



Project Change Request Form

This document should be used to seek approval to change one or more of the agreed parameters of the project e.g. budget, deadlines.

It can also be used for changes that have already happened or that are already within planned work that will mean the project falls outside of the agreed tolerances (“slippage”). For example, if additional or reduced finances is required, a change request should be completed.

The Change Request will be considered in line with the agreed parameters and delegations and may need to be referred to the Combined Authority Board, depending on the level of change being requested. The change should not be implemented until Project Board/CPCA approval is obtained.

Please ensure a copy Project Change Request form is saved down in the project folder on SharePoint and that changes are recorded on the project highlight reports.

| Details of change request | |
|--|-------------------------------|
| Project Name | Date of change request |
| Wisbech Access Strategy Phase 1 Delivery | 29/06/2021 |
| Project Manager | Project Director |
| Steve Brown | Dom Donnini |
| Background | |
| <p>The Wisbech Access Strategy project was awarded £10.5million of LGF in 26 November 2018 to complete a package of 5 road junction improvements and on 27 July 2020 the Business Board approved a change request to reduce the scope of the project from 5 junctions down to 3, along with a reduction in the LGF allocation from £10.5million to £6million, with the resulting funding gap of £4.5million being filled by other Combined Authority funding.</p> <p>This change request is being submitted to reduce the scope of the project from design and full construction of the 3 junctions to completing the Detailed Design stage for all three projects, including land procurement work. Then to seek other procurement and funding routes to deliver the three projects.</p> | |
| Reason for change | |
| <p>The forecast project outturn to deliver the three schemes identified in Phase 1 of the Wisbech Access Strategy exceeds the available budget.</p> <p>Updating the construction forecasts to reflect the current scheme designs and current market rates from the Term Service Contractor Milestone has led to identification that the three schemes which make up the Wisbech Access Strategy Phase 1 delivery package cannot be delivered with the available funding. For the project to continue, the project team has identified that either the scope of the project is reduced to meet the available funding, or that additional funding be sought to enable delivery of all three schemes.</p> <p>Two of the three schemes that comprise the Wisbech Access Strategy Phase 1 (EH1 and EH7b) have progressed through the detailed design stage, with the design maturing to the</p> | |



point where the Road Safety Audit stage 2 has been carried out and outcomes either incorporated into the design or responded to.

An updated construction estimate has therefore been prepared in June 2021, updating the construction estimates developed at the end of preliminary design back in November 2019, and taking into account current market rates in 2021.

Due to the maturity of the design of each scheme and additional information being considered in the design process, the assumptions made during the preliminary design pricing process have been clarified. This project maturity lead to additional earthworks and pavement requirements for example. Trial holes investigation work have also identified that much of the material to be disposed of cannot be classified as inert, but as non-hazardous, leading to additional disposal costs for this material. Utility companies have also updated their diversion work requirements and are included in the update. Due the the high volume of utilities in the area the use of vacuum excavation is also included as part of Milestone's Safe Systems of Work and cost. The design has also been subject to the requirements of new design standards above those required on the existing network. As two of the three projects are on Highways England network, the HE have required the design to meet these new standards. This has resulted in additional crash barriers on the A47 and increased asphalt specification requirements, which has in turn increased construction costs.

As the design has matured the construction team had the opportunity to assess and developed draft traffic management plans to deliver the project successfully. This also had an impact on construction duration and cost.

Other options considered

The project team have considered multiple options and the potential pros and cons of each as detailed below:

1. Deliver all three junction projects (EH7b, EH1, BER2) and seek the additional £9.5m funding to cover this.
2. Deliver two of the three projects (EH7b & EH1), delaying the third (BER2) until a future date. (BER2 land procurement will be included but utility diversion, construction and risk will be removed), and seek additional funding to cover this.
3. Deliver two of the three projects (EH7b & BER2), delaying the third (EH1) until a future date. (EH1 land procurement will be included but utility diversion, construction and risk will be removed), and seek additional funding to cover this.
4. Deliver two of the three projects (EH1 & BER2), delaying the third (EH7b) until a future date. (EH7b land procurement will be included but utility diversion, construction and risk will be removed), and seek additional funding to cover this.
5. Deliver 1 project (EH7b) and complete the design of other two projects. Cease land procurement, utility diversion, construction and risk of the other two projects (EH1& BER2), and seek additional funding to cover this.
6. Deliver 1 project (BER2) and complete the design and land procurement of the other two projects. Cease utility diversion, construction and risk of the other two projects (EH7b 7& EH1), and seek additional funding to cover this.





7. Deliver 1 project (EH1) and complete the design of other two projects. Cease land procurement, utility diversion, construction and risk of for the other two projects (EH7b and BER2) and seek additional funding to cover this.

8. Complete Detailed Design for all three junction projects, including land procurement work. No construction, place the projects on hold until additional funding can be found to deliver the projects.

9. Complete Detailed Design for all three junction projects, including land procurement work. Seek other procurements routes to deliver the three projects.

10. Complete Detailed Design for all three junction projects, including land procurement work. Seek other procurements routes to deliver a combination of project with Milestone and others undertaking some of the projects.

11. Stop designs and all project development immediately and return any remaining funding after settling all outstanding costs.

Costs of implementing the change

Total project costs to progress the preferred Option 9 are £3.97M, including funds expended to date plus the cost of completing all design works, securing remaining land and running other procurement routes. This requires further spending of £1.88m LGF funds on top of the £2.09m (excluding utilities) spent to date to deliver the project to an end of detailed design stage, to a total cost of £3.97m

In addition to £3.97m the statutory utilities have been forward funded £1.83m to date to assist with BEIS funding agreement expenditure, should the project not go ahead, the vast majority of this will be recoverable as physical diversion works will not commence until the construction of the scheme has been given the go ahead.

The option will delay the construction commencement of the projects by 3-6 months.

However the requested option still allows the following to happen:

1. Complete designs for all three projects by the end 2021
2. Secure all HE and Norfolk CC approvals by the end 2021
3. Progress and secure planning matters and discharges
4. Secure all land parcels for all three projects by the end 2021
5. Allow alternative accommodation to be secured for the two tenants of the flats on the Elm High Road Junction with Weasenham Lane project during 2021
6. Agree and firm up costs and programmes with numerous statutory undertakers
7. Package up the project designs, and works information in late 2021 to allow other procurement routes for construction to be tested, in addition to the current option of delivering construction through the term service contract with Milestone. The outcome will be a competitive procurement exercise and/or framework that ensures quality and value for money, that may lead to considerable construction cost reduction across the elements of project.
8. The construction costs and delivery programme obtained through this process, will be contractually secured to commence construction in 2022, and future decisions regarding delivery of the three projects can be taken with confidence on both cost and programme for construction.
9. The cost and programme certainty obtained from this option, will support opportunities to seek for additional funding, to obtain the budget to enable delivery of all three junctions within the project.

However it should be noted that ongoing market pressures including inflation, Brexit, the pandemic, government infrastructure and a buoyant housing market appear to be increasing pressure on



resources. Materials, especially where these are imported, are seeing vast cost increases and significant delays. This has been compounded by the impact of the Suez canal blockage earlier this year. There is also a notable increase in the number of deliveries stuck in ports, such as Harwich and Felixstowe, with insufficient UK HGV drivers to move containers and the material they hold. This is impacting construction projects both across the UK and regionally and could lead to further increases to construction costs and programme when re-tendered.

Risk of implementing the change

The risk of allowing further spending of LGF to the £3.97m design and land purchase completed stage is that even though the project becomes off the shelf ready the project never actually gets taken forward at some point in the future to be delivered because construction costs continually rise exponentially even with another procurement exercise in 2022 to obtain market best value, and as such never delivers the outputs or outcomes in the LGF project change request agreed in July 2020.

Decisions/approval for change

Business Board decision

| | |
|-------------------|---|
| Name of Director: | John T Hill Director Business & Skills |
| Decision: | |
| Date of Decision: | |