

**GREATER MANCHESTER INTEGRATED TRANSPORT AUTHORITY****REPORT FOR INFORMATION**

**COMMITTEE:** Capital Projects

**DATE:** 2<sup>nd</sup> July 2010

**SUBJECT:** Leigh Salford Manchester Busway - Advanced Works

**REPORT OF:** Interim Chief Operating Officer, GMPTE  
Finance and Corporate Services Director, GMPTE

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**PURPOSE OF REPORT**

The purpose of this report is to provide Members of the Capital Projects Committee with an update on progress on the Leigh-Salford-Manchester Busway following the approval of a package of advance works at the 21<sup>st</sup> May Emergency Committee.

**RECOMMENDATIONS**

Members are recommended to:

- (i) note progress to date in implementing the LSM Busway advance works package;
- (ii) note the reduction in the estimated costs of the advance works package; and
- (iii) note the reduction in the potential commitment for land compensation costs arising from a value engineering exercise and a re-valuation of anticipated land costs.
- (iv) Note that approximately 110 formal notices for those remaining plots of land contained within the CPO Book of Reference will be issued in July 2010, in line with the schedule. This will result in a potential liability of £206,000 that can be funded from the identified procurement and value engineering savings of £250,000 on the package of advance works approved by the Emergency Committee on 21<sup>st</sup> May 2010.

**BACKGROUND DOCUMENTS**

21<sup>st</sup> May 2010 – Leigh Salford Manchester Busway – Advanced Works – Report to the Emergency Committee

18<sup>th</sup> December 2009 - Greater Manchester Transport Fund– Accelerated Package Delivery Programme and Financial Strategy Update – Report to the Authority

20<sup>th</sup> November 2009 - Greater Manchester Transport Fund – Delivery Programme Update – Report to the Policy and Resources Committee

## **CONTACT OFFICERS**

Bob Morris	0161 244 1022	<a href="mailto:Bob.Morris@gmpte.gov.uk">Bob.Morris@gmpte.gov.uk</a>
Phil Havenhand	0161 2441413	Phil.Havenhand@gmpte.gov.uk

## **1. Executive Summary**

- 1.1 The advanced works package for the Leigh-Salford-Manchester (LSM) Busway scheme, approved by the ITA Emergency Committee on 21<sup>st</sup> May 2010, commenced on site on 15<sup>th</sup> June 2010.
- 1.2 The advance works comprise ecological mitigation works, landscaping works, construction of a multi-user path, 'green man' pedestrian crossing facilities and site access works.
- 1.3 Value engineering, mitigation of statutory undertakers diversion costs and competitive pricing by the main contractors has reduced the estimated costs of the advance works by £250,000 from the £1.274 million approved by the 21<sup>st</sup> May Emergency Committee to £1.024 million.
- 1.4 A value engineering exercise and a re-valuation of land costs has resulted in a reduction in potential CPO land commitment.

## **2. Introduction and Background**

- 2.1 Following approval of the £1.274 million funding package at the 21<sup>st</sup> May Emergency Committee, the advanced works package for the LSM Busway scheme commenced on site on 15<sup>th</sup> June 2010 in order to maintain programme and protect the critical path for the scheme,
- 2.2 The advance works comprise ecological mitigation work involving the translocation of Great Crested Newts that are present at a number of locations along the route; the construction of a site access onto the guideway at Sale Lane, Tydesley; and the construction of a site access, 100 metres of multi-user path, 'green man' pedestrian crossing facilities, landscaping works and a site access at the start of the Busway at Newearth Road, Ellenbrook.

## **3. Procurement Update**

- 3.1 Tenders have now been received and contracts awarded for all three elements of the advance works. Value engineering of the works, mitigation of potentially high statutory undertakers diversion costs and competitive pricing by the main contractors has resulted in a £250,000 reduction in the estimated cost of the advance works package from the £1.274 million approved by the Emergency Committee to £1.024 million.

## **4. Land Acquisition**

- 4.1 The land acquisition requirements for the construction of the full scheme are covered by existing CPO Powers contained within the Transport & Works Act Powers approved in July 2005.

- 4.2 Two small unregistered plots of land required to carry out the advance works at the Newearth Rd junction are included in the CPO. Formal notices have been posted at these locations enabling possession of the site in order to construct the works. The estimated total value of these two plots is £6,000 which is in line with the forecast cost included within the advanced works package approved by the Emergency Committee.
- 4.3 The land cost for the remaining plots of land in the “Book of Reference”, which defines the land for which CPO powers apply, required for the construction of the LSM Busway has been subject to a revaluation and a value engineering exercise, which has determined that the proposed Hough Lane park and ride site in Tyldesley does not provide good value for money as additional spaces can be provided elsewhere along the Busway at lower cost. The owner of the Hough Lane site has been notified that the land is not required for the Busway.
- 4.4 Approximately 110 formal notices for those remaining plots of land contained within the CPO Book of Reference will be issued in July 2010, in line with the schedule. Prior to the issuing of the Notices a wider communication exercise will be undertaken. This will be sent to all interested parties included within the Book of Reference. A briefing note and copy of the letter will also be sent in advance to local Ward Members, Lead Members within Salford CC, Wigan MBC and GMITA, local constituency MP’s and priority stakeholders.
- 4.5 The removal of the Hough Lane plots and the revaluation of the Book of Reference land costs has resulted in a reduction in the potential CPO land commitment from £1.4 million to £206,000.
- 4.6 The issuing of formal notices referred to above invites landowners to contact GMPTE with a view to commencing negotiation on land costs for the plots contained within the CPO.
- 4.7 If land cost negotiations are concluded on any plots in advance of a full funding approval for the LSM Busway scheme then this would be the subject of a further report to the Committee seeking approval to fund land acquisition costs of £206,000 that can be funded from the identified procurement and value engineering savings on the package of advance works approved by the Emergency Committee on 21<sup>st</sup> May 2010.

## **5 Recommendations**

- 5.1 A full set of recommendations is set out on the front sheet of this report.

**Bob Morris**  
**Interim Chief Operating Officer**