

Appendix 6B

ACTION PLAN REVIEW



Norwich Western Link - Project Board

Date of meeting: 6 May 2021

Agenda Item 11.0: Gateway Review Tracker

Lead Officer: David Allfrey

Recommendation for Board:

Gateway reviews are considered good practice in major project delivery to ensure an independent overview of the project delivery at key stages. DfT also seek assurances that good project governance is in place for projects that seek funding from them and these reviews provide support within the business case submission.

An action tracker has been developed that is appended herewith to ensure the Board has a document from which to monitor progress against the key findings from the independent review team (Local Partnerships).

Background / Summary:

A gateway review was carried out for the project by Local Partnerships in January 2021. The findings of the report are summarised below:

Delivery Confidence Assessment

Amber

The Review team finds that the Norwich Western Link project (NWL) has strong support within Norfolk County Council (NCC) from councillors and senior officers. The new road is identified as a strategically important link by the New Anglia Local Enterprise Partnership (LEP) and Transport East. There is also demonstrable support from residents and businesses who are keen to see the new road delivered to alleviate congestion and support economic growth in the Norwich area.

However, whilst there is strong support, there is also a well organised and articulate group of people opposed to the proposed works and their concerns about the environmental and especially the ecological impact of the road must be taken seriously to ensure a positive outcome to this project. Whilst good initial work has been done it will be important to review the current communication and stakeholder strategies prior to the commencement of the planning process to ensure the case for the road are fully articulated.

It will be essential to make the best possible strategic case for the project. The Review team suggest further work is needed to fully articulate the strength of the case.

The Review team note a NWL Member working group, project board and stakeholder groups are in place to provide robust governance and strong communication channels.

This is the largest project in the NCC current capital programme with an estimated value of £153m in the Strategic Outline Business Case (SOBC) and there is a risk that this figure could rise during the delivery of the project. NCC has currently projected it will need to find 15% of the total cost plus all the cost risk of any project cost overrun. It will be important to undertake sensitivity analysis and scenario testing to fully understand the potential financial liability for this project. This will also allow NCC to assign a realistic contingency to the project.

NCC currently has three other major transport projects underway. Whilst it has built up an experienced infrastructure team which is well led, it will be important to review the level of staff

and consultant support available to ensure sufficient capacity and expertise is available throughout the project lifecycle.

Given a number of major risks and issues which need to be managed we consider this project to be at Amber DCA.

The Delivery Confidence assessment RAG status should use the definitions below:

| RAG | Criteria Description |
|-------------|--|
| Green | Successful delivery of the project/programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly |
| Amber/Green | Successful delivery appears probable however constant attention will be needed to ensure risks do not materialise into major issues threatening delivery |
| Amber | Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun |
| Amber/Red | Successful delivery of the project/programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and whether resolution is feasible |
| Red | Successful delivery of the project/programme appears to be unachievable. There are major issues on project/programme definition, schedule, budget required quality or benefits delivery, which at this stage does not appear to be manageable or resolvable. The Project/Programme may need re-baselining and/or overall viability re-assessed |

Risks:

The intention of a gateway review is to highlight possible risks that could impact the delivery of the project. Failure to take the recommendations into account could leave areas of risk unresolved and ultimately undermine project governance and good practice. It could also raise concerns from DfT, a major funder of the project, regarding their confidence related to project controls and management.

Decision or action required from the Board:

To note the delivery confidence rating applied to the project and agree the details within the action tracker.

To agree that the Board will continue to monitor the actions at future meetings until satisfied that all have been suitably closed.

NWL Gateway Review (January 2021) Action Plan (UPDATE April 2021):

| | Gateway Review Task | Action Required | By who | By when | Progress | BRAG |
|----|---|--|-------------------|---|---|--------------|
| 1. | Undertake a review of the current communications and stakeholder engagement strategy ahead of the next phase. Ensure that these strategies are cognisant of the project risk log and the communications function is regularly informed of any project issues and problems as they occur. | Review project communications plan to generate clear alignment with risk log. Develop regular risk review discussions with a focus on communications and stakeholder engagement. Update the communications plan to provide clear guidance for the next project phases. | DA/SL | 'Essential' in review report. (within 3 months) Target. End June 2021. | March 2021: SL/DA discussed and SL developing proposals as part of communications plan review. Also to be discussed with senior Communications Team managers. April 2021: Action above ongoing. | AMBER |
| 2. | NCC should develop and maintain a programme level financial model, to ensure risks and obligations around local contribution funding are fully understood across the various projects as well as undertaking sensitive and scenario tests on the financial and economic case. | Discuss with Finance (via CES Business Partner) how current funding of major projects are tracked and assess any risks that relate to the NWL funding. Complete sensitivity and scenario testing to assess NCC funding capabilities and review other local contribution options. | DA/AS | 'Critical' in review report. Target. Before Cabinet in June 2021. | March 2021: DA to arrange discussions with AS to review existing Finance arrangements for major projects across NCC. Assess risks to funding and capacity for NCC funding over project delivery cycles and arrange regular reviews. April 2021: AS meeting to be arranged, but initial thoughts from AS are that mechanisms already in place for this. | AMBER |
| 3. | NCC to develop the strongest possible strategic case for the project to support the planning and inquiry processes and ensure its strategic significance is fully reflected. Also consider producing a strategic vision document to assist this. | Review strategic case in OBC to ensure this is as strong as possible. Develop proposals for a possible strategic vision document (perhaps linked to wider Transport for Norwich Strategy). | DA/DC | 'Critical' in review report. Target. Part of finalising OBC to be presented to Cabinet in June 2021. | March 2021: DA to arrange discussions with DC (David Cumming) to discuss strategic case. Also need to arrange legal review of strategic case (via newly appointed PM team). April 2021: Review of Strategic Case completed as part of ongoing OBC development work. It has moved on since the Gateway Review process. | AMBER |
| 4. | NCC should undertake further risk analysis and establish financial contingencies for possible cost growth. Close | All cost information will be updated as part of the OBC and reporting to Cabinet in June 2021. Risk reviews will include assessments of | CF/BR (and AS) | 'Essential' in review report. (within 3 months) Target. End | March 2021: CF/BR to develop proposals for risk register in light of latest project position and appointment of contractor. Cost reviews also to be completed, with assessments for best and worst cases, with contingency assessment discussed with AS. Details to be regularly | AMBER |

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|----|---|---|-------|---|--|-------|
| | monitoring of cost and changes during stage 1 of the contract will be essential and should be regularly reviewed by the project board. | financial impacts and contingencies will be developed for this, working with AS. Updates on costs will be routinely reported to the Board, including change controls as part of stage 1 of the contract. | | June 2021. | reported to Board. Contract administration (stage 1) updates also to be provided to the Board. April 2021: Project finances and risk review being significantly updated as part of procurement processes and OBC close out. Expect re-based finances to then be tracked with best/worst cases reported to Board. | |
| 5. | NCC invests in building the commercial skills, knowledge and expertise within the Project Team as part of the wider creation of an NCC internal resilience plan. | DA/BR to work together to ensure staffing of projects enables transference of commercial skills & experience. Staffing opportunities across all major projects to be considered and adopted where possible. | DA/BR | 'Essential' in review report. (within 6 months) Target. End September 2021. | March 2021: DA to arrange discussions with BR on regular basis to consider opportunities for staff development. Already started with key support role to replace change engineer. Also developing rotation of staff to gain experience. April 2021: Discussions held in relation to support for projects (Change Control). Further discussions required for wider commercial awareness training and experience opportunities. | AMBER |
| 6. | NCC should consider formalising their lessons learned approach such that a more permanent record of key learning is maintained. | DA to consider how lessons learnt can be routinely reported to inform other projects. Need to develop a system to capture information and then report findings. Also need to ensure it can be demonstrated that lessons learnt have been adopted/ actioned. | DA | 'Recommended' in review report. Target. Future project reporting by late 2021. | March 2021: Lessons learnt from other projects being captured and have been applied to NWL. Need to also continue to review details for NWL, eg learning from recent procurement process. Will also need to capture details from stage 1 of the contract. April 2021: Lessons learnt capture to be completed post procurement process. Target July/August. | AMBER |

NB. Regular updates to Members to be provided through regular Committee reporting. Monthly updates to be provided at Board meetings.

Key = BRAG Status

| RED | AMBER | GREEN | BLUE | WHITE |
|---|---|--|---|---|
| <p>Significant issues exist requiring consideration by COG or Programme Board and immediate action to be taken.</p> <p>Benefits - this benefit will not be achieved</p> | <p>Some (actual or anticipated) variation from the project plan but actions in hand to maintain progress.</p> <p>Benefits - some of the benefit may not be achieved</p> | <p>On schedule – progress in line with agreed project plan</p> <p>Benefits - this benefit will be achieved</p> | <p>Project / Work Package / Benefit completed</p> | <p>Being developed - Project has been approved but is in Initiation Stage</p> |