

CAMBRIDGESHIRE GUIDED BUSWAY

To: Cabinet

Date: 16th March 2010

From: Executive Director: Environment Services

Electoral divisions: The Hemingfords and Fenstanton, St Ives, Papworth and Swavesey, Willingham, Cottenham, Histon and Impington, Waterbeach, East Chesterton, King's Hedges, Petersfield, Trumpington, Gamlingay.

Forward Plan ref: Not applicable **Key decision: No**

Purpose: This report sets down for consideration by Cabinet, the current position in respect of delivery of the Guided Busway scheme and in particular, the reasons for the delay in opening and the actions that the Council is taking to achieve delivery. It is presented at this time to ensure that Cabinet and the public have a full understanding of the current issues in relation to the scheme and how these are being addressed.

Recommendation: Cabinet is asked to note the contents of the report and the actions that are being taken to secure delivery of the scheme.

<i>Officer contact:</i>	<i>Member contact:</i>
Name: Bob Menzies	Name: Councillor Roy Pegram
Post: Head of Delivery Cambridgeshire Guided Busway	Portfolio: Growth and Infrastructure
Email: Bob.menzies@cambridgeshire.gov.uk	Email: roy.pegram@cambridgeshire.gov.uk
Tel: 01223 717866	Tel: 699173

1 BACKGROUND

- 1.1 The Cambridgeshire Guided Busway (CGB) was approved for delivery following a lengthy Public Inquiry under the Transport and Works Act (TWA) by the Council on 18th July 2006. Government approval of £92.5m of funding had been granted in June 2006 and a contract was let to BAM Nuttall (BNL) in July 2006. (Note, this was five weeks and four days later than originally expected in the contract discussions as a result of a later than expected award of the Government funding).
- 1.2 At the time the contract was let, the total cost of the scheme was set at £116.2m. This included a design and construction cost from the contractor (£87m) as well as land costs, site supervision and project management. The balance between the total scheme cost and the government money was agreed to be made up by developer contributions, both negotiated and to be negotiated, from key sites along the route of the busway, principally Northstowe, Arbury Park (now Orchard Park), and Cambridge Southern Fringe.
- 1.3 The contract was originally intended to run for a total of 132 weeks from 23 June 2006 meaning that the full CGB scheme should have been delivered by 01 January 2009. The intention at the time of letting the contract was to open both the northern (St Ives to Cambridge) and southern (Cambridge rail station to Addenbrooke's Hospital and the Trumpington Park and Ride site) at the same time. The programme from the contractor reflected this.
- 1.4 Since the contract was let, it has become increasingly clear that delays in scheme delivery have been building up and the contractor has been falling behind programme. An adjustment to the completion date was given to move this from 01 January 2009 to 23 February 2009 as a result of the five week four day delay to the award of contract noted above, plus an allowance for the Christmas Holiday period.
- 1.5 The Council has worked with the contractor initially to try to speed up delivery and then to agree a re-phasing of the works so the contractor could focus on delivery of the northern section in the hope that at least part of the overall scheme could be made available for public use. Since then, a number of opening dates have been announced by the Council and, because the works on site had not been completed, these have not been met. The most recent of these was a proposed opening of the northern section of the scheme at the end of November 2009 which again was not achieved due to the contractor not completing all of the required works.
- 1.6 Public interest in when the scheme will open and particularly, what are the issues between the Council and the contractor has been mounting over this time. The Council has worked hard to try to resolve these issues with the contractor during this period, but so far, without success. The scheme is now substantially complete, but the remaining works to be done (as will be described in detail in the following sections) are preventing it from

coming into use - in the Council's view, these issues are the responsibility of BNL.

- 1.7 Recently, there has been increasing disquiet amongst Councillors and the public arising from the delays and increasing costs, as exemplified in the recent motion by South Cambridgeshire District Council seeking a full explanation of the current situation. This report therefore documents the current issues between the Council and the contractor and the efforts that are being taken to resolve them.

2 THE FORM OF CONTRACT

- 2.1 The contract with BNL is a Target Price contract under the Institution of Civil Engineers New Engineering Contract (NEC) framework. This means that at the point of letting the contract, a Target Price for the works required by the Council is agreed. This Target Price can be varied up or down by what are termed Compensation Events, which usually take the form of changes to the scheme specification or works requirements or events not expected when the contract was signed. During the course of the contract, the Contractor is paid its Actual Cost including the quoted Fee less a Retention of 5%.

- 2.2 At the end of the contract, the Contractor is paid (or in this case pays) its share of the difference between the final total of the Target Price and the final Actual Cost including Fee in accordance with the Incentive Share formula in the contract. If the final Actual Cost is greater than the Target Price, the Contractor pays its share of the difference to Cambridgeshire County Council (CCC). CCC's share is capped at 4.75% of the Target Price, which on the current target price is £4.13 million. This is referred to as the pain/gain share mechanism.

- 2.3 The contract works on an open book basis and the Council has full access to information regarding costs and payments that the contractor is making.

- 2.4 In letting the contract as design and build, the Council sought to transfer most risks such as adverse weather and other events that could significantly impact on the cost of the works to the contractor. The purpose of this was to try to ensure the price the Council has to pay for the works is as close as possible to the price it expected given the budget constraints of fixed funding streams.

- 2.5 The operation of the pain/gain mechanism is on a sliding scale such that should the contractor over spend, he takes a greater proportion of that overspend the higher it is. There is also a mirror of this arrangement for underspends. At the originally agreed target price and assuming it does not change, the maximum amount of any overspend that the Council could be responsible for would be £4.13m. Appendix 1 shows how this sliding scale works. The original forecast of total cost of the scheme of £116.27m included a risk allowance of £5m.

- 2.6 The NEC contract is widely used in civil engineering contracting and particularly for example, by the Ministry of Defence and the Highways

Agency; and is endorsed by the Office for Government Commerce. The main advantage of the contract is that it should incentivise efficient delivery on the part of the contractor. If he overspends, there is an escalating penalty as a result. Should he under spend, he can take an escalating proportion of the savings made.

- 2.7 The contract the Council has with BNL is for design and construction of the busway. The Council employs Atkins as its consultant to administer the contract and to act on its behalf in checking designs produced by the contractor. Atkins also inspect final works when they are indicated as being complete by the contractor to ensure they meet the specification that we have set and are in accordance with designs submitted by the contractor. Within the contract, there is a formal role of Project Manager. This person, who is employed by Atkins but paid for by the Council as part of the overall project costs, is charged with administering the contract in a fair and equitable way.
- 2.8 When the inspections of completed works take place, there is a formal process for notifying if there are any problems with the guideway or associated infrastructure as built. Any minor points that need rectification are flagged up to the contractor. For the purpose of this report these are referred to as snags. More significant issues are termed defects and there is a formal process for notification, by the Project Manager, of defect items with the contractor. To be a defect under the contract, an item must have been built or information must have been provided in a way that means it does not conform with what is termed the Works Information - essentially, the specification the Council gave the contractor for the busway or the performance of the infrastructure that was expected.
- 2.9 The contract envisaged that both sections of the busway would be completed and opened at the same time. When it became apparent that construction was running late, it was agreed that BAM Nuttall would complete the northern section first. This required a modification to the contract to allow for sectional completion. The current problems regarding the point where it will be possible to bring the busway into operation revolves to a large extent around a number of defect items and how they are dealt with in the sectional completion agreement.
- 2.10 There are clauses in the contract that the Council has with BNL that govern how any items flagged up as defects should be addressed. Essentially, if the Project Manager, on behalf of the Council, raises an item as a defect, the contractor is obliged to put that defect right prior to completion of the scheme or if not by completion, then within four weeks of completion. If defects are not concluded within this four week period, the Council has the right to step in and do the works itself and deduct the cost from future payments to BNL or the retention sum held by the Council. This action can, however, only occur once the scheme is complete and handed over. Before then, the Council needs to work with the contractor to secure resolution of the defects.
- 2.11 BNL have indicated that they are not prepared to agree to the contract defect provision applying to sectional completion but have also indicated

that they would not hand over the northern section of busway with any outstanding notified defects.

- 2.12 The particular problem that the Council faces at present is that the contractor is not accepting that all the items notified by the Project Manager are defects and so they are not being addressed. Essentially therefore, the move towards an opening of the scheme is paralysed because the contractor is not addressing issues they are required to under the contract and is not prepared to allow the four week defects rectification clause noted above to kick in, because they are not prepared to hand over the northern section of the busway with those notified defects outstanding.
- 2.13 Under the terms of the contract, the contractor would be paid the actual cost of rectifying these defects, but assuming they were upheld as defects through any actions to finally determine the issues between the Council and BNL, that cost would be recovered by the Council. We understand that the contractor's reasoning for not addressing these issues is that they believe they are not defect items. This is important in terms of the contractual dispute that the Council has with BNL because works to rectify matters that are not defects would result in an upward adjustment of the target price which would benefit the contractor by increasing the payment they receive under the contract.
- 2.14 Although superficially attractive, the Council has no right to simply take over the northern section of the busway unless it is prepared to take on the liability of the uncorrected defects, a position that is unacceptable.

3 OPERATION OF THE CONTRACT / CURRENT POSITION

- 3.1 Since the start of the contract, a significant number of Compensation Events have been notified by the contractor and the Council have also issued some. If these are agreed as Compensation Events then as noted above, when valued, these can move the target price upwards or downwards. Despite the significant number of Compensation Events that have been lodged, the target price is currently little changed from its level at the start of the contract.
- 3.2 Conversely, there has been a significant change in the actual cost of building the busway. The contractor provides a quarterly forecast of the total cost of construction, this has reached £145 million, including statutory undertaker's costs, which form part of the target price calculation. This is considered excessive, but officers' own estimate, based on expenditure to date and the contractor's current programme are that construction costs, including statutory undertakers, could be as much as £140 million. The Council believes this could be reduced if works are undertaken efficiently and the issues contained in this paper addressed swiftly to allow completion of the northern section of the route. On the other hand, these costs could rise further if the delivery of the scheme is significantly further delayed.
- 3.3 The total scheme costs include land and project management. Allowing for these costs and the deduction of the normal 5% retention payments

from the construction cost, then expenditure on the scheme is forecast to peak at £161 million prior to the repayment by the contractor of the pain share.

- 3.4 The cause of these increased costs is central to the disagreement between the Council and BNL. The Council believes that the additional costs are the responsibility of the contractor given the risk transfer that was a part of the contract, whereas the contractor believes that they are the responsibility of the Council. Given the magnitude of the difference between the two parties, it now seems inevitable that these issues will only be resolved through resort to litigation, which will involve significant costs for both sides as a result of the court process and the necessary legal representatives. The likely timeline for resolution of these issues through legal action is in the Council's view likely to extend to 2014/15. These legal proceedings can only commence when the whole scheme has been handed over (i.e. the completion of the contract) and so will also depend on the time it takes to resolve the defect issues set down in this paper.
- 3.5 As well as the increased cost of completing the busway, the scheme opening is also running significantly behind schedule. The full scheme should have opened in February 2009 but services are still not running. Since February 2009, and indeed before then, actions have been taken in an attempt to speed up delivery but so far without success. A number of dates for opening have been announced but have not been realised. The Council based dates on programmes provided by the contractor, but works to allow opening had not been completed by the contractor as the dates approached. The current issue preventing the operation of services is that there are a number of notified defects that have not been addressed and the Council is clear that these must be completed satisfactorily prior to the commencement of operations. At present, no opening date for either the northern or southern sections of the guideway have been given and it is proposed that this will only be the case when it is clear that all required works have been undertaken by the contractor.

4 NORTHERN SECTION OF THE GUIDEWAY

- 4.1 The current position is that on the St Ives to Cambridge section, the physical works are all but complete, although there remain finishing items that the Council requires the contractor to attend to before it will accept the guideway. As noted above, these items split into two broad categories – what are termed snags (minor items that need rectification) and more significant items which are termed defects. In the case of the former category, these items have been flagged up by our consultant Atkins during final inspections of the guideway and to date, most of them have been rectified by the contractor. There are currently in the order of 120 items in this category that are outstanding and it is expected that these will be complete within the next few weeks. Examples of the type of items that would be classed as a snag are incorrectly installed lighting columns, chipped kerbs or uneven surfacing to footways. Snags, whilst all requiring rectification, should not in themselves hold up the operation of buses on the guideway.

- 4.2 The Council's view is that the snags that have been identified could have been dealt with more swiftly than they have if appropriate resources had been made available. It is also the case that the process is being extended because some snags that the contractor says have been rectified have not in fact been done when re-inspections take place.
- 4.3 The items that are defined as defects are presenting more of a problem and whilst many of the items that were originally identified have now been rectified, there remain a number of issues for which a simple resolution is proving hard to achieve. All of the identified defects will need to be rectified before the Council is willing to accept the guideway from the contractor (and indeed it has been made clear by the contractor that he would want all defects to be complete before he is willing to hand it over) and it is these items and their resolution that will essentially determine the programme for an opening date.
- 4.4 Whilst technically, the Council could accept the guideway from the contractor with these notified defects, that would place a significant potential liability upon the Council in terms of future maintenance that at this stage, it is not possible to quantify. Therefore, to protect the financial interests of the Council, officers have advised Members that resolution of these issues should be pursued with the contractor under the terms of the contract and the scheme should not be accepted until they have been rectified.
- 4.5 Council officers meet regularly with the Chief Executive and Directors of BNL to try and resolve these issues but as yet, there has been no breakthrough. Set down below is a summary of the key notified defects within the northern section of the busway that the Council requires to be resolved before it is prepared to allow buses to run. The first three of these are areas where physical works are required to rectify the defect. The remaining three are issues where works may be required but the initial action is to secure assurances from BNL and their designers regarding the design and performance of the guideway.

River Great Ouse Viaduct

- 4.6 The River Great Ouse Viaduct is at the west end of the busway just east of the St Ives Park and Ride site. An inspection of the viaduct last Autumn by Atkins found that significant amounts of water were flowing from the deck of the bridge, through the expansion joint and onto the exposed steelwork underneath that forms the bridge structure. Atkins and County Council bridge experts have advised that this will create a maintenance liability in the future and could reduce the life of the bridge. This would be exacerbated by de-icing on the guideway which would mean for a significant part of the year, the water flowing from the bridge deck will be salty.
- 4.7 The Council's position is that the work BNL have undertaken is not in accordance with our requirements through the Works Information or accepted design standards and therefore a solution to rectify the defect needs to be identified. In essence, the design standards state that the

expansion joint should be continuous across the bridge and should be sealed. Neither of these is the case.

- 4.8 BNL have put forward a solution of placing a gutter under the bridge to catch the water. The Council's view is that this deals only with the symptoms and not the cause of the problem, will in itself be a maintenance liability and so isn't a long term solution. Discussions between the Council and BNL are ongoing and this is an issue that must be resolved before bus operation can commence. Fundamentally though, BNL do not accept that this a defect and therefore it is proving difficult to get them to agree to rectify the problem.

St Ives Park and Ride Site

- 4.9 An initial visual inspection of the park and ride site by Atkins indicated that standing water and puddles appear in some areas of the car park when it rains. Further investigation of this problem has indicated that the cause is the gradient that the car park has been built to. The Works Information from the Council recommends that this should be a fall of 1:60 but in fact the car park has been designed to a fall of 1:200. This has proved to be outside the reasonable tolerances that contractors can lay tarmac, with the result that there are a number of areas where puddles form and are slow to drain.
- 4.10 The contractor has accepted that this is a problem and has sought, with his sub contractor, to relay parts of the car park tarmac. This has solved some of the problems, but some areas of ponding still occur and it would appear that simply relaying the surface again, will not solve this problem completely.
- 4.11 The contractor argues that at the time of undertaking the works, there were constraints as a result of the site being in the flood plain that prevented an appropriate gradient being secured. These constraints, it is claimed, prevented either digging down due to the site being built on an old waste tip or building up to create the appropriate falls across the site.
- 4.12 The Council does not accept these constraints and is of the view that the contractor was not prevented from providing an appropriate gradient across the site. It can only be assumed therefore, that this was not provided for other reasons (the Council believes to reduce cost). This, however, is no reason not to comply with the Council's requirements unless such a change has been agreed.
- 4.13 The Council is not prepared to open the scheme until this problem has been rectified because if it did, the service provided to the public would not be of the standard that has been promised and it is likely that at some point in the future, the car park would need to be closed for remedial works.
- 4.14 The ultimate solution to this problem would be to completely resurface the car park having brought in significant amounts of material to re-grade the site to provide the appropriate gradients. This would, however, be a very expensive exercise and would take a considerable amount of time. The

Council is of the view that there are simpler, compromise solutions available and has discussed these with BNL. So far there has been no agreement from BNL either that this is a defect or of the remedy.

Maintenance track

- 4.15 The maintenance track which runs alongside the busway has always been expected to flood at times in certain areas within the flood plain of the River Great Ouse; this was made clear during the Transport and Works Act (TWA) Public Inquiry. The reason for this is that the Environment Agency requires that the busway should not reduce the storage capacity for flood waters as this would increase the likelihood of flooding in the vicinity of the River Great Ouse.
- 4.16 Fluvial modelling was undertaken as part of the Council's submissions to the Public Inquiry in 2004 and this quantified the likelihood of flooding of the maintenance track. Based on Environment Agency records for the preceding six winters, which included the severe flooding of 2003, the maintenance track adjacent to the River Great Ouse would have been flooded each winter for periods of between 4 and 55 days. In three of the winters it would have been flooded for 7 days or less. This section of maintenance track, as built by Bam Nuttall, has now been under water since late October (approximately 150 days), in a winter which has not seen severe flooding of the River Great Ouse.
- 4.17 The section of the maintenance track between Swavesey and St Ives has been built at a much lower level than required in the TWA with the result that flooding has occurred simply as a result of rainfall locally and without the River Great Ouse being in flood. There are also areas which have been built without sufficient drainage so that water does not drain away resulting in areas of standing water being present for quite some time and areas where the maintenance track should have been built on top of a culvert but has instead been built at a much lower level in front of the culvert.
- 4.18 The most serious areas of flooding occur either side of the River Great Ouse viaduct and on these sections, the contractor has built the maintenance track within the drainage ditches that run parallel to the guideway. It is therefore inevitable that it will flood and indeed in this area, the maintenance track itself is acting as the drainage ditch. In these sections, it is likely that the track will be flooded and un-useable for a very significant part of every year.
- 4.19 The maintenance track as constructed is clearly not as it was anticipated at the time of the Public Inquiry and in the Council's view is not in accordance with the Works Information and the requirements of the TWA itself. This latter point is particularly important as the TWA is mentioned in the Works Information as the primary reference document for matters in relation to the performance and height of the maintenance track.
- 4.20 The contractor accepts that there are problems with the maintenance track but does not accept responsibility for those problems or accept them as defects. Both the Council and BNL are currently looking at how the

problems can be rectified, but agreement is still needed on the responsibility for taking any solutions forward.

- 4.21 Given the current state of the maintenance track, the flooding is an issue that must be rectified whoever ultimately is responsible. Works in that area due to the floodplain constraints, can, however, only be undertaken at certain times of the year and so the Council would consider opening up the guideway to buses in advance of those works being undertaken as long as a clear and programmed plan of action had been agreed with BNL.

Guideway Foundations

- 4.22 When BNL originally tendered for the Guided Busway contract, they proposed using piled foundations along significant parts of the northern section of the route given the generally poor ground conditions. Piles are, however, expensive and through design review after they were awarded the contract, BNL concluded that a greater length of the busway could be constructed using cheaper pad foundations. The Council was content in principle with this decision as it would result in an overall lower cost, providing the contractor could demonstrate that the foundations would perform as originally anticipated.
- 4.23 The current issue between the Council and BNL in terms of the foundations is that the contractor and his designers still have to satisfy the Council that the foundations that have now been installed in the sections that were originally to be piled will perform as planned. Indeed, we believe some of the designer's calculations demonstrate that this may not be the case which is a cause of great concern. In effect, this could mean that the movement in the levels of the guideway will be greater than the extremely tight tolerances that were specified in the contract meaning either a greater than expected maintenance liability on the Council or at worst, damage to the guideway beams with an impact on ride quality. Neither of these options would be acceptable to the Council. To date, BNL and the designer have not provided the necessary information requested by the Council and until this is received, the implication of the decisions that BNL have taken can't be quantified.
- 4.24 The submission of this information and the satisfactory conclusion of this issue is essential before buses can run given the potential liabilities the Council would take on if this is not resolved. To date, BNL have not accepted this as a defect and so it is proving hard to make progress.

Gaps between the guideway beams

- 4.25 The guideway beams have been manufactured to an extremely high specification to ensure a high quality ride on the buses. The nature of the foundations as noted above will also determine this as will the spacings between the individual sections of the guideway as they are laid on the foundations. For example, If the gaps between these individual sections of guideway are too large, the ride on them will not be smooth. However, when laying the beams, account must also be taken of the fact that they

will contract in cold weather and expand in hot weather. If the gaps are too small this expansion could cause damage to the beams themselves or affect the alignment of the busway.

- 4.26 The designers own calculations indicate that some of these beam spacings may be too narrow and surveys on the ground have confirmed this. The contractor has initially indicated that this is not a problem as the beams could 'shunt' along the guideway when this occurs. However, each beam is held in place at one end and so there is no possibility for this to occur. The potential for damage therefore remains real.
- 4.27 The Council is therefore asking BNL to verify the extent of this problem and rectify it as necessary. This may involve moving some of the beams to even up the spacings. Again, this is an issue that must be resolved prior to buses running given the potential liability the Council would take on if it accepted the busway without these issues being fully quantified. To date, BNL have not accepted this as a defect and so it is proving difficult to make progress.

Rubber tyre infill between guideway beams

- 4.28 Each of the sections of guideway is formed by beams, on which the bus wheels will run, and concrete spacers to hold the beams together, effectively creating a ladder formation. The void space between each of these sections needs to be filled with an inert material and topsoil placed on top which will be seeded so grass and wild plants will grow to soften the overall appearance of the guideway - a requirement of the TWA Order.
- 4.29 It was originally proposed that this infill material should be crushed stone or recycled railway ballast but at an early stage of the project, the contractor suggested using shredded tyres, a waste material that is significantly cheaper than stone. The Council accepted the principle of this design change and continues to do so. The issue here though is that given the potential flammability of the material, the Council is looking for comfort on how the material will perform and under what conditions it could become a hazard. This will be through the formal submission of a risk assessment. The technical details of this are fairly standard and despite working with the designers for many months, this still has not been presented in a satisfactory form.
- 4.30 Recent discussions with the designers we believe have now moved this issue on and a final risk assessment is expected shortly. Again though, given the nature of the issues, the Council would not be prepared to accept the busway until this issue is satisfactorily concluded.

5 PROGRESS ON RESOLVING THESE ISSUES

- 5.1 A number of the issues noted above have been under discussion with BNL since last summer and all since at least October of last year. The Council is of the view that the satisfactory conclusion of them all is relatively simple and should have been concluded well before now. Some of the items above will require physical works to rectify them and for

others, officers are simply looking for calculations and confirmation from the designers that the infrastructure will perform as planned. Either way, officers are clearly of the view that these issues must be addressed if the busway is to be launched successfully and therefore the date for opening is very much in the hands of the contractor.

- 5.2 Council officers are in continuing discussions with the contractor to resolve these issues as soon as possible but in all of the cases noted above, the contractor has been unwilling to address them in a satisfactory manner. In relation to the River Great Ouse Viaduct and the St Ives Park and Ride for example, the Council has put forward suggested means of overcoming the defects that are evident but the contractor has to date not accepted these or put forward alternative acceptable solutions. In relation to the other issues, the contractor and designers have not to date engaged in sufficiently constructive discussions to provide the information required or propose solutions.
- 5.3 The Chief Executives of BNL and the County Council meet regularly to seek a way forward on these issues. No firm progress has so far been made in terms of resolving when these defects will be rectified, but at the latest meeting, there was an acceptance on the part of BNL that technical discussions would take place to identify potential solutions. BNL did not, however, commit to undertake any works as a result of those technical discussions. An update following any further discussions will be reported to Cabinet.

6 PROGRESS ON THE SOUTHERN SECTION

- 6.1 Both the northern and southern sections of the busway should have opened up at the same time and both are currently just over one year late. The focus of construction activity by BNL has now shifted to the southern section where again, much of the scheme has been built. There are, however, fundamental issues in respect of the works taking place in the Trumpington Cutting and these will drive the programme for overall delivery of the southern section.
- 6.2 As with the northern section, the Council has concerns about the rate of progress from BNL in the south and is of the view that much of what is being done now, both in terms of physical works and gaining approvals should have been done long ago. Given the current rate of progress, it would appear unlikely that the southern section will be completed before November and to achieve this, BNL will need to move quickly on a number of fronts. As with the northern section, officers and Atkins will be doing all they can to ensure work is undertaken as efficiently as possible. An opening date for the southern section, as with the north, will not, however, be announced until it is certain it will be available.

7 IMPLICATIONS

- 7.1 **Resources And Performance** (this heading includes Finance, Property and Facilities Management, Information and Communication Technology (ICT) Human Resources, Performance, Risk and Best Practice and where significant, they are set out below).

The following bullet points set out details of significant implications identified by officers

- Finance and risk management – the report sets out the issues preventing the opening of the northern section of the busway and the consequences were the Council to accept the Busway without these defects being addressed.

7.2 Statutory Requirements and Partnership Working

There are no significant implications for any of the headings within this category.

7.3 Climate Change (Includes any climate change, greenhouse gas emissions and environment implications and where significant, they are set out below).

There are no significant implications for any of the headings within this category.

7.4 Access and Inclusion (includes inclusion, crime and disorder, the voluntary Sector, equality and diversity and transport implication and where significant, they are set out below).

There are no significant implications for any of the headings within this category.

7.5 Engagement and Consultation (includes community engagement and public consultation and where significant, they are set out below)

There are no significant implications for any of the headings within this category.

Source Documents	Location
Agenda and Minutes, Cabinet 1/3/2005, 7/2/06, 13/6/06, 11/7/06, 16/10/07, 16/12/08, 29/9/09 Cambridgeshire Guided Busway Order	CGB Team Office, Old Police House, Shire Hall, Cambridge

Appendix 1 – Pain Gain sliding scale

Table 1 Percentage shares

Share Range	Contractor's Share	Employer's Share
Overspend		
0-5%	50%	50%
5-10%	75%	25%
10-20%	90%	10%
More than 20%	100%	0%

Table 2 Pain Share Calculation

Target Price: £87 million

Actual Cost: £140 million

Share Range	Contractor's Share	Employer's Share
Overspend		
0-5%	£2,175,000	£2,175,000
5-10%	£3,262,500	£1,087,500
10-20%	£7,830,000	£870,000
More than 20%	£35,600,000	0
	£48,867,500	£4,132,500