

REPORT OF THE CORPORATE DIRECTOR, PLACE**GEDLING ACCESS ROAD – PROGRESS REPORT****Purpose of the Report**

1. To inform Committee of delivery progress with the Gedling Access Road (GAR) scheme.
2. To inform Committee of the latest costs for the delivery of the GAR and the overall project position.

Information

3. The GAR is a new highway which will be a classified road from the B684 at Mapperley Plains for a distance of 3.8 km to a junction with the A612 at Trent Valley Road/ Nottingham Road. It is a significant and complex scheme with over 512,000 cubic metres of earthworks required to achieve the desired new road alignment.
4. There have been a number of reports provided to relevant committees on the GAR for both approvals and endorsement as the scheme has developed over many years. These are listed as background papers.
5. The previous full scheme update provided to Committee was at the Communities and Place Committee meeting in March 2021.

Scheme Benefits

6. The scheme will provide significant economic and congestion reduction benefits and is required to unlock new housing in the Gedling Local Plan, create jobs and ease congestion locally. The first key objective of the GAR is that it will enable the sustainable redevelopment of the former Gedling Colliery/Chase Farm site and adjoining land for mixed-use purposes by providing safe and adequate access to the proposed residential, employment and community related uses envisaged for these sites. In essence the road enables this substantial development, which could not proceed without it.
7. The former Gedling Colliery/Chase Farm site is owned by Homes England and is being developed by Keepmoat Homes. Progress on the development of this site is underway, with over 270 new homes already built. In total, the GAR will enable an estimated 1,050 new homes to be delivered on this development, supporting a key element of Gedling Borough Council's Local Plan and providing much needed new housing. Without the GAR, a maximum of 315 homes could be constructed.
8. Further development will also occur as a direct result of the GAR. Within the Gedling Local Plan, two sites are contingent on the delivery of the GAR:
 - 120 homes at the Linden Grove site off Burton Road (outline planning permission awarded in January 2021).

- 110 dwellings at Willow Farm – currently allocated as housing land.
9. Other sites are also coming forward that have been unlocked by the GAR. These include:
- 73 homes at Chase Farm. Here, the development can only be implemented when the GAR is delivered as access will be from the GAR.
 - 30 dwellings (estimate) at land off Mapperley Plains
10. The other significant objective of the GAR is that it will also provide a 'bypass' link east of Gedling to the wider road network and consequently Nottingham city centre. This link has been proposed for several decades and the scheme's delivery will secure this long-awaited key link. In particular, the construction of the GAR will have positive impacts on the local transport network by improving connectivity and reducing traffic flows along the A6211 Arnold Lane/Main Road corridor, thereby reducing traffic congestion in Gedling village. These roads are at present either at, or nearing, capacity and therefore provide neither a safe nor a pleasant environment for both local residents and drivers.
11. The transport user benefit appraisal for GAR indicates that journey time savings and other safety and efficiency benefits are worth at least £73m to the local economy.

Community Benefits

12. As part of the contract and delivery of the GAR there are a number of elements being brought together that add value and benefit to the local community. This includes an Employment and Skills Plan (ESP), social value and Considerate Constructors Scheme.
13. Despite the challenges posed by Covid-19, the GAR project team has delivered a social value plan and sought to achieve the targets set out in the ESP. Key achievements have included:
- **Leave Live events** – 2 virtual broadcast events, reaching over 6,000 students in the Nottinghamshire, Derby, Mansfield, Loughborough and Leicester areas have been held, the aim of which has been to inspire the next generation of construction professionals in the East Midlands. This included 15 volunteers from Balfour Beatty, Arc Partnership, Via EM, Gleeds and the Council who took part in filming of both their personal stories and filming activity on the GAR and Top Wighay Farm sites.
 - **5,836 Nottinghamshire Students Reached through Careers Events** - 11 events having been organised and attended since the project began.
 - **Over 1000 Volunteering Hours Completed** – With 3rd Woodthorpe Scout Group, Hilltop Nurseries, Burton Road Litter Picking and Arnold Foodbank
 - **6 Work Experience Placements**
 - **3 Graduates completing qualifications on Contract**
 - **19 Local directly employed staff**
14. In terms of landscaping and ecology, the GAR scheme will see a net increase in the area of Woodland of 16,700 m² and 430 trees planted, with the vast majority being native species. Wildlife friendly wetlands are being created as part of the drainage balancing ponds. Impacts on wildlife are being mitigated by the creation of bat hop overs and amphibian and badger tunnels including the planting of 85,000 m² of new grassland. Wildlife hedges with nuts and berries have been planted on the approach to the badger tunnels to guide badgers to the tunnel entrances.

Covid Challenges

15. Main construction work started on the GAR on 6th January 2020, with the construction of the new road being followed by highway realignment on Arnold Lane and completion of the Arnold Lane/Mapperley Plains junction in Autumn 2021. This phasing of works is required as Arnold Lane will need closing to facilitate its realignment and GAR will be used as its diversion route.
16. Like any major infrastructure project, the scheme has faced a number of challenges during construction, which have impacted upon delivery and cost. These have been reported to Communities and Place Committee and Finance Committee. Most recently however, over the summer and early autumn, a detailed project financial assessment of the impact of Covid and other factors has taken place, leading to this report and an updated financial and timescale forecast for the completion of the scheme.
17. The most significant influencing factor on the scheme has been the Covid pandemic. In this respect, at the beginning of the pandemic, the Council chose to proceed with construction rather than halt the project, due in part to the significant benefits outlined above. Pausing the scheme would have delayed the opening of the road for an unknown period of time, extending disruption to local residents and resulting in significant additional costs (mothballing the site, contractor costs and inflationary impact), as well as delaying the delivery of the benefits set out above.
18. Construction work activities have followed national Covid Site Operating Procedures issued by the Construction Leadership Council to reflect Government guidance. Currently, only those essential to the delivery of the construction works are permitted onsite. Phasing of construction works has been managed throughout 2020 and 2021 to minimise the issues that have been encountered from the Covid pandemic which has impacted on construction works, utility diversions, conveyancing, and statutory licencing requirements.
19. During the course of the scheme construction phase, Covid and other related factors have impacted upon costs. These are set out in the table below and relate to main contractor, sub-contractors, utility company works and statutory approvals costs. The total value of the current and forecast Covid related additional costs is **£4.470m**.

Summary forecast of Covid related additional costs

Description	Additional Cost
Construction delays related to the granting of the European Protected Species (EPS) licence	£1.600m
Construction delays with the completion of the diversion of Openreach (BT) apparatus at the GAR junction with Mapperley Plains	£1.800m
Additional construction delays and costs associated with Covid	£1.070m
Total	£4.470m

20. As a result of the impact of Covid a full assessment of the construction period remaining has been made and it is expected that the GAR will be open to traffic by Spring 2022. Once GAR is open then there will be a full closure of Arnold Lane adjacent to the golf course to enable Arnold Lane to be realigned onto the new 5-arm roundabout. In addition, modification will be made to the Arnold Lane/Mapperley Plains/Gedling Road junction that also includes resurfacing. This further work will continue once the GAR is open.

Other Challenges

21. At the Communities and Place Committee meeting on 4th July 2019 approval was granted for the County Council to enter into contract with Balfour Beatty to deliver the main construction works for the GAR. Balfour Beatty were appointed through the Midlands Highways Alliance using the Medium Schemes Framework 3 (MSF3). Via EM is the delivery agency for the GAR, with responsibility for managing and delivering the scheme.
22. As with any major construction scheme, changes have been made to the scope of works due to factors such as unexpected site conditions and adverse weather. The table below gives the total value of the current and forecast non-Covid additional costs relating to the scheme. The total value of the current and forecast non-Covid related additional costs is **£4.149m**

Summary forecast of non-Covid related additional costs

Description	Additional Cost
Adverse weather conditions experienced in December 2020, January 2021, and May 2021	£0.686m
Unexpected site conditions - additional land contamination, clashes with existing services, unexpected groundwater/drainage systems	£1.123m
Other costs including necessary scope and design changes.	£2.340m
Total	£4.149m

23. Throughout the main construction works, the project team have continued to explore value engineering options to minimise the impact on the overall project costs. To date this has generated £0.690m of savings. Examples include:
- Pencil omission (pile foundations across former railway cutting), saving £0.457m and dealt with by surcharging and settlement monitoring.
 - Capping/subbase reduction, saving £0.173m due to ground conditions and actual measurement achieved.

Overall Costs

24. The latest total forecast cost therefore includes additional costs of **£8.619m** over and above the original construction scheme budget. This comprises £4.470m Covid related costs and £4.149m non-Covid costs. It is recommended that a further contingency of £1.0m is set aside from capital contingencies to cover additional costs over the remainder of the project, given the continuing impact of the Covid pandemic.
25. Whilst firm statistical data on the impact of Covid-19 on other similar infrastructure projects is limited, current sector surveys indicate that the pandemic – and more latterly, supply, supply chain and inflation costs – is having a significant impact on major highways project costs elsewhere, with project costs increasing by 20% + in many instances.
26. The report approved by Finance and Property Committee on 19th September 2016 that approved the delivery of the GAR included information that confirmed that the County Council would meet costs over and above the contributions of partners to the scheme. This approach to project risk is usual in the delivery of large-scale infrastructure schemes by Councils, especially where Government is a significant funder, and is required to unlock Government funding and ensure scheme delivery.

27. The funding contributions by each development partner for the GAR were agreed as follows:

- Land and Enabling Works - Homes England: £7.17m
- Design and construction:
 - County Council - £5.4m;
 - D2N2 - £10.8m
 - Keepmoat Homes - £17m including CIL liabilities of £4.488m via Gedling BC;
 - Section 106 contributions - £0.529m
- Total project funding: **£40.899 million**

28. Paragraph 24 above sets out that project costs have increased by £8.619m. Additional external funding for the project has been sought from D2N2 but this is not available, It is therefore proposed that the additional costs are funded as follows to support the timely completion of the GAR:-

Value	Funding Source
£4.470m	4.470m costs have arisen directly as a result of the COVID19 pandemic. It is proposed that these costs are funded from the COVID19 funding awarded to the Council to support additional costs arising from the pandemic
£2.476m	This funding has been set aside in the approved Integrated Transport Measures budget to fund future match funding requirements of major infrastructure projects.
£1.354m	This funding is held within the Council's element of the National Non-Domestic Rate Pool Reserve and is held to fund development and infrastructure projects across the county.
£0.319m	It is proposed that this is funded from slippage of capital allocations that has already been identified in the Transport and Environment Committee capital programme.
£8.619m	Total Additional Funding Required

29. Every effort will be made to ensure that use of the contingency, funded from capital contingencies, will not be required. In this respect, work continues to explore ongoing scheme efficiencies and savings.

30. The Council has recently conducted a Highways review, with the recommendations arising from it being considered by the Transport and Environment Committee at its meeting on 17 November. One outcome of the review will be work to further strengthen Council oversight of future major highways capital projects.

Other Options Considered

31. Pausing the scheme would have led to the GAR opening later and additional costs to the Council. These would be likely to significantly exceed the cost of proceeding with the scheme, as well as causing uncertainty and continuing delay for residents. Additionally, the delivery of the housing, economic, community and transport/connectivity benefits set out in this report would have been delayed and/or reduced, with significant disruption for residents and businesses increasing in the short to medium term. National guidance at the time of the first lockdown was for major infrastructure works on crucial schemes to continue. Under the contract for the scheme there would have been a risk of legal challenge from the contractor relating to pausing the works. At the time it was also unknown how long restrictions would be in place. Contract discussion took place during 2019 and the contract was originally entered into during June 2019; it would have been unreasonable for the Contractor or the County Council to allow for Covid at this time.

Reasons for Recommendation

32. The GAR will enable a key development site to be realised and unlock much needed development land. The former Gedling Colliery/Chase Farm site was identified as an area of future housing development in the Aligned Core Strategy (ACS), as it is a key strategic site on the urban edge of Nottingham and viewed as a priority for Gedling BC, referenced within the Gedling Local Development Plan 2018.
33. The delivery of GAR will also complete the long-awaited bypass of Gedling village and achieve strategic transport objectives in keeping with the third Nottinghamshire Local Transport Plan (2011-2026).

Statutory and Policy Implications

34. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Finance Implications

35. Financial implications are discussed within the main body of the report in paragraphs 19 to 29 above.

RECOMMENDATION

It is **RECOMMENDED** that:

The variation of the capital programme, as set out in paragraph 28 of this report, be supported to allow the completion of the Gedling Access Road.

Adrian Smith
Corporate Director Place

For any enquiries about this report please contact: Derek Higton/Gary Wood 0115 9773498

Constitutional Comment (SJE – 04/11/2021)

36. This decision falls within the Terms of Reference of the Finance Committee to whom responsibility for the strategic overview and management of all Council contracts in excess of £10,000,000, or otherwise of major significance, has been delegated.

Financial Comments (KP 10/11/2021)

37. This report sets out that additional costs required to fund this scheme to completion is £8.619m. How these costs will be funded is set out in paragraph 28 of the report. It is proposed that any further funding from contingency, up to £1m, will be funded from capital contingency. Every effort will be made, however, to ensure that the use of contingency is not required. This Committee does not have the authority to approve a variation to the

capital programme in excess of £2m. A report to the appropriate meeting seeking approval to vary the capital programme will be taken at the earliest opportunity.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Communities and Place Committee Report dated 4 March 2021
Gedling Access Road – Progress Report
- Communities and Place Committee Report dated 4 July 2019
Gedling Access Road – Update Report
- Communities and Place Committee Report dated 5 March 2019
Camera Enforcement – Stoke Lane Bus Plug
- Finance and Major Projects Committee Report dated 16 December 2019
Gedling Access Road – Progress Report
- Communities and Place Committee Report dated 5 December 2019
Gedling Access Road – Progress Report
- The Nottinghamshire County Council (B684 to A612 Link Road) A6211 Gedling Access Road (Side Roads) Order 2018 and The Nottinghamshire County Council (Gedling Access Road) Compulsory Purchase Order 2018 – Available at:
www.nottinghamshire.gov.uk/GAR
- Finance and Major Projects Committee Report dated 14 February 2019
Gedling Access Road – Update Report
- Communities and Place Committee Reported dated 8 March 2018 – Scheme Update
- Transport and Highways Committee Report dated 16 March 2017
Gedling Access Road – Scheme Update, Compulsory Purchase Orders and Side Roads Orders
- Finance and Property Committee Report dated 19 September 2016
Gedling Access Road - Scheme Update and Funding Agreement
- Transport and Highways Committee Report dated 21 September 2016
Gedling Access Road – Scheme Update, Compulsory Purchase Orders and Side Roads Orders
- Greater Nottingham (Broxtowe Borough, Gedling Borough, Nottingham City) – Aligned Core Strategies Part 1 Local Plan – Adopted September 2014
- Finance and Property Committee Report dated 24 March 2014
Gedling Access Road, Scheme Development and Funding Agreements
- Report to County Council dated 27 February 2014
Capital Programme 2014/15 to 2017/18
- D2N2 Local Growth Fund – Local Assurance Framework – Available at:
http://www.d2n2lep.org/write/Local_Assurance_Framework_final_version.pdf

Electoral Division(s) and Member(s) Affected

- | | |
|----------------|---|
| • Arnold North | Councillors Pauline Allan and Michael Payne |
| • Arnold South | Councillors John Clarke and Michelle Welsh |
| • Carlton East | Councillors Mike Adams |
| • Carlton West | Councillors Errol Henry and Jim Creamer |
| • Calverton | Councillor Boyd Elliott |
| • Newstead | Councillor Christopher Barnfather |