharton

Apologies for Absence: (none)

Absence declared on Council business: (none)

Officers present: B Dodd, D. Parr, D. Sutton, J. Tradewell, D Tregaea, A. West, S. Nicholson, C. Hall and L. Cairns

In attendance: Councillor Redhead

**ITEMS DEALT WITH
UNDER DUTIES
EXERCISABLE BY THE BOARD**

Action

COUNCILLOR POLHILL IN THE CHAIR

MGEB9 MINUTES

The Minutes of the meeting held on 20th July 2006, having been printed and circulated, were taken as read and signed as a correct record.

MEETING ADJOURNMENT

The Board agreed that the meeting should stand adjourned until 1.00 pm to allow the Leader of the Council and the Chief Executive to be in attendance.

MEETING ADJOURNED AT 12.05 PM

MEETING RE-CONVENED AT 1.00 PM - COUNCILLOR MCDERMOTT ASSUMED THE CHAIR

MGEB10 PROGRESS REPORT

The Board considered a report of the Mersey Gateway Project Director outlining progress made in the delivery of Mersey Gateway since the last meeting of the Board in July 2006.

It was noted that substantive progress had been made in the following areas:

- delivery resources and project structure; and
- liaison with the Department for Transport (DfT).

The progress report that was to be submitted to the DfT was attached to the agenda for Members' information.

The principle short-term deliverables were outlined for the Board's consideration and it was advised that progress with each of these was currently to programme. However, contingency in the delivery plans for the traffic model had been eroded due to the delay in receiving data from third parties. Resources were therefore being adjusted to avoid any programme slippage.

The Board noted that the appointment of a Procurement Manager for this project was unlikely to be filled from internal resources due to the specialist nature of the post. However, there was an option for a secondment to be secured from E.C. Harris and Halcrow if required.

RESOLVED: That the progress made be noted and the issues to be discussed with officials at the Department for Transport at the meeting arranged for 26th October 2006.

MGEB11PROCUREMENT STRATEGY FOR MERSEY GATEWAY

The Board considered a report of the Mersey Gateway Project Director regarding the results emerging from the on-going market consultation on procurement options for Mersey Gateway.

It was noted that the investigation of procurement options was centred on whether an earlier procurement approach would be both beneficial and deliverable. Early procurement, by inviting tenders before the scheme was progressed through the planning process, could help the Council to manage delivery risk and also provide more scope for the private sector to add value in whole life cost terms. A market consultation had taken place and a representative of the project financial consultants KPMG attended the meeting to present the consultation results received to date.

MGEB12SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

The Board considered:

- (1) whether members of the press and public should be excluded from the meeting of the Board during consideration of the following items of business in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972 because it was likely that, in view of the nature of the business to be considered, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972; and
- (2) whether the disclosure of information was in the public interest, whether any relevant exemptions were applicable and whether, when applying the public interest test and exemptions, the public interest in maintaining the exemption outweighed that in disclosing the information.

RESOLVED: That as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, members of the press and public be excluded from the meeting during consideration of the following items of business in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972 because it is likely that, in view of the nature of the business, exempt information will be disclosed, being information defined in Section 100 (1) and paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972.

MGEB13PROCUREMENT STRATEGY FOR MERSEY GATEWAY

Mr. R. Threlfall of KPMG LLP attended the meeting to present the results to date in respect of early procurement market consultation. The presentation outlined the process undertaken, the consultees involved, a summary of responses, common messages, emerging thoughts on possible approach, issues to be addressed and the next steps.

The Board noted that the work carried out had determined that this was an option worth exploring further. A similar presentation was to be made to the Department for Transport the following week and comments arising from this would be reported back to the Board.

The Chairman thanked Mr. Threlfall for attending the meeting.

RESOLVED: That the preliminary results from the market consultation be noted, pending further reports to the Board that would enable a decision to be taken on the preferred procurement strategy for the project.

MGEB14 SITING OF TOLL PLAZAS

The Board considered a report of the Strategic Director – Environment regarding the preferred Toll Plaza location for the Mersey Gateway, the consequential land use and other operational implications.

RESOLVED: That the preferred layout be included in the final reference design and this be the subject of extensive public consultation in 2007.

MINUTES ISSUES: 26th October 2006

CALL IN: 2nd November 2006

Any matter decided by the Mersey Gateway Executive Board may be called in no later than 2nd November 2006

Meeting ended at 2.10 p.m.

REPORT TO: Mersey Gateway Executive Board

DATE: 18th June 2007

REPORTING OFFICER: Mersey Gateway Project Director

SUBJECT: Mersey Gateway

WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

- 1.1 This report covers the progress made in the delivery of Mersey Gateway since the meeting of the Mersey Gateway Executive Board (MGEB) in October 2006.

2.0 RECOMMENDATION: That

- (1) the MGEB note the progress made towards delivering Mersey Gateway.

3.0 PROGRESS REPORT

Delivery Resources and Project Structure

- 3.1 The project team resources have been extended with the appointment of GVA Grimley, as planning consultants, and DTW as public relation consultants. Discussions with the Department for Transport (DfT), aimed at putting in place project management best practice, resulted in an Officer Project Board being established, chaired by the Council Chief Executive and accountable for the administration of the project. These developments are discussed in more detail at Item 3, and the finance required to support these appointments are included in the cost plan reported in Item 5.
- 3.2 In February, the Council Executive Sub Committee agreed to appoint DLA Piper as the new legal advisors for Mersey Gateway.

Liaison with Department for Transport

- 3.3 Two further quarterly progress meetings with the DfT have taken place since the last meeting of Mersey Gateway Executive Board in October 2006. The substantive issues covered in these meetings are addressed in Section 4 below.

4.0 PROJECT DELIVERY

4.1 The principle short term deliverables that have been achieved since October 2006 are:

- i) The draft Reference Design for the Mersey Gateway preferred route (Route 3A) has been completed in sufficient detail to support public consultation (see Item 2). The Reference Design includes proposals for adjusting the approach roads to Silver Jubilee Bridge (SJB) and is supported by the first phase of a public transport study. The response to public consultation will assist in refining the draft Reference Design prior to confirming the scheme to be submitted for planning approval early in 2008.
- ii) Revised estimates of project cost have been produced based on the draft Reference Design, supported by a more detailed appraisal of project risk. Overall project costs are stable in real terms, after allowing for inflation.
- iii) The new Traffic Model, required to satisfy one of the DfT funding conditions, has been developed up to draft model validation stage. The model is currently undergoing refinement to improve its performance to ensure it reflects the existing travel pattern and behaviour in the study network. Once the model performance compares satisfactorily in the base year, it can be used in a forecasting capacity.
- iv) DfT has considered our representation to adopt procurement based on an early concessionaire appointment, but their officers have given a strong message that this procurement approach would be much more controversial than taking forward conventional PFI procurement. The project team are now preparing to adopt a conventional PFI procurement strategy and the forward plan reflects this approach.
- v) Surveys to collect environmental, topographical and geotechnical data, required to support the environmental statement and procurement, are all close to completion.

4.2 The above, with the exception of the new Traffic Model, have been achieved to programme. The calibration of the new Traffic Model has experienced some delay due in part to a shortfall in the amount of existing information that has been made available to the Council, which has increased the work required to produce the model. Resources and forward plans have been adjusted to avoid any overall slippage in the project delivery programme (Item 5).

5.0 FINANCE

- 5.1 The Council has set a five year development budget to support project delivery up to the commencement of construction. Expenditure in the first year of the development programme was £3.6m, which represented a modest overspend when compared with the Council approved project budget of £3.5m. The slightly higher expenditure ensured that the Council would receive the full potential contribution from the North West Development Agency, who have committed to funding up to £3.5m of Mersey Gateway actual development costs incurred in 2006/07 financial year.

6.0 NEXT STEPS

- 6.1 The project plan has been adjusted to include an extensive public consultation exercise (see Item 2). This additional activity, combined with the increased costs associated with the greater workload required to deliver the traffic model, will require an increase in the budget profile for the current financial year. This increase is being managed by recovering cost from later years (more detail on future budgets and programme is given in Item 5).

7.0 KEY RISKS

- 7.1 The project now has a detailed risk register to support robust delivery.

8.0 POLICY

- 8.1 The progress made is consistent with delivering Mersey Gateway to programme and at best value.

9.0 EQUALITY AND DIVERSITY ISSUES

- 9.1 The new Mersey Crossing will improve accessibility to services, education and employment for all.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 10.1 Files maintained by the Mersey Gateway Project Team and the Highways and Transportation Department.

REPORT TO: Mersey Gateway Executive Board

DATE: 18th June 2007

REPORTING OFFICER: Strategic Director - Environment

SUBJECT: Mersey Gateway Public Consultation

WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

- 1.1 To seek the approval to proceed with the proposed public consultation exercise for Mersey Gateway based on the draft Reference Design.

2.0 RECOMMENDATION: That

- (1) the Mersey Gateway Executive Board agree that the proposed public consultation exercise, based on the draft Reference Design for the Mersey Gateway scheme, can commence as planned.

3.0 SUPPORTING INFORMATION

- 3.1 The Executive Board of 8th April 2003 approved the route known as 3A to be the preferred option for the route of the Mersey Gateway. This route was subsequently taken forward in the Major Scheme Appraisal that was submitted to the Department for Transport (DfT). Following this, in March 2006 the Mersey Gateway was granted entry into the DfT's Major Schemes Programme. Since programme entry, considerable work has taken place and we are now in a position to put forward a draft scheme layout for public consultation. This scheme layout is known as the Reference Design and for the first time includes draft proposals for adjusting Silver Jubilee Bridge, called SJB de-linking.
- 3.2 Arrangements are in hand to commence the consultation immediately following this Board meeting. The launch will commence a three month period of consultation that will involve:
- The notification of all directly affected landowners;
 - The provision of a scheme consultation leaflet (draft attached at Appendix 1), to all households and business premises in the Borough and;
 - A series of manned exhibitions at various locations during early to mid July 2007.
- 3.3 These consultations will serve a number of purposes. They will:

- Inform the public, institutions and businesses of the Mersey Gateway plans and proposed timetable for delivery;
- Ensure all interested parties are informed directly at the earliest appropriate opportunity of proposals that could directly impact upon them;
- Seek views and opinions on proposals, and to take the views received into account before confirming the scheme to be the subject of a planning application early in 2008;
- Provide an opportunity for the Council to respond to any adverse comments and to assist with mitigating potential objections prior to the formal planning process;
- Seek to build and maintain support for the project amongst its regional stakeholders; and
- Ensure that the project is employing best practice and meeting relevant consultation guidelines at all times.

3.4 All respondents to consultation will be able to give their views by a number of different media including questionnaires, e-mail, text and telephone. The consultation period will close on 21st September. The results will be collated together with draft recommendations on the Council response to the consultation results, and a report will be presented to the November meeting of this Board prior to publication.

3.5 In parallel with the consultation proposed for Mersey Gateway, the Council will also be publishing draft proposals for a Regeneration Strategy and Supplementary Planning Documents (SPD) for South Widnes. The Regeneration Strategy and SPD for South Widnes will assist with the integration of the Mersey Gateway scheme into the overall formal planning framework. This consultation is due to start this summer and will involve residents and businesses, particularly in the South Widnes area.

4.0 POLICY IMPLICATIONS

4.1 The public consultation materials will bring draft Reference Design into the public domain when the Council is in a position to amend proposals prior to confirming the scheme to be presented for formal planning approval.

5.0 RISK ANALYSIS

5.1 The proposed communication with affected landowners and the widespread publicity resulting from the consultation process may generate further requests for land to be purchased. A study to look at options to facilitate advanced land acquisition is proposed in Part II of the agenda.

6.0 EQUALITY AND DIVERSITY ISSUES

6.1 Mersey Gateway proposals support the Council policy towards equality and diversity.

7.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Scheme Reference Design Plans	3 rd Floor, Rutland House	Steve Eccles
Mersey Gateway, Communications Strategy	Rutland House	Steve Eccles
Mersey Gateway, Summary of Proposed Consultation Activity	Rutland House	Steve Eccles

REPORT TO: Mersey Gateway Executive Board

DATE: 18th June 2007

REPORTING OFFICER: Mersey Gateway Project Director

SUBJECT: Project Management and Procurement

1.0 PURPOSE OF THE REPORT

- 1.1 To seek the authority to modify the project management arrangements by establishing an Officer Project Board (OPB) with specific delegated authority to oversee the delivery of the project; to authorise the continuing liaison with the Mersey Crossing Group as a principle means for engaging with key local authority partners, government institutions and private sector interests; and to note that the project team resources have been extended with the appointment of GVA Grimley, as planning consultants and with the re-appointment of DTW/Politics International as communications consultants.

2.0 RECOMMENDATION: That the Mersey Gateway Executive Board (MGEB) approves:

- (1) the scheme of delegation for the Mersey Gateway Officer Project Board; and
- (2) that the partnering arrangements with the Mersey Crossing Group be maintained throughout project delivery.

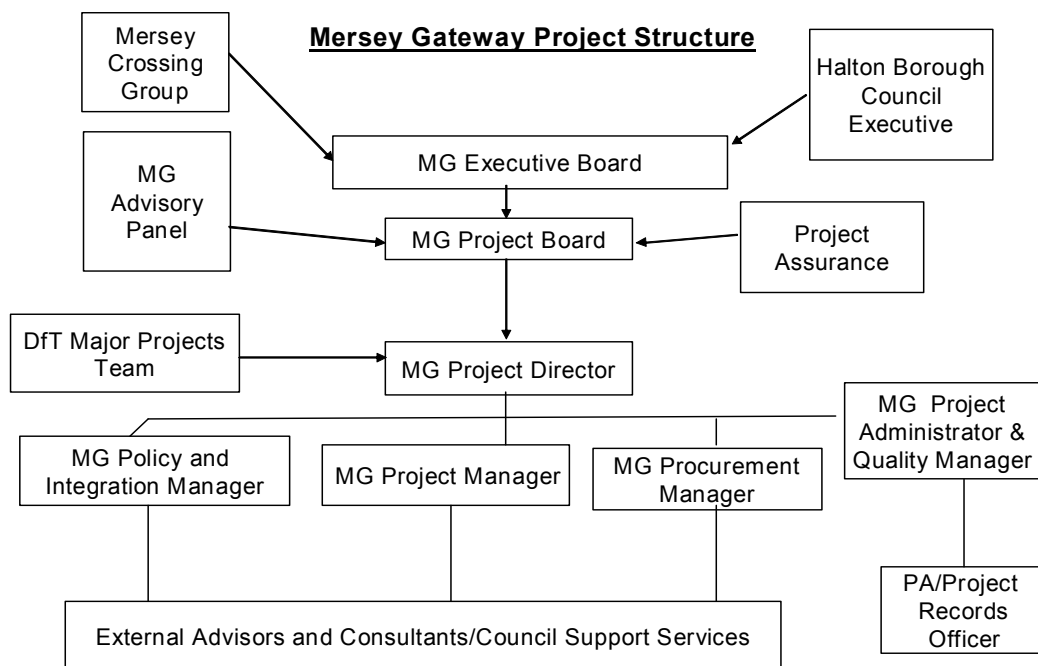
And to note that:

- (3) the project team has been bolstered with the appointment of GVA Grimley as planning consultants for Mersey Gateway and as planning policy advisor on matters connected with Mersey Gateway, and with the re-appointment of DTW/Politics International as communication consultants.

3.0 SUPPORTING INFORMATION

- 3.1 The Council responded to the Secretary of State's announcement on 29th March 2006 by establishing a dedicated project team charged with the delivery of the project. To meet the project programme and budget, it is essential that the project team, via the Project Director, has access to efficient decision-taking authority. The initial governance arrangements established this MGEB with the intention of it meeting at monthly intervals to deal with the emerging project issues. Experience with these initial arrangements called for a more streamlined decision-taking structure with clear delegation given to officers. The proposed

OPB would improve access to decision-taking authority, exercised within the limits of delegation given by the Council. The OPB has been trialled in recent months, chaired by the Chief Executive with the Strategic Director – Environment as the senior internal service customer for Mersey Gateway. The OPB benefits from varied senior officer support, including the Mersey Gateway Project Director. A draft Scheme of Delegation is at Appendix 1. The proposal would formally establish the OPB, working under the Scheme of Delegation, which would streamline decision-taking and enable the MGEGB to meet less frequently. The project structure would be modified to embrace the OPB as shown below:



- 3.2 The above structure also retains the Mersey Crossing Group (MCG) in an advisory capacity for the MGEGB. The MCG maintains the involvement of key stakeholders across the Liverpool City Region and north Cheshire. The group meets at least four times a year. It is proposed that the MCG be retained as part of the project structure during the five year pre-construction delivery phase.
- 3.3 Since the last meeting of the MGEGB, the project team has been extended to include GVA Grimley as planning consultants for Mersey Gateway and planning policy advisors to support the Council planning officers. The role of planning consultant is an additional requirement to the project resources agreed with the Council. The planning process for Mersey Gateway is complex and demands expert input to ensure that applications are robust. GVA Grimley have experienced staff and are well equipped to provide the quality of service required. They were

procured using the Government's Office of Government and Commerce (OGC) national framework agreements.

- 3.4 Tenders were also invited from selected communication consultants bidding to provide a support service for Mersey Gateway during the planning and procurement process. A partnership of DTW/Politics International was successful in being re-appointed after a stiff competition.

4.0 RESOURCE ISSUES

4.1 Officer Project Board and Mersey Crossing Group

- 4.1.1 The resources required to support both the operation of an OPB and the MCG are covered in existing Department and Mersey Gateway project budgets.

4.2 Appointment of GVA Grimley

- 4.2.1 The revised Mersey Gateway Project Budget (see Item 6) provides for the professional services required to support public consultation and to prepare the draft planning applications and orders. The role of GVA Grimley in supporting the Council planning officers is not covered in existing Department budgets. This issue is reported at Item 5.

5.0 KEY RISKS

- 5.1 The revised project governance would provide the project team with direct access to decision-taking authority where issues could be dealt with by the OPB or escalated to the MGEB, as determined by the delegation given to the OPB. The arrangements are consistent with the Council constitution.

6.0 POLICY

- 6.1 The proposals are consistent with delivering Mersey Gateway to programme at best value.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 The new Mersey Crossing will improve accessibility to services, education and employment for all.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 8.1 Files maintained by the Mersey Gateway Project Team and the Highways and Transportation Department.

Appendix 1

Scheme of Delegation for Mersey Gateway Officer Project Board

The Mersey Gateway Officer Project Board is responsible for the overall direction and management of the project and has responsibility and authority for the project within the remit (the Project Mandate) set by the Council Executive Board.

Membership

HBC Role	Name	PRINCE2 Role
Chief Executive	David Parr	Executive
Strategic Director – Environment	Dick Tregear	Senior User
Operational Director – Highways, Transportation and Logistics	Mick Noone	Deputy Senior User

Terms of Reference

- i) To ensure effective direction and management of the Mersey Gateway project within the constraints imposed by the MGEB; and
- ii) To set the Terms of Reference and the limits of delegation to the Mersey Gateway Project Director.

Specific Responsibilities

The Mersey Gateway Officer Project Board approves all major plans and authorises any major deviation from agreed Stage Plans. It is the authority that signs off the completion of each stage and authorises the start of the next stage. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it recommends the appointment of the Project Director to the Council Executive Board and determines the level of delegation and responsibility given to the Project Director. The Mersey Gateway Officer Project Board determines the level of independent project assurance measures to put in place which includes the appointment of a PRINCE2 project management auditor and the scrutiny role of the Mersey Gateway Advisory Panel.

The Mersey Gateway Officer Project Board has the following responsibilities.

At the current early phase of the project:

- Agree with the Project Director on that person's responsibilities and objectives;
- Confirm overall project resources and timetable;
- Specify external constraints and key project interfaces;

- Approve the Project Initiation Document (PID), ensuring it complies with relevant customer standards and policies, plus any associated contract with the supplier;
- Delegate project assurance roles to EC Harris and the Advisory Panel; and
- Commit project resources required for the next Stage Plan.

As the project progresses:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Review each completed stage and approve progress to the next;
- Review and approve Stage Plans and any Exception Plans;
- Take ownership of the HBC Mersey Gateway strategic risks monitored at corporate level;
- Approve changes; and
- Ensure compliance with Council policy and standing orders.

At the end of the project:

- Provide assurance that all products have been delivered satisfactorily;
- Provide assurance that all Acceptance Criteria have been met;
- Approve the End Project Report;
- Approve the Lessons Learned Report and the passage of this to the appropriate standards group to ensure action;
- Decide on the recommendations for follow-on actions and ensure passage of these to the appropriate authorities;
- Approve a Post-Project Review Plan; and
- Send project closure notification to corporate or programme management.

The Project Board is ultimately responsible for assurance that the project remains on course to deliver the desired outcome of the required quality to meet the Business Case defined in the PID.

REPORT TO: Mersey Gateway Executive Board

DATE: 18th June 2007

REPORTING OFFICER: Strategic Director - Environment

SUBJECT: Mersey Gateway - Government Policy Issues

WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

1.1 This report provides a summary of the recent land-use planning and local transport policy statements by Government that may impact on the delivery of Mersey Gateway.

2.0 RECOMMENDATION: That

(1) MGEB note the developments with Government policy and the potential impact on the delivery of Mersey Gateway.

3.0 SUPPORTING INFORMATION

Planning for a Sustainable Future – White Paper

3.1 Communities and Local Government Secretary Ruth Kelly has announced a series of major reforms to the planning system in England. The wide-ranging White Paper is out to public consultation and has four key pillars:

1. A better, quicker system to decide major infrastructure projects with enhanced community engagement and an improved level of expertise.
2. Simplifying the local planning system for householders to make it far easier to make home improvements like extensions and conservatories, where there is little or no impact on neighbours.
3. Planning playing a bigger role in tackling climate change.
4. Ensuring the planning system continues to support vibrant town centres.

3.2 It is the first of these proposed changes that has the most potential to impact on the delivery process for Mersey Gateway.

- 3.3 It is proposed to establish a new system for dealing with major infrastructure planning decisions notably covering transport, water, waste and energy schemes. The new system includes:-
1. A new national policy framework determined by Ministers and parliament setting out proposals to meet the country's key infrastructure needs for the next 10-25 years, bringing it together under one legal framework. These have yet to be produced and draft proposals will be subject to public consultation.
 2. A new stronger but clearer inquiry system with more expertise. This will be led by an independent commission consisting of leading experts from key sectors - including planners, lawyers, environmentalists and community experts - who will take decisions on individual projects. The new process will be less confrontational including "open floor" debates where residents can have their say rather than having to go before a court-room style inquiry hearing.
 3. A new legal requirement on developers to consult with the public and key parties such as environmental groups and heritage experts.
 4. Major expansion of free access to advice from planning professionals.
- 3.4 These proposals would need primary legislation. Ministers are working to establish the arrangements by April 2009.
- 3.5 The timetable is likely to be too late for Mersey Gateway unless certain proposals are implemented earlier than indicated in information currently available. It is also uncertain whether Mersey Gateway would be treated as a major infrastructure project. This will be determined by the Department for Transport and their priorities are likely to be major Highways Agency and Network Rail projects. It is possible however that large regional projects like Mersey Gateway will be given 'major project' status in the new planning regime.
- 3.6 Should an opportunity arise that would allow Mersey Gateway to follow the new planning process for major projects, it could save up to 9 months on the programme and the simplified procedure would also reduce delivery risk.
- 3.7 The Mersey Gateway project team will explore with Department for Transport officials if aspects of the new planning regime are to apply to the planning process being taken forward. The results of these discussions will be reported to the next meeting of MGEB.

Local Transport Bill

- 3.8 A draft Bill to help improve public transport across the country and cut congestion in our towns and cities was published by the Government on 22 May. The draft Bill sets out proposals to restructure how local transport is delivered within communities. Its focus is on empowering local authorities to take action to meet local transport needs.
- 3.9 If approved by Parliament the draft Bill would:
- a. Give local authorities a mix of powers to improve the quality of local bus services, as foreshadowed in the government's Putting Passengers First published last December following an extensive bus policy review.
 - b. Empower local authorities in major urban areas to review and propose their own arrangements for local transport governance to support coherent and effective transport planning and delivery.
 - c. Update existing powers so that where local areas wish to develop proposals for local road pricing schemes, they have the freedom and flexibility to do so in a way that best meets local needs.
- 3.10 The potential impact on Mersey Gateway is quite extensive across the range of the proposed policy changes.
- 3.11 On local governance arrangements the Bill proposes that there is a need to align strategic decisions on public transport and highways. This is already in place in Halton but the changes will impact on the development of transport governance arrangement for the Liverpool City Region. Halton is expected to be part of these developing sub-regional arrangements. The Bill if approved would compel the existing Passenger Transport Authorities in the six former metropolitan counties to review existing arrangements and put forward proposals for change. The Secretary of State would examine recommendations alongside the proposals emerging from a similar review of the governance required to deliver regional economic and regeneration policy, prior to confirming the appropriate governance arrangements for transport for each city region.
- 3.12 The revised governance proposal for the Liverpool City Region would then oversee the production of an Integrated Transport Strategy (to cover 10 to 15 years) supported by implementation plan for the first three to five years of that period. It is planned to have the new governance arrangements and policy statements in place by 2011, when the current Local Transport Plan period ends. It is uncertain how the changes will impact on the current Local Transport Plan regime as guidance in this area is to follow later this year. The time table to establish governance and transport policy for the Liverpool City Region runs in parallel with the programme to deliver planning powers and

procurement for Mersey Gateway. It will be important to protect the promoting authority for the project in circumstances where potential changes in transport governance are being formulated.

- 3.13 The final area of the Bill relates to taking forward local road pricing schemes. The Government again makes it clear the no decision has been taken on whether or not to introduce a national road pricing scheme but they are keen to work with local authorities to bring forward local road charging schemes to provide solutions to local problems. The Bill contains proposals which are intended to empower local authorities to deliver local road pricing schemes but the Government also wants to ensure that schemes are implemented in a consistent and interoperable way. The latter objective is to be delivered through compliance with road user national road user charging standards and guidance not yet published.
- 3.14 The detail of the proposals to empower local authority to deliver road user charging schemes relate mainly to proposed changes to the Transport Act 2000 that we intend to use for the Mersey Gateway project. In general these changes will be helpful in delivering the charging powers but the proposals stop short of amending the New Roads and Street Works Act (NRSWA) that we had requested the Department for Transport to include in the Bill. There is an opportunity to remind the Department for Transport that we would like the NRSWA to be amended when the Council responds to the public consultation with comments.

4.0 POLICY IMPLICATIONS

- 4.1 The Council has the opportunity to comment on the Planning White Paper and the draft Local Transport Bill up until early September.

5.0 RISK ANALYSIS

- 5.1 The risks to Mersey Gateway are discussed in the background information above.

6.0 EQUALITY AND DIVERSITY ISSUES

- 6.1 Mersey Gateway proposals support the Council policy towards equality and diversity.

7.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 7.1 Files maintained by the Mersey Gateway Project Team and the Highways and Transportation Department.

REPORT TO: Mersey Gateway Executive Board

DATE: 18th June 2007

REPORTING OFFICER: Mersey Gateway Project Director

SUBJECT: Finance and Programme

1.0 PURPOSE OF THE REPORT

- 1.1 To seek agreement to the revised expenditure profile and the adjusted programme for Mersey Gateway. The changes are necessary to accommodate the decision to undertake public consultation and the outcome of discussions with the Department for Transport (DfT) confirming that the method of procurement is likely to be based on a conventional Private Finance Initiative procedure.

2.0 RECOMMENDATION: That the Mersey Gateway Executive Board approves:

- (1) the revised project expenditure profile for development cost; and
- (2) the adjusted programme of key milestone events.

And to note that:

- (3) the work required to develop spatial policy in the Mersey Gateway corridor is not covered in the current Environment Department budget, and spending priorities within the Department are under review.

3.0 SUPPORTING INFORMATION

- 3.1 The Mersey Gateway project plan has been adjusted to accommodate the following developments:
- i) To undertake extensive public consultation on the draft Reference Design proposals prior to confirming the scheme to be presented for planning approval.
 - ii) To prepare for conventional PFI Procurement based on the outcome of discussions with the DfT on procurement options; and
 - iii) To allow more time for the new traffic model to be developed to improve the reliability of model predictions.
- 3.2 The benefits of undertaking public consultation prior to confirming the scheme to be submitted in the planning application are discussed at

Item 1. To allow time for the public consultation results to be assessed, it is proposed to put the planning application back from October 2007 to early 2008. The revised dates for achieving the key project milestones are as follows:

Public Consultation Ends	September 2007
Public Consultation Results Announced	November 2007
Submit Planning Application and Publish Draft Orders	Early 2008
Public Inquiry	Late 2008
SoS Decision on Orders	Late 2009
Invite Tenders	Spring 2010
Financial Close/Construction Starts	Summer 2011
MG Road Opens	2014

- 3.3 In taking forward a project of the scale of Mersey Gateway, the Council recognised that there would be considerable additional pressure on a number of Departments that would be called upon to support the project team. Such additional work pressure is now evident in the Planning Department. The Council spatial planning policy is required to be modified to embrace the confirmation of the Mersey Gateway project. The scope of work required includes the preparation of Supplementary Planning Document(s) along the Mersey Gateway route and a master planning exercise to ensure the Council sets out to capture the maximum regeneration benefit from the project. This is a catching up process and consequently the work is not covered by existing budgets. The resource requirements are reported below.

4.0 RESOURCE ISSUES

- 4.1 The additional work required to be undertaken this year will modify the budget profile as indicated below:

Approved Budget	2006/7	2007/8	2008/9	2009/10	2010/11	2011/12	Total
Total	£3.50m	£3.25m	£2.65m	£1.75m	£2.0m	£0.85m	£14.0
Revised Profile	£3.60m	£3.75m	£2.50m	£1.55m	£2.0m	£0.60m	£14.0

- 4.2 The current position with the financing arrangements for the revised budget profile is given in the following table:

Year	Spend	Contributions	Prudential Borrow	Total	Shortfall
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		3 rd Parties	Grant	Tranche 1	Tranche 2		
06/07	£3.60m	£3.50m		£0.10m		£3.60m	£0.0m
07/08	£3.75m			£3.75m		£3.75m	£0.0m
08/09	£2.50m			£0.63m	£1.87m	£2.50m	£0.0m
09/10	£1.55m				£0.38m	£0.38m	£1.17m
10/11	£2.00m		£1.2m			£0.80m	£0.80m
11/12	£0.60m						£0.60m
Total	£14.0m			£4.48m	£2.25m		£2.57m

- 4.3 A bid for £2m from ERDF Objective 1 transitional funds is under consideration to reduce the shortfall. The need for further prudential borrowing will be kept under review alongside the development of the external contributions secured.
- 4.4 The above cost plan does not cover the corporate and policy support that will be required from several Council Departments. The requirement for additional planning policy development is estimated at £135k and there is currently no allowance for this expenditure in the Department budget. It is proposed that priorities are reviewed to release these funds. In future years, the support requirements for Mersey Gateway will be identified in Department Service Plans.

5.0 KEY RISKS

- 5.1 The revised project governance would provide the project team with direct access to decision-taking authority where issues could be dealt with by the Officer Project Board (OPB) or escalated to the Mersey Gateway Executive Board, as determined by the delegation given to the OPB. The arrangements are consistent with the Council constitution.

6.0 POLICY

- 6.1 The proposals are consistent with delivering Mersey Gateway to programme at best value.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 The new Mersey Crossing will improve accessibility to services, education and employment for all.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 8.1 Files maintained by the Mersey Gateway Project Team and the Highways and Transportation Department.

Scheme of Delegation for Mersey Gateway Officer Project Board

The Mersey Gateway Officer Project Board is responsible for the overall direction and management of the project and has responsibility and authority for the project within the remit (the Project Mandate) set by the Council Executive Board.

Membership

HBC Role	Name	PRINCE2 Role
Chief Executive	David Parr	Executive
Strategic Director – Environment	Dick Tregear	Senior User
Operational Director – Highways, Transportation and Logistics	Mick Noone	Deputy Senior User

Terms of Reference

- i) To ensure effective direction and management of the Mersey Gateway project within the constraints imposed by the Mersey Gateway Executive Board; and
- ii) To set the Terms of Reference and the limits of delegation to the Mersey Gateway Project Director.

Specific Responsibilities

The Mersey Gateway Officer Project Board approves all major plans and authorises any major deviation from agreed Stage Plans. It is the authority that signs off the completion of each stage and authorises the start of the next stage. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it recommends the appointment of the Project Director to the Council Executive Board and determines the level of delegation and responsibility given to the Project Director. The Mersey Gateway Officer Project Board determines the level of independent project assurance measures to put in place which includes the appointment of a PRINCE2 project management auditor and the scrutiny role of the Mersey Gateway Advisory Panel.

The Mersey Gateway Officer Project Board has the following responsibilities.

At the current early phase of the project:

- Agree with the Project Director on that person's responsibilities and objectives;
- Confirm overall project resources and timetable;
- Specify external constraints and key project interfaces;

- Approve the Project Initiation Document (PID), ensuring it complies with relevant customer standards and policies, plus any associated contract with the supplier;
- Delegate project assurance roles to EC Harris and the Advisory Panel; and
- Commit project resources required for the next Stage Plan.

As the project progresses:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Review each completed stage and approve progress to the next;
- Review and approve Stage Plans and any Exception Plans;
- Take ownership of the HBC Mersey Gateway strategic risks monitored at corporate level;
- Approve changes; and
- Ensure compliance with Council policy and standing orders.

At the end of the project:

- Provide assurance that all products have been delivered satisfactorily;
- Provide assurance that all Acceptance Criteria have been met;
- Approve the End Project Report;
- Approve the Lessons Learned Report and the passage of this to the appropriate standards group to ensure action;
- Decide on the recommendations for follow-on actions and ensure passage of these to the appropriate authorities;
- Approve a Post-Project Review Plan; and
- Send project closure notification to corporate or programme management.

The Project Board is ultimately responsible for assurance that the project remains on course to deliver the desired outcome of the required quality to meet the Business Case defined in the PID.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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