

Gateway Review 4

Readiness for service

Authority Name: East Sussex County Council
Project Name: Bexhill to Hastings Link Road

Version number: Final v1.0

Date of issue to PO: 20/03/2015

Project Owner: Becky Shaw

Gateway Review dates: 18/03/2015 to 20/03/2015

Gateway Review Team Leader:

Martin Dove

Gateway Review Team Members:

Rachel Jones

Val Knight

Martin Pollard

This report is an evidence-based snapshot of the project's status at the time of the review. It reflects the views of the independent review team, based on information evaluated over a three to four day period, and is delivered to the Project Owner immediately at the conclusion of the review.

Gateway reviews has been derived from OGC's Successful Delivery Toolkit which is a Crown Copyright Value Added product developed, owned and published by the Office of Government Commerce. It is subject to Crown copyright protection and is reproduced under licence with the kind permission of the Controller of HMSO and the Office of Government Commerce.

The Delivery Confidence assessment RAG status uses the definitions below.

RAG	Criteria Description
Green	Successful delivery of the project/programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly
Amber/Green	Successful delivery appears probable however constant attention will be needed to ensure risks do not materialise into major issues threatening delivery
Amber	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun
Amber/Red	Successful delivery of the project/programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and whether resolution is feasible
Red	Successful delivery of the project/programme appears to be unachievable. There are major issues on project/programme definition, schedule, budget required quality or benefits delivery, which at this stage does not appear to be manageable or resolvable. The Project/Programme may need re-baselining and/or overall viability re-assessed

Background

The aims of the programme

The Bexhill to Hastings Link Road (BHLR) is a scheme to construct a 5.6km long single carriageway road between the A259 in Bexhill and the B2092 Queensway in Hastings. BHLR's primary purpose is economic regeneration of the two towns it links and the land between.

The driving force for the programme

The BHLR has a long history stretching back in one form or another for some 40 years. The justification for the road is based on:

- The need to regenerate the economy of the Hastings and Bexhill area.
- A recognition that the lack of connectivity between the two towns themselves and other parts of the south east is a major factor in the overall economic and structural problems facing the area.
- Relieving congestion on the A259 coastal road, the only east west link road between the two towns.

In recent years, the road has featured in:

- The South Corridor Multi-Modal Study (SoCoMMS) commissioned by the government in 2001 to develop a 30 year transportation strategy for the coastal corridor between Southampton and Ramsgate. As a result of this study, the Secretary of State for transport invited ESCC to develop proposals for the construction of a local link road between Bexhill and Hastings and to work closely with the Statutory Environmental Bodies in doing so.
- The County Council's Local Transport Plan 2011-2026.
- The South East Local Enterprise Partnership (SELEP) 's Strategic Economic Plan (as part of the A21/A259 Hastings-Bexhill growth corridor).

The BHLR is a key component of an established long term strategy to address the economic performance of one of the most deprived areas in the South East. The BHLR will unlock a significant new employment-generating development in an area covered by the SELEP. The SELEP along with the local business community, fully support the BHLR and significant levels of Growing Places funding has been allocated to support the provision of employment space to stimulate economic growth in the area.

As part of the A21/A259 Hastings – Bexhill Growth Corridor, outlined in the SELEP's Strategic Economic Plan, the BHLR will support the delivery of housing and employment growth in both towns. The Link Road opens up and supports the early release of land identified in the Rother Local Plan for commercial and housing development – over 50,000sqm of employment space creating up to 2,000 jobs, and at least 1,300 new homes – in the North East Bexhill area and hence represents the most significant housing site and opportunity for job creation in the area.

The procurement/delivery status

Findings and recommendations

1: Business case and stakeholders

Cost and affordability

Since the original business case, the total project cost has increased significantly. It is recognised that this is a high cost road scheme, in part due to the environmental conditions set by the statutory consultees, the geology of the area making the construction complicated and the more extensive archaeological excavation.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] The JV continues to have the ability to make compensation events up until project completion. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Recommendation 1: Prepare likely cost scenarios to inform the commercial strategy for the opening of the road and completion of the contract

[REDACTED]
[REDACTED]
[REDACTED] ESCC approved additional capital funding in February 2015 from their capital programme for the project of £2.9m. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] The Department for Transport (DfT) provided a grant of £56.8m, which has been fully drawn down and no further funding is available from this source.

In January 2015, the ESCC Cabinet established a [REDACTED]
[REDACTED] to cover four sets of risks across the capital programme, one of which was the uncertainty about delivery of projects, including the Bexhill to

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Recommendation 4: [REDACTED]

[REDACTED]

These are

Recommendation 6: [REDACTED]

[REDACTED]

Development of East Bexhill Business Park, which is adjacent to the road, is happening concurrently and is a key part of the Seachange Sussex plans to generate economic and employment benefits.

At a site level, lessons are being learned about and re-used in the construction programme. Wider lessons learned about the project management and delivery need to be captured by the Project Board in the current phase, as well as the lessons learned process at the end of the project. This can be used to inform the delivery of other ESCC projects and other road projects.

Next Gateway Review

This Gateway 4 Review is a readiness for service review and normally the next Gateway Review, Gate 5 benefits realisation and operational delivery would be after the post project monitoring and evaluation, approximately a year after opening. The SRO may wish to consider the value of a repeat Gateway 4 or a Healthcheck to revisit the readiness for service of the road later this year.

APPENDIX B

Interviewees

NAME	ROLE
Becky Shaw	Chief Executive and SRO, ESCC
Rupert Clubb	Project Board Member and Director of Communities, Economy & Transport, ESCC
Casper Johnson	County Archaeologist, ESCC
Robert Fox	Local Major Transport Projects, Department for Transport Project Sponsor
Bob Pape	Project Manager BHLR, ESCC
Chloe De Renzy Martin	Engagement Officer BHLR, ESCC
Mark Foster	Supervisor, BHLR, Mott MacDonald
Steve Trett	QS Team Leader BHLR, Mott MacDonald
Karl Taylor	Project Sponsor and Project Board Member, Assistant Director, Operations and Contract Management, ESCC
James Harris	Assistant Director, Economy including Economic Regeneration Strategy, ESCC
Tony Cook	Project Board Member, Head of Service, Planning and Environment, ESCC
Robert Freeman	Solicitor, ESCC
Mo Hemsley	Project Board Member and Assistant Director, Business Services, Strategic Projects, ESCC
Warwick Smith	Head of Communications, ESCC
John Shaw	Chief Executive Officer Seachange Sussex