

**JOINT MEETING - CABINET MEMBERS FOR REGENERATION AND
DEVELOPMENT SERVICES AND STREETPRIDE**

Venue: 3rd Floor Training Room, **Date:** Monday, 16th March, 2009
Bailey House,
Rawmarsh Road,
Rotherham. S60 1TD

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with Part 1 of Schedule 12A (as amended March 2006) of the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Parking Charges 2009/2010. (report attached) (Pages 1 - 3)
Martin Beard, Parking Services Manager, to report.
 - to consider a summary of proposed parking charges for the financial year commencing 1 April 2009.
4. Revenue Budget Monitoring - January, 2009. (report attached) (Pages 4 - 14)
Fiona Earl, Principal Accountant, to report.
 - to provide an update.
5. Major Schemes - Project Management Support. (report attached) (Pages 15 - 18)
John Bufton, Schemes and Partnerships Manager, to report.
 - to consider a proposal to engage the services of a civil engineering consultancy using the Highways Agency (HA) Project Support Framework (PSF) contract.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Joint meeting – Cabinet Members for Regeneration and Development and Streetpride
2.	Date:	16 March 2009
3.	Title:	Parking Charges 2009 - 2010
4.	Programme Area:	Environment and Development Services

5. Summary

This report proposes that parking charges remain static to help maintain the economic operation and infrastructure of the car parks and to recognise the current downturn in the economy.

6. Recommendations

- a) **Cabinet Member is asked to resolve that the proposed charges detailed in this report are approved for implementation with effect from 1 April 2009.**
- b) **A further report is submitted following investigation of a number of initiatives aimed at assisting town centre businesses and visitors in the current economic climate.**

7. Proposals and Details

The charges for parking in on-street Pay & Display bays, within the Controlled Parking Zone were last varied in April 2006. Long stay charges in off street car parks were increased last year whilst short stay, off street charges remained static. It is proposed that the current levels of charges remain static for the financial year 2009/2010. This would maintain the situation whereby the charges are broadly cheaper than other authorities in South Yorkshire, although a small number of the individual tariff bands exceed prices at those other authorities.

It is hoped that this will be a benefit for town centre businesses.

Cabinet Member will be aware of discussions taking place with the Chamber of Commerce around initiatives to help the town centre in the current economic climate. These initiatives are being investigated and may affect the charges outlined below. A further report will be brought to this meeting in due course.

Proposed charges

On-Street Parking Charges

Duration	Current Charge (08-09)	Proposed Charge (09-10)
20 minutes	0.40	No change
40 minutes	0.80	No change
60 minutes	1.20	No change
120 minutes	2.60	No change

Off-Street Parking Charges

Location	Duration (Monday – Friday)	Current Charge (08-9)	Proposed Charge (09-10)
St Ann's / York Road	All day (long-stay car parks)	1.60	No change
Staff Permits (long stay car parks) (Monday-Friday)	12 months	360.00	No change
Wellgate Multi-Storey Car Park & Town Centre Pay & Display Surface Car Parks	Up to 2 hours	1.10	No change
	Up to 4 Hours	2.70	No change
	Over 4 hours	6.50	No change

Wellgate Multi-storey car park – permits.

Permits - public	1 month	80.00	No change
	2 months	120.00	No change
	3 months	160.00	No change

8. Finance

The proposed prices for 2009-10 will increase the budget pressures and delay the improvement of the car parks infrastructure.

9. Risks and Uncertainties

There is a risk of a level of resistance to the retained charges. There is currently pressure from individuals and organisations such as the Rotherham Chamber to consider lower charges.

It may be that, after consultation and meetings involving interested parties, a decision is made to amend parking charges as a contribution towards assisting the town centre based businesses.

10. Policy and Performance Agenda Implications

The proposals will mean that prices remain in accordance with the policy to discourage long-stay parking by means of a tariff which is more expensive on a pro-rata basis for long-stay, thus making more spaces available for short stay shoppers and business users.

The prices encourage short-stay parking (up to 4 hours).

The proposed price structure will help to support aims of the Local Transport Plan, in that they can significantly influence modal shift, and they help to encourage short stay parking and discourage long term “commuter” parking.

11. Background Papers and Consultation

No statutory consultation is required to maintain current charges.

The Transportation Unit has been consulted and supports the recommendations in this report.

Contact Name: Martin Beard – Parking Services Manager
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ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Regeneration and Development Services and Streetpride Delegated Powers meetings
2.	Date:	16th March 2009
3.	Title:	January Revenue Budget Monitoring Report
4.	Directorate:	Environment and Development Services

5. Summary

To report on performance against the revenue budget for the Environment and Development Services Directorate as at **the end of January 2009** and to provide a forecast outturn for the whole of the 2008/09 financial year.

6. Recommendations

- (1) That Members note the forecast outturn position of **an overspend of £414,000** for the Environment & Development Services Directorate based on expenditure and income as at the end of January 2009 and forecast expenditure and income to the 31st March 2009. This primarily represents pressures due to the shortfall of fee income recovery within Asset Management and pressure within the Winter Maintenance account due to a severe Winter.
- (2) That this report be referred to the Regeneration Scrutiny Panel for information.

7. Proposals and Details

Members are asked to receive and comment upon budget monitoring reports on a monthly basis from May onwards. This report reflects the position against budget for the period 1st April 2008 to 31st January 2009. The attached **appendices** give a summary of the projected 2008/09 revenue position for the Directorate;

Appendix A – E&DS Summary Report.

Appendix A1 to A5 – Service Level Summary Report.

Following the January cycle of budget monitoring the Directorate has identified that it is likely incur **an overspend of £414,000** against a revised total net revenue budget of £45,575,013.

Key areas of pressure are :

▪ Consultancy Fee Income	£300,000
▪ Winter maintenance budget	£300,000
▪ Unfunded Flood related expenses	£80,000

Key savings which are *partially* offsetting pressures are :

▪ Interim waste contract savings	£184,000
▪ Freezing of vacant posts	£ 62,000
▪ Streetpride within Highways Maintenance	£131,000

The Environmental Development Services Management Team are actively seeking to introduce measures to reduce these pressures. Details of the pressures are outlined in more detail:

Winter Maintenance

In recent weeks as a result of the severe winter weather, the Streetpride service has undertaken 96 gritting runs up to the end of February and expects the total to be higher by the financial year end. This is exceptional and will cost around £950,000. A normal revenue budget would reasonably allow for 67 grits. However, the current revenue budget was reduced at the beginning of the year in anticipation of a mild winter, so the current budget of £500,000 will be fully utilised, together with a full use of an available reserve of £150,000. It is therefore, requested that Members consider how the forecast overspend on this budget (£300,000) can be addressed for 2008/09.

Asset Management

At the beginning of 2008/09 an income budget was set for recovery of fees was at £350,000. It had been projected that this was achievable. Furthermore, it was considered that income could be recovered in excess of this amount, to the value of £250,000. Historically, this has been achievable, so on this basis a transfer of budget was made to fund other key areas of pressure, namely under recovery of development fee income, through the

revised estimates process. However, as a result of the current economic climate, there has been a significant and rapid downturn in workloads within the fee earning teams. The impact of this is that fees cannot be charged and income is therefore, not recoverable to the value of £300,000.

Further pressures remain within Asset Management, relating to Commercial Properties with a pressure of £38,000.

Planning and Regeneration

There is currently only a small reported pressure within the service area, and it is hoped that this can be accommodated within budget.

Streetpride

Further to the Winter Maintenance pressure already reported, the remainder of Streetpride is showing an underspend against budget, in the main this is due to further savings being made in Waste, estimated at £184,000. Further savings have been made as a result of the imposed moratorium, £148,000 though there continues to be a pressure on the Grounds Maintenance budget £87,500.

Culture and Leisure

There are continuing pressures within Culture and Leisure services which include a general increase in operational costs throughout the Library Service, and ongoing pressures within Green Spaces and Pools. However, these are being partially offset by savings across the Service due to effective management whilst the moratorium is in place.

Business Unit

The Business Unit has continued to offer savings as vacant posts are not advertised, this is projected to save an additional estimated £62,000 by the year end (£100,000 has already been taken towards the overall EDS overspend).

8. Finance

Please refer to the attached appendices for detailed financial analysis.

9. Risks and Uncertainties

The overall Directorate budget shows a projected overspend of £414,000. Members are also reminded that there is still potential for costs to be incurred as a result of the fatality at Fitzwilliam Road. Members will be updated in due course following the postponed court hearing of 6th February, 2009.

To date the reported position has reflected a combination of cost pressures partially being compensated for by savings/additional income being generated across the Service. The Strategic Director of Environment and Development

Services and Cabinet Member have determined this is an acceptable way of balancing the budget in accordance with Financial Regulation Virement Note Section 11, without the need for implementing virement. Where cost pressures cannot be contained within the Directorate's cash-limit a request to award a supplementary estimate to cover the currently identified shortfall of £414,000 will be made.

10. Policy and Performance Agenda Implications

Directorate budgets are aligned only to corporate priorities and spending within the agreed Directorate cash allocation is key to demonstrate the efficient Use of Resources. The third quarter performance monitoring report of 2008/09 has identified that NI 195a will be unlikely to meet the target of 7% with the existing financial resources. Also, BV109 (a) Planning Applications income continues to report slightly below the target range due to a low volume of applications being received in this period.

11. Background Papers and Consultation

This is the ninth budget monitoring report for the Directorate for 2008/09 and reflects the position from April 2008 to January 2009. This report has been discussed with the Strategic Directors for Environment and Development Services and Financial Services.

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REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end January 2009)

Service	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions
Planning & Regeneration Service	10	There continues to be an under recovery of fee income, and some other unfunded costs which are being offset by use of Grant.	G		
Asset Management	315	Due to the downturns in workload, surpluses above the original trading targets are unlikely to be achieved, though Service are endeavouring to deliver on this.	R		To minimise cost pressure through management applied savings actions and internal budget virement so that level of any additional funding required is minimised.
Streetpride	-308	Further savings being made in Waste, and savings on Highways are being used to offset pressures on Parking, Grounds Maintenance and more significantly Winter Maintenance.	G		To minimise cost pressure through management applied savings actions so that level of any additional funding required is manageable.
Culture & Leisure	79	There are identified cost pressures in Archives and Theatres (£55k) and in Recreation and Sport relating to the new contract with DC Leisure (£50k), and additional costs at Wickersley Library (£30k)	A		To minimise cost pressure through management applied savings actions so that level of any additional funding required is manageable.
Business Unit	-62	Identified savings on management of non-essential vacant posts	G	Work is on-going to accurately substantiate the size of the saving and management action will be taken to implement all other possible savings measures.	
Council Wide - Flood Related & Winter Maintenance	380	Cost pressures cannot be contained within the current revenue budget	R	Work is continuing to accurately assess the costs relating to the aftermath of the Floods.	
TOTAL	414				

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end January 2009)

	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Planning & Regeneration Service						
Business Development	-5	Secured small amount of additional funding	G	No action required.		
Development Promotion	10	Loss of grant funding due to long term staff absence	G	Measures being taken to offset this pressure, across the rest of the Service.		
YES Project	80	Unfunded consultancy costs	G	Discussions are ongoing relating to the funding of this project		
Strategy Development	-30	Savings on staff vacancies	G	No action required.		
Work Implementation	0	Nil variance at this stage in the financial year	G	No action required.		
Managed Workspace (Business Centres)	0	Nil variance at this stage in the financial year	G	No action required.		
RERF	0	Nil variance at this stage in the financial year	G	No action required.		
Town Centre Mgt	-15	Savings on staff vacancies	G	No action required.		
Markets	-20	Savings generated due to moratorium	G	No action required.		
Forward Planning	25	Essential spend on Local Development Framework (LDF)	G	No action required.		
Management	45	Share of vacancy factor	A	Work is on-going to accurately capture the size of the issue and action will be taken to implement all possible savings measures.	To minimise cost pressure through management applied savings actions in order to restore budget to a balanced	G
Land Charges	80	Ongoing discussions relating to the charging for Mapping Service.	R	Measures being taken to offset this pressure, across the rest of the Service.		A
Development Control	-110	Variance at this stage in the financial year due to significant cost pressure through an escalation in the level of reduction in planning fee income caused by current property market conditions (£130k) off-set by Housing and Planning delivery grants (£238k) usage.	A	Measures being taken to offset this pressure, across the rest of the Service.		A
Building Control (80% Trading)	0	Nil variance at this stage in the financial year	G	No action required.		
Building Control (20% Revenue)	0	Nil variance at this stage in the financial year	G	No action required.		
Transportation	-50	Increased fee income being generated	G	No action required.		
TOTAL	10					

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end January 2009)

Asset Management	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Management	54	Non achievement of vacancy factor	A	Work is on-going to accurately capture the size of the issue and action will be taken to implement all possible savings measures.		
Building Cleaning	-62	An increased number of variation orders which are over and above the routine work.	G	No action required.		
Public Conveniences (All Saints)	-5	Saving on staffing	G	No action required.		
Caretakers	14	Under-recovery of income	G	No action required.		
Bailey Suite	6	Under-recovery of income	G	No action required.		
Reresby Hospitality	11	Under-recovery of income, due to decanting.	G	No action required.		
School Crossing Patrol	-9	Increased number of vacant posts	G	No action required.		
Education Premises	0	Nil variance at this stage in the financial year	G	No action required.		
Office Accommodation	9	Caretaker overtime recharges are higher than anticipated.	G	No action required.		G
Community Buildings	16	Repairs and maintenance overspending against budget.	G	Working across the Service to address this pressure		
Facilities Management	-11	Moratorium on spend	G	No action required.		G
Swinton District Heating	-5	Over-recovery of income	G	No action required.		
Emergency and Safety	-1	Slight under spend	G	No action required.		
Environmental Management	-4	Moratorium on spend	G	No action required.		
Strategic Support Team	-23	Moratorium on spend and vacancies	G	No action required.		
Miscellaneous Properties	5	Overspend on repairs	G	No action required.		
Transport	0	Nil variance at this stage in the financial year	G	No action required.		
Misc. Fee Accounts	16	Work undertaken with no recoverable fee income	G	No action required.		
Fee Billing - Consultancy Management	300	Due to the downturns in workload, surpluses above the original trading targets are unlikely to be achieved, though Service are endeavouring to do so. The original surplus target of £350k is unlikely to be achieved. £250k of fees have been consolidated into EDS' revenue budget prior to revised estimates. A tentative additional target of £250k was discussed mid year and this will not be achievable due to reducing capital fund.	R	A review of fee earning income is being undertaken to determine if the position can be improved		
*Valuation Group (Fee Billing)	-34	Moratorium on spend, and over-recovery of income due to property management of externally funded schemes	G	No action required.		
*Commercial Properties	38	Repairs to the roof at RAIN Building	G	No action required.		
TOTAL	315					

Note:

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end January 2009)

Streetpride	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Community Delivery Teams	7	Whilst Grounds Maintenance remains under pressure during 2008/9, other areas across Community Delivery are offering some savings so this Service is trying to contain it's current overspend.	G	That a continued monitoring of service delivery and use of resources is maintained until the financial year end		G
Network Management Schemes & Partnerships	-104	There are known savings in Highway Maintenance Schemes and several other areas across Network management which are managing to contain an ongoing pressure caused by under-recovery of income within Parking Services	G	That a continued monitoring of service delivery and use of resources is maintained until the financial year end	To minimise cost pressure through management applied savings actions so that level of additional funding required is manageable.	G
Waste disposal and collection	-184	Further savings have been identified within waste Services as a result of TUPE and Indemnity claims being lower than anticipated, however, there are some areas where future spend still needs to be confirmed.	G	Ongoing work to establish final costs for PFI payments and Routesmart charges.		G
Corporate Accounts - Streetpride	-27	The underspend is a result of managing the accounts effectively whilst the moratorium has been imposed.	G			G
TOTAL	-308					

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end January 2009)

Culture & Leisure Services	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Culture & Heritage	55	Archives and theatres staffing budget pressures	G	No action required.		
Library Service	60	General increase in operational costs throughout Library Service, including ICT charges on Wickersley Library.	A	Measures being taken to offset this pressure, across the rest of the Service.		
Recreation & Sport	96	Previous overpend has been partially addressed from Revised Estimates process, leaving a shortfall on budget in Green Spaces and Pools (£46k).	A	Measures being taken to offset this pressure, across the rest of the Service.		
* Tourism	-15	Catering surplus from Rotherham Show, and staff savings	G	No action required.		
Service Management & Support	-117	Costs of photocopying and staffing, partially off-set by savings on vacancy management, and reduced overhead costs.	G	No action required.		
TOTAL	79					

Note:

* Now incorporates Visitor Information centre, Tourism, 40 Bridegate and part of Town Centre events budgets transferred from former RIDO Service

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end January 2009)

Business Unit	Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Business Support	-62	Identified savings due to freeze on recruitment	G	Work is on-going to accurately substantiate the size of the saving and management action will be taken to implement all other possible savings measures.		
Customer Liaison	0	Nil variance at this stage in the financial year	G	No action required.		
Payments to RBT Management	0	Nil variance at this stage in the financial year.	G	No action required.		
Corporate Account	0	Nil variance at this stage in the financial year	G	No action required.		
General Administration	0	Nil variance at this stage in the financial year	G	No action required.		
Performance & Quality	0	Nil variance at this stage in the financial year.	G	No action required.		
Training	0	Nil variance at this stage in the financial year.	G	No action required.		
TOTAL	-62					

REASONS FOR VARIANCE FROM APPROVED BUDGET (Based on available information as at end January 2009)

Directorate Wide	Under (-) / Over (+) Spending Projected to Year End £,000	Reasons/Implications	RAG Status	Actions Proposed	Impact of Actions	Revised RAG Status
Flood Related Costs	80	Ongoing security costs relating to Ulley Reservoir, and the aftermath of the Floods	R	That a revenue allocation be secured to manage and monitor these ongoing costs.		
Winter Maintenance	300	The number of grits allowed in the 2008/09 winter maintenance budget is 68. This is below the normal budgeted level, as a decision was made to reduce this budget in anticipation of a mild winter. However, due to severe weather, the number of grits has been exceeded, which has caused this budget to be overspent.	R	The revenue budget has been fully utilised, and a need to use the whole amount of the reserve (£150k) has been registered. Further to this to ensure a balanced budget, a request to address the overspend will be made to Cabinet Member, CMT and Cabinet		
TOTAL	380					

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Regeneration and Development Services and Streetpride Services
2.	Date:	16 March 2009
3.	Title:	Major Schemes – Project Management Support
4.	Programme Area:	Environment and Development Services

5. Summary

Currently, there are two Major Highway Schemes in the process of design; the A57 M1 Jct 31 to Todwick Crossroads Improvement and the Waverley Link Road schemes. In order to ensure that sufficient resource is available to provide robust project management for these large schemes, it is proposed to engage the services of a civil engineering consultancy using the Highways Agency (HA) Project Support Framework (PSF) contract. The preferred consultant would be Mott MacDonald.

Initially, it is proposed to engage a consultant to assist up to the Conditional Approval stage of the Department for Transport's (DfT) approvals procedure for the A57 and up to the publication of the Compulsory Purchase Order for Waverley Link Road. The Conditional Approval stage is when all statutory processes are complete, ie Planning Permission granted and any Compulsory Purchase/Side Road Orders confirmed, but prior to the tender process.

6. Recommendations

It be resolved that:

The Highways Agency's PSF contract be used to provide project management support to A57 and Waverley Link Road major schemes.

Subject to the approval of the HA, a tripartite agreement be entered into between this Council, the HA and Mott MacDonald for the provision of this support service.

7. Proposals and Details

The A57 M1 Jct 31 to Todwick Crossroads Improvement and the Waverley Link Road schemes are both defined as major schemes by the DfT being valued in excess of £5m. RMBC are currently seeking final funding approval from the DfT for these schemes in accordance with the DfT's procedural rules.

Over the last few years, greater emphasis has been placed on robust project and risk management by the DfT. Their preference for project management is to adopt the principals and methods of PRINCE 2, a nationally recognised standard.

It is unusual for a council of our size to be progressing two major schemes at the same time and it has become apparent that in order to demonstrate the degree of project management and risk management that DfT would wish to see, additional suitably skilled resources are required. However, since the time span of this requirement is in the relatively short term, it is considered that it may be most beneficially met by using the services of an appropriately qualified and experienced civil engineering consultant. This would leave RMBC to deploy its resources in the engineering design and detailing of the schemes. RMBC already employ the services of specialist consultants for certain traffic and transportation and financial procedure advice on these schemes but these specialist services do not include project management support. It is also intended to ask the consultant to provide CDM Coordinator duties to assist the Council in discharging its duties under the Construction (Design and Management) Regulations 2007.

The Highways Agency set up a framework contract called the Project Support Framework in July 2006, which they intended to be not only for their own use on national schemes, but to be also available for local authorities to use on their schemes. The framework supports a range of services including feasibility, surveys, risk management and programme and project management. For the type of work being considered, the Framework comprises a panel of 14 large, experienced national consultants from which to draw on for individual schemes.

Using this Framework arrangement means that RMBC may draw on the services of suitably experienced and qualified consultants who have been vetted by the HA for its own schemes. Since the HA have already fulfilled the EU procurement requirements, there are no direct procurement costs for the Council to bear which would not be the case if RMBC wished to conduct its own procurement exercise.

Initially, the scope of required service is drawn up and agreed with the HA together with a supplier if there is a preference. Once this is agreed, the supplier (consultant) provides a plan showing resources, durations, what is to be delivered and a project plan. When this is agreed, a Collaboration Agreement is signed by client, supplier and HA. The HA then award a Task Order to the supplier. The HA have built in to their contract a comprehensive performance management system whereby the supplier completes monthly progress reports in accordance with a published toolkit. This information would also be shared with the HA as part of their overall performance monitoring within the contract.

During our deliberations, we have been in contact with officers at our neighbour, Doncaster MBC, who are already employing this facility in supporting their major schemes. The framework process is reportedly working well and fulfilling its objectives.

Under the provisions of the PSF, the selection of consultant can be made by the HA or the Client may choose to seek approval for a particular firm. We are suggesting Mott MacDonald as our preferred supplier for a number of reasons. They are currently providing the same service for DMBC, as noted above, and DMBC have performance evidence which confirms Mott MacDonald's ability to deliver the required support. A number of meetings have been held between RMBC and Mott MacDonald to explore the scope of this proposed task and they have confirmed the availability of staff to deliver the required service. Importantly, these resources are available locally from their nearby Sheffield office.

For the A57 scheme, it is proposed to engage a consultant to provide project management and CDM Co-ordinator duties up to the Conditional Approval stage of the Department for Transport's (DfT) approvals procedure. The Conditional Approval stage is when all statutory processes are complete, ie Planning Permission granted and any Compulsory Purchase/Side Road Orders confirmed, but prior to the tender process.

Similarly, it is proposed to seek the same assistance for the Waverley Link Road scheme, up to the point when the Compulsory Purchase Order (CPO) is published.

For both schemes, a strategic review of the current project management arrangements is being sought. This review may recommend change in these arrangements in order to better align our processes to the principles of PRINCE 2 methodology.

The scope of each task for the respective commissions has been chosen so that both commissions run for a similar period of time. Conditional Approval for the A57 is expected to be gained in May 2010 with publication of the CPO for Waverley Link Road in April 2010. As completion of these tasks approaches, the success of the commissions can be evaluated and consideration given to the method of providing continued project management support for the next stages of the respective scheme programmes. At that stage, it may be appropriate to present a further report to Cabinet Members on this matter.

8. Finance

The PSF contract conditions contain a schedule of hourly rates for different grades/designations of staff employed, a percentage to be added for profit, an incentive fee formula and a schedule of reimbursable expenses. Target costs for milestones within the task are agreed with the supplier and when compared with actual cost, derived from hourly rates, these form the basis for calculating payment. The incentive payment can be positive or negative and is often referred to as the pain/gain element of payment.

The costs associated with the employment of a consultant will be met from the LTP capital programme. A bid to the new SY LTP Strategic Central 'pot' has been made and accepted for scheme preparation costs for both schemes. Under the provisions of the current DfT's Major Schemes funding system, half of eligible preparation fees between the Programme Entry and Full Approval stages of the system will be reimbursed by the DfT. For Waverly Link Road, 50% of any fee incurred after Programme Entry will be

reimbursed. The A57 scheme was assessed and gained Programme Entry under an earlier system of Government funding and there is no scope for reimbursement in this case.

Once the HA have approved a supplier, that supplier then provides, amongst other things, a schedule of milestones and target costs for approval of RMBC. It is currently anticipated that the cost of the proposed service for both schemes will be in the order of £200,000.

9. Risks and Uncertainties

If robust project management and risk management cannot be demonstrated for these schemes there is a risk that support for one or both of them may be withdrawn by the Regional Transport Board and/or the DfT. In such an eventuality, it is considered unlikely that the scheme(s) would proceed since no alternative funding source has been identified.

10. Policy and Performance Agenda Implications

The A57 improvement scheme contributes to the aims and objectives of the Local Transport Plan by reducing accidents and providing better facilities for pedestrians and cyclists. In addition, it has regeneration benefits by providing improved access to the former Dinnington Colliery regeneration site and other sites in the area.

Waverley Link Road similarly accords with the aims and objectives of LTP2 as it will assist in the improved management of traffic, offer road safety benefits and support regeneration initiatives.

Both schemes show good policy fit with the Regional Spatial Strategy/Regional Transport Board objectives and the aims of the SY Spatial Strategy Vision.

11. Background Papers and Consultation

Consultation

Consultation has been undertaken with both Legal and Financial Services.

Background Papers

Department for Transport - Guidance for Local Authorities seeking Government funding for major transport schemes: Main document

Project Support Agreement Conditions of Contract (Highways Agency)

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