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### Change Request for:

Project or Programme Name:	Fletton Quays Footbridge (Cygnet Bridge)
Project or Programme Reference Number (Within Single Project Register):	PC007
Date Raised:	28/11/2024

### Change Request details:

#### Brief Description of the Change: (single line only)

The request from Peterborough City Council for the Combined Authority's contribution has risen from £3.4 million to £5.4 million. The timing of delivery has also altered.

Details are set out below but this cost escalation is broadly attributed to:

- Design Modifications: Adjustments during the detailed project design have had to address additional complexities and scope changes beyond the original estimate.
- Sewer Diversion Costs: Updated assessments reveal significantly higher costs for required sewer diversions than initially projected.

To mitigate operational risks associated with winter weather, such as flooding, the construction schedule has been adjusted. Work is now expected to commence in Summer 2025, ensuring optimal conditions for efficient delivery and reducing potential disruptions. Delivery is targeted to complete in the spring/summer 2026.

#### Detailed Description of the Change: (be as full and descriptive as you can)

At its meeting on 8 June 2022, the Combined Authority Board approved £3,427,800 to support the construction of a new pedestrian and cycle bridge connecting Fletton Quays and the Embankment area of Peterborough. Link is available [here](#).

This project, originally named the River Nene Pedestrian Bridge, will provide a vital new link between two significant redevelopment areas and the City Centre core, facilitating easier and more sustainable travel on foot, wheeling or by bicycle.

Following a successful public consultation, the bridge was named Cygnet Bridge, reflecting its central role in enhancing Peterborough's active travel infrastructure.

The project has received funding through Peterborough City Council's successful Towns Fund bid, which secured £2m specifically for this initiative. Furthermore, £955,024 of developer contributions has been allocated, with the Combined Authority providing match funding.

Peterborough City Council conducted an Outline Business Case (OBC) for Cygnet Bridge, which initially delivered:

A core Benefit-Cost Ratio (BCR) of 1.6, representing Medium Value for Money, based on transport user and active travel benefits. An adjusted BCR of 2.2, reflecting High Value for Money when wider economic benefits were factored in.

As the project has progressed, the Full Business Case (FBC) is nearing completion, with the economic appraisal now updated to reflect the revised construction costs.

Sensitivity testing on the updated data including the higher cost to the public sector shows a BCR ranging from 2.05 to 2.46, firmly reinforcing the project's classification as High Value for Money.

At the Outline Business Case (OBC) stage, the original funding envelope for the project was £6,322,824, based on an early conceptual design.

However, as the project has progressed to detailed design, cost estimates have been refined to reflect more accurate requirements and market conditions. Total cost of the project is now £8,322,824, with an anticipated shortfall of approximately £2m.

The revised funding package including this request is set out below:

Funding Stream	Total
Towns Fund	£1,940,000
PCC	£955,024
CPCA	£5,427,800
<b>Total</b>	<b>£8,322,824</b>

Compared with similar river bridge schemes the total cost is assessed as reasonable. The cost has been subjected to value engineering and thorough reviews with PCC (see this link for example - [Cost of planned Evesham footbridge rises to £16m - BBC News](#)).

The table below outlines the revised funding forecasts should the proposed change control be approved:

CPCA Forecast	Financial Year 2024/25	Financial Year 2025/26
<b>Original Approval</b>	£3,427,800	
<b>Updated Request</b>	£1,000,000	£4,427,800

Having understood the costings and the remaining high VFM of the scheme, we have then sought to explore if any funds are available to address the gap.

Due to efficiencies achieved in other projects, CPCA now have an underspend of £1.464 million in the Transforming Cities Fund (TCF) which must be defrayed by March 2025 or returned to Government. This TCF funding is only available to be used in schemes as part of already approved TCF activity. Due to the linkage with works other approved works in Peterborough, DFT are content to approve the use of funds on this project. If we do not use these funds on capital works by end of March 2025 the funds would need to be returned to DFT. There are no other comparable schemes that we can use this specific funding on in this time frame.

Therefore, the majority of the £2m will be found from the TCF, with the remaining £600k being allocated from Active Travel England Capital grant which was awarded for 2025/26 to the Combined Authority funding.

DfT has confirmed they are happy for us to allocate this underspend to the current project, enabling us to fill the funding gap and deliver on both the objectives of the TCF and our own delivery of active travel in the Local Transport and Connectivity Plan.

While Peterborough City Council explored opportunities for additional funding from alternative sources, no viable options were available at this time. The proposed funding strategy ensures that the necessary resources are in place to meet the project's financial requirements and proceed with delivery. This approach reflects a coordinated effort to maximise available funding streams and ensure that the Cygnet Bridge project stays on track to deliver its intended transport, active travel, and economic benefits for the region.

Peterborough City Council (PCC) has provided reassurances that they are actively engaging with Milestone to coordinate the procurement of materials and related preparations. This proactive approach underscores their commitment to ensuring the smooth progress of the project and addressing any potential challenges in advance.

#### Cause of the Change:

- **Structural Enhancements:** Testing and third-party reviews identified the need for additional piling on the embankment landing areas, as well as increased steel requirements to ensure the bridge's structural integrity and compliance with safety standards.
- **Sewer Diversion Costs:** While Anglian Water initially provided an early estimate for diverting the sewer pipe, subsequent contractor assessments revealed significantly higher costs for this essential work.

Further details can be provided to the committee on request.

The Milestone design team has previously implemented Value Engineering to identify cost-saving opportunities.

Global market conditions have led to significant increases in material costs, particularly for steel. Inflationary pressures have resulted in a £470,000 rise in material costs from the Outline Business Case (OBC) to the FBC.

Despite challenges related to cost pressures and delays, the project continues to demonstrate substantial economic and social value, affirming its status as a critical infrastructure investment for Peterborough. Moving forward, the delivery strategy will maintain a strong focus on cost management and efficiency to ensure successful project completion. The link is available [here](#) in relation to the paper presented to the Board..

#### Effects/Impact of the Change:

Increase in the construction cost estimate resulting in insufficient budget to complete the scheme. Approval of the change should lead to the delivery of the active travel infrastructure in 2026.

#### Options Considered/Mitigation Measures deployed:

Project Team has undertaken Value Engineering workshop and considered,

- change in type of bridge.
- review of programme timing

- review of construction materials and methodology.

The workshops included the designers, transport planners, construction delivery team from Peterborough City Council's highways contractor, and officers from Peterborough City Council and the Combined Authority.

The style of bridge has been supported and chosen in the public consultation, please see visual.



The project team explored changing the bridge design from a cable-stayed structure to an alternative form. However, this option was dismissed due to the additional costs associated with redesign, new materials, and repeated third-party compliance checks. Pursuing this alternative would have exacerbated both time and financial pressures.

A thorough review of the programme schedule identified opportunities to optimise timing, reducing risks to construction and avoiding unnecessary costs. These adjustments have enabled better control over cost escalation.

A value engineering workshop revealed minimal immediate cost-saving opportunities. However, subsequent design review support, provided at no cost through the Towns Fund, has allowed the project to focus on efficiencies and a more cost-effective delivery approach.

Before seeking additional funding from the Combined Authority, Peterborough City Council conducted an internal budget review to identify potential contributions. This proactive financial strategy underscores the Council's commitment to minimising reliance on external funding and maintaining prudent financial management.

These collective efforts highlight a robust and balanced approach to addressing financial challenges. The project team has prioritised efficiency, risk management, and alignment with strategic objectives, ensuring the delivery of a high-quality infrastructure asset that meets Peterborough's connectivity and development goals.

Early warning is already listed on the Transport Risk Register.

#### Why proposed Option chosen was selected:

Given the limited scope for cost savings through value engineering, it is recommended to seek additional funding to address the budget shortfall. This approach ensures the project can progress without compromising its objectives or scope.

**Key Considerations Supporting Additional Funding**

- **Alignment with Strategic Objectives:** The project continues to fulfil its primary goals of improving connectivity within Peterborough, promoting active travel, and supporting sustainable development.
- **High Value for Money:** Despite increased costs, the updated Benefit Cost Ratio (BCR) remains strong, ranging from 2.05 to 2.46, demonstrating High Value for Money and reaffirming the project’s economic and social benefits.
- **Minimal Cost-Saving Opportunities:** Value engineering workshops and design reviews have revealed limited options for significant cost reductions without jeopardising project delivery or compliance.

Securing additional funding is essential to bridging the financial gap and ensuring the successful delivery of the Cygnet Bridge project. This strategy will enable the project to achieve its transformative potential for Peterborough while maintaining its economic viability.

**Approval required to (tick relevant boxes and detail approval request below)**

<input checked="" type="checkbox"/> Time	<input checked="" type="checkbox"/> Cost	<input type="checkbox"/> Benefits	<input type="checkbox"/> Scope	<input type="checkbox"/> Resources
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**Only complete this section if you have ticked scope or benefits change.**

Has the logic model been updated?

Yes	No	N/A
Performance & Evaluation team (to review new logic model)		Approve, Reject, Defer

**Only complete this section if you require extra shared service resource.**

What extra shared services resource do you require beyond what was agreed in the business case? E.g. legal, finance, policy, HR, procurement, PMO

Relevant Shared Service(s)	Approve, Reject, Defer
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