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LAMBING SEASON

U's, Histon on victory

Busway paralysed

- >> Scale of dispute between council and contractor emerges
- >> List of major defects blighting project is finally revealed
- >> Legal wrangle will cost £5m and could last until 2015



THE guided busway is "paralysed" and a legal battle between the council and its contractor is inevitable. claim transport bosses.

In an unprecedented move, Cambridgeshire County Council has publicly blamed contractor BAM Nuttall (BNL) for the delays and ever-rising cost of the blighted busway scheme.

A document released yesterday details the main sticking points which BNL are "refusing to recognise". They include a leaking viaduct, a constantly flooding cycleway and footpath and a park and ride site built at the wrong angle.

Council chiefs have said the contractor is solely responsible for preventing

the scheme from opening, adding it has been "paralysed because the contractor is not addressing issues they are required

The council even claims BNL caused some of the problems simply "to reduce costs". The report reveals that councillors want to force BNL to pay £48,867,500 of the current overspend of £53 million.

Critics say the Conservative-led council has kept the public in the dark for too long and the contractor should not take all the blame.

BNL slammed the council for failing to consult it before releasing the revealing document saying it did not agree with many of the statements made by the council.

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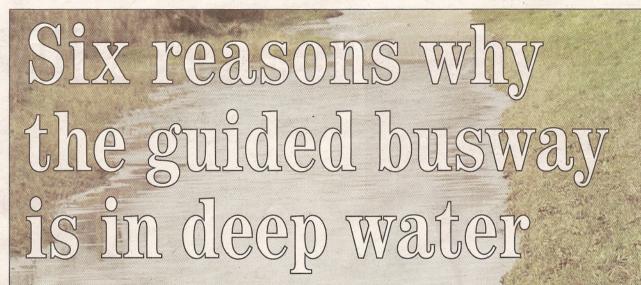




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■ Total dismay
over guided bus
delay – pages
4 & 5
■ Opinion –
page 6





DESTINATION UNKNOWN: The guided bus, top, council director Graham Hughes, above and Clir Roy Pegram in the water on the flooded path. left

THE guided busway project is "paralysed", council bosses claim - and they are blaming contractor BAM Nuttall (BNL) for the delays.

The multi-million pound transport scheme was supposed to bring smoothrunning, regular buses from St Ives to Cambridge by January 2009.

But yesterday Cambridgeshire County Council, in a revelatory document which uncovers the strained relationship between it and those building the busway, said it is at loggerheads with BNL and legal action is inevitable.

This action could extend to 2015 and cost up to £5 million, but the council still hopes the northern section of the busway will open "soon", with the contractor claiming the southern section could be ready by November this year.

The document released by the council blames BNL for much of the delay. A key point is that the developer refuses to accept the findings of the council's independent inspector Atkins.

Atkins points to six defects which must be fixed before the busway is handed over. They include the St Ives Park and Ride site being built at the wrong gradient, the River Great Ouse viaduct leaking water and the maintenance track which runs alongside the busway being constantly under water.

Other sticking points include 120 smaller, so-called snagging issues reduced from an initial list of 1.600.

The document says: "The contractor is not accepting that all the items notified by the project manager are

#### **EXCLUSIVE**

#### PAUL HOLLAND

News editor

defects and so they are not being addressed. Essentially therefore the move towards an opening of the scheme is paralysed."

Cllr Roy Pegram, the council's cabinet member for growth, infrastructure and strategic planning, said he was incredibly frustrated by the lack of progress by BAM Nuttall.

He said: "BAM Nuttall have been notified there are defects on the busway. However, they are not accepting that defects that they have been notified of are in fact defects.

"These are defects such as a cycle path that the contractor has built in a drainage ditch so it is unusable for much of the year.

"You don't have to be an engineer to see the cycle path that BAM Nuttall has built looks more like a river than a cycle path in some places.

"All we want is BAM Nuttall to be reasonable and finish the scheme.

"If, as BAM Nuttall maintains, these issues are not defects, there should be no barriers to completing the works as

You don't have to be an engineer to see the cycle path that BAM Nuttall has built looks more like a river than a cycle path in some places

- Cllr Roy Pegram

they will be paid their actual costs up front and will not need to repay the council the costs when all of the contractual issues are resolved."

The delays and repair works already undertaken have moved the cost of the busway from a target price of £87 million to an estimated final actual cost of £140 million. The council has budgeted more than £160 million to cover all eventualities but hopes to claw much back from the contractor.

That would mean BNL must pay £48,867,500 back, while the council pays just £4,132,500.

But the council says: "The cause of the increased cost is central to the disagreement between the council and BNL. Given the magnitude of the difference between the parties, it seems inevitable that these issues will only be resolved through resort to litigation."

The council's service director for growth and infrastructure, Graham Hughes, said while BNL was a good contractor with the best bid, a defect like that on the maintenance track needs a clear-cut solution. "There is no provision for doing nothing."

The documents also make it clear the disagreements come despite constant meetings with BNL. Hughes added relations were "strained" between BNL and the council with meetings being cordial and professional but often "fruitless".

"There is a sort of paralysis where they simply say this is not a defect - if they say that, there is nothing we can do to put it right."

The report will go to Cambridgeshire County Council's Cabinet on Tuesday.

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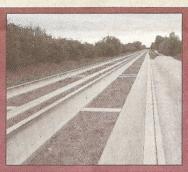


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A14

When BNL originally tendered for the guided busway contract, it 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 a greater length of the busway could be constructed using cheaper pad foundations. The county council was content in principle but the contractor and 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. The document says: "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."

THE SIX MAJOR DEFECTS BLIGHTING THE BUSWAY

Somersham

Huntingdon

Town Centre

Houghton

Railway Station

River Ouse

**Town Centre** 

Hemingfords

St. Ives

Fen Drayton Lakes

Fenstanton

St. Ives

Swavesey

Ove

Local Busway through proposed new town

The Busway on road route

A14

The Busway Stops

Road

Guideway

Key

Motorway

Towns/villages

Proposed new developments

New park ride site



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; however predictions based on Environment Agency modelling said the worst parts would probably flood each winter for periods of between four and 55 days. In three of the winters it would have been flooded for seven days or less. But the council says: "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." It goes on to point out that the section of the maintenance track between Swavesey and St Ives has been built at a much lower level than required. It adds there are other areas of poor drainage and that, in some areas "the maintenance track itself is acting as the drainage ditch". BNL accepts there are problems but no solution has been identified so far. Although the busway can operate without the track, the council says it will not take on the busway without BNL accepting it as a defect and agreeing to put it right.

# There was frustration... now there is total dismay

COUNCILLORS and key figures in Cambridgeshire have expressed their dismay at the news the guided busway project has stalled.

Cambridgeshire County Council bosses have admitted the move towards an opening of the multi-million pound

scheme is "paralysed".

The Conservative-controlled council said, in a document released yesterday, that contractor BAM Nuttall (BNL) is to blame for much of the delay and claims the developer is refusing to accept the findings of its independent inspector, who points to several defects which must be fixed before the busway is handed over.

John Bridge, chief executive of Cambridgeshire Chambers of Commerce, said: "There was concern, then there was frustration and now there is total dismay.

"Fundamentally, the fault has to lie with the people who design the contract and put it out to tender and SUZAN UZEL

actually give the project to someone to deliver. It should be clear what is expected of them and within what timeframe they should operate. There should be no room for manoeuvre.

"To us it actually diminishes and makes a mockery of what is fundamentally an excellent project which we desperately need from a public transport perspective."

Cllr Nichola Harrison, Liberal Democrat county councillor, said: "BAM Nuttall's refusal to accept that there are

defects in the busway reflects very badly on that company.

"But blaming Nuttall will not take the spotlight off how this has been handled by the council's Conservative leadership, who swept the problems under the carpet for a long time.

recently as last autumn they told us that buses would be running in November and the taxpayer was not at risk."

She added: "The public is now rightly asking why the council didn't spot and act on the problems much earlier, why they signed a contract which forces them to hand over tens of millions of pounds in extra payments, and how on earth such basic issues as the design of the busway's foundations could be in doubt at this stage.

"I am worried that the public is still not getting a complete picture of the risks faced by the taxpayer."

Cllr Tariq Sadiq, Labour county councillor, said: "I think that the council has left the public in the dark for far too long. They should have explained all this much sooner.

"People have been frustrated as they have seen the project largely complete but no buses running on it."

He added: "I do think the county should be acting in the best interests of the taxpayer.

"If it is confident in its case against Nuttall, it should do everything it can to recover the extra costs.

"Clearly something has gone wrong with the contract – it should have been fail-safe."

Andy Campbell, managing director of Stagecoach in Cambridgeshire, said: "I am now pleased we actually know what the problem is but obviously very disappointed this is likely to lead to an even lengthier delay.

"As we've said all along, we've been ready to operate and as far as we are concerned, the sooner we get on it the better.

"We just want it to be resolved so we can start operating on it as soon as possible."

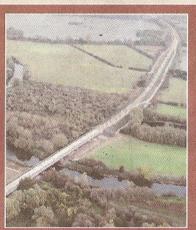
Cllr Brian Luter, mayor of St Ives, said he was "disappointed and saddened" to hear the news. He added: "We were not only expecting to go to work on the guided bus but we were also expecting tourists to come and visit St Ives.

"We all pay our rates here to Cambridgeshire County Council and so if it is in some kind of hole it will come back to us in the end."

suzan.uzel@cambridge-news.co.uk

BLAME: John Bridge says the project has become a farce

A visual inspection of the park-and-ride site by independent project managers Atkins found standing water and puddles appear in some areas of the car park when it rains. This was caused by BNL building the site on the wrong gradient, making water slow to drain. BNL has accepted it is a problem but "simply relaying the surface again, will not solve this problem completely". The council says BNL argued that when it worked on the site, flooding and the fact it is built on an old waste site prevented it creating the appropriate "fall" across the site. It adds: "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). "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. The council wants to work with BNL to rectify the problem — which could involve, in the extreme, completely resurfacing the site."



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 significant amounts of water were flowing from the deck of the bridge, through the expansion joint and on to exposed steelwork underneath that forms the bridge structure. Atkins and bridge experts have advised this could reduce the life of the bridge and lead to problems in the future. Use of de-icing on the busway would make this even worse as it would make the water salty – increasing corrosion risks. The document says: "The council's position is that the work BNL have undertaken is not in accordance with our requirements." It adds. "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." It adds that BNL suggested running a gutter underneath to catch the water but that this is not a satisfactory long-term solution. The council document states: "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."

#### Longstanton parkeride

Rampton

Cottenham

Proposed



NEWS

The voids between concrete spacers running along the centre of the busway were filled in

## BAM Nuttall angered by council's actions

BAM Nuttall slammed the council for releasing yesterday's documents.

The company told the *News*: "We are very disappointed with the decision from the council in making this public without reference to BNL. We are not in agreement with many of the statements in the report.

"We have undertaken a great deal of dialogue at senior level to resolve this issue. We intend to continue to work with the council to provide a quality busway for the people of Cambridgeshire. "In the light of the publication of this document and contrary to our previous decision of not discussing this contract in public, we may find it necessary to issue a fuller statement at some time in the future.

"For the record, the busway was extensively trialled during late summer 2009 where members of the public and local authorities have ridden the whole length of the busway.

"We look forward to this groundbreaking infrastructure being opened to the public."

## The tale of two figures – Target Price and Actual Price

THE contract between the council and BAM Nuttall (BNL) placed much of the risk on BNL – with a pain/gain scale rewarding under-spending and punishing over-spending.

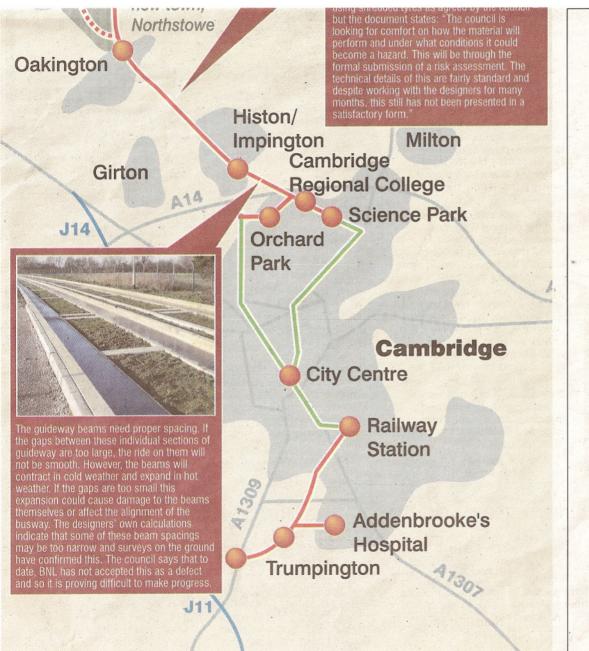
The calculation is based on the Target Price – agreed at the start of the process as £87 million – compared to the Actual Price, what BNL has charged the council by the time of the handover.

So far that Actual Price has reached £140 million – this means BNL is, according to the council, liable to pay £48,867,500 of the overspend – with the council's share of the overspend being £4,132,500.

This figure will be the centre of the legal battle between the two parties — with BNL arguing the Target Price should be modified upwards to take into account its extra costs and the council arguing the Target Price should remain as it is because the agreement between it and BNL did not change.

As council officer Graham Hughes said: "With a figure like that, it is inevitable the matter will end up in court."

With the costs only likely to increase, it is in everyone's interest that agreement is made as soon as possible, says the council.

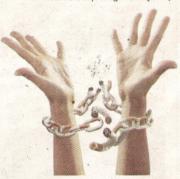






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