

COMMITTEE	Audit, Risk and Scrutiny
DATE	23 rd of February, 2017
DIRECTOR	Richard Ellis, Interim Depute Chief Executive (Director of Corporate Governance)
TITLE OF REPORT	3 rd Don Crossing-Action Plan Update
REPORT NUMBER	CG/17/006
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT

This report provides Members with an update on the action plan developed by Officers resulting from the report submitted to this Committee in September, 2016 on the contractual arrangements that were put in place to construct the Third Don Crossing, known as the Diamond Bridge.

2. RECOMMENDATION(S)

The Committee are asked to note the updates provided in the appendix to the report.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising directly from this report.

4. OTHER IMPLICATIONS

There are none arising directly from this report.

5. BACKGROUND/MAIN ISSUES

The 3rd Don Crossing is Aberdeen's biggest major new bridge infrastructure for 30 years since Queen Elizabeth II Bridge. Opening in June 2016, the Crossing was the culmination of many years of discussion, consultation, planning and decision making. This was a complex and challenging project involving the construction of two new bridge structures, three large retaining walls, 1.5 miles of connecting

roads on both sides of the River Don, with re-alignment and widening of existing roads carrying live traffic, the creation of cycle paths and pavements and landscaping works. The project also required extensive interaction with existing underground utility apparatus that called for significant diversionary works.

The Committee at its meeting on 27th September, 2016 had before it a report by the Interim Director of Corporate Governance which (1) provided an external view of the contractual arrangements that were put in place to construct the Third Don Crossing, known as the Diamond Bridge; and (2) explained that the remit of the review was to establish why the overall project was delivered late and over budget and to identify key lessons learned that the council should consider in relation to similar contracts in the future.

The report recommended that the Committee –

- (a) refer the report to the Strategic Asset Capital Board to develop an Action Plan based on the conclusions contained in the report; and
- (b) request that officers submit a report on the Action Plan to this Committee in six months time.

The Committee resolved:-(i) in response to various concerns raised by members relating to the contract and decision making process, to request the Internal Auditor to undertake an audit to ascertain where the responsibilities and accountability sat in relation to the 3rd Don Crossing and whether the appropriate level of scrutiny and records were in place throughout the project; and

(ii) to otherwise approve the recommendations contained in the report.

Officers have been working on the recommendations contained in the Action Plan. Appended to the report is the updated action plan. It contains information and updates on actions from the Third Don Crossing Review- Sept 2016 Audit Report, Procurement in Construction - May 2015 Audit Report and Managing Capital Projects Audit.

6. IMPACT

Implementing and monitoring the recommendations of this report will lead to Improving the Customer Experience, the Staff Experience and our use of Resources, whilst providing the Council with guidance on the future approach that the Council takes in developing and managing contracts and contractual relationships. The crossing is included in the Strategic Infrastructure Plan which is reflected in Aberdeen-The Smarter City.

7. MANAGEMENT OF RISK

Implementing and monitoring the recommendations of this report will provide the Council with guidance on the future approach that the Council takes in developing and managing contracts and contractual relationships and the associated risks therein. The specific risks for this project and others contained in the Strategic Infrastructure Plan are monitored by CMT.

8. BACKGROUND PAPERS

None.

9. REPORT AUTHOR DETAILS

Martin Allan, Business Manager mallan@aberdeencity.gov.uk 01224 523603