



REPORT TO: SPECIAL MEETING OF MORAY COUNCIL ON 17 DECEMBER 2019

SUBJECT: REPLACEMENT OF THE BRIDGE FROM LOSSIEMOUTH TO EAST BEACH

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

- 1.1 To inform the Council of proposals to replace the bridge between Lossiemouth and East Beach.
- 1.2 This report is submitted to Council in terms of paragraph II (20) of the Scheme of Administration relating to matters which currently do not fall within the terms of reference of any Committee

2. RECOMMENDATION

2.1 It is recommended that the Council:-

- (i) consider whether to agree in principle that the Council will take ownership of the new or refurbished bridge on completion of construction, as this is a necessary precondition to the project progressing;**
- (ii) subject to agreement to (i) above:**
 - (a) agree to the Council providing staff resources to progress to option appraisal, phase 1 subject to tenders being within the existing funding package outlined in paragraph 3.5 (bullet point 2) and;**
 - (b) submit a report to Council on the outcome of the option appraisal, which will detail whether there is a viable option to progress to phase 2 (Design and Build) that can be fully funded by the Scottish Government.**

3. **BACKGROUND**

- 3.1 The original bridge linking Lossiemouth to East Beach was constructed by the railhead in 1906 by Lossiemouth Town Council. In 1918 the bridge was relocated to its current position by the Old Harbour Commission, to make it easier for boats to come in and out of the old harbour. The Lossiemouth Old Harbour Commission ceased to exist when the harbour closed, at which point the bridge became ownerless.
- 3.2 In recent years concern has been raised about the condition of the bridge. On 24 July 2019 a span of the bridge failed causing it to become dangerous and the bridge was closed by the Council's Building Control Section. Since this time there has been no safe access from the town to East Beach.
- 3.3 The bridge linking the town to East Beach is an important amenity asset to the Lossiemouth community and its loss is likely to have a significant impact on the local economy, particularly during the summer season.
- 3.4 In September 2019, Scottish Government's Culture Secretary committed to funding the work required to reopen this bridge.
- 3.5 On 14 November 2019 a workshop was held in Lossiemouth Town Hall to discuss the need for a replacement bridge and how this could be delivered. The workshop was facilitated by Architect Design Scotland and was attended by a number of stakeholders, including Moray Council, Scottish Government, Highlands and Islands Enterprise, Lossiemouth Community Development Trust, Lossiemouth Business Association, Friendly Access, Surf School, Moray Speyside Tourism, Visit Scotland, SEPA and Scotland Town Partnership. The key points that came out of this workshop are listed below.
- Following an appraisal of options to provide a bridge, a business case must be submitted to and approved by Scottish Government before funding is provided by them.
 - Funding to enable preparation of the business case will come from the Lossiemouth Community Development Trust and Highlands and Islands Enterprise (HIE). The total budget currently available for the business case is £100k. £25k of this will be paid by HIE. The Lossiemouth Development Trust has raised £50k from the Beatrice Funding via Scottish and Southern Energy and £25k from public donations. The trust will make £50k available but wish to retain the £25k raised through public donations as a contingency, i.e. this money would only be made available if the cost to prepare the business case is greater than £75k.
 - The community do not wish to take ownership of the new bridge.
 - The preference is that the Council progress the project to deliver the new bridge and then take ownership.
- 3.6 A full report on the points raised and discussed at the workshop has been drafted by Architect Design Scotland, and is provided in **APPENDIX 1**.
- 3.7 If the community will not take ownership of the new bridge, the only other alternative would be for the Council to take ownership, given that both the

Scottish Government and HIE have indicated that they would not be in a position to take ownership. The Scottish Government would only consider owning an asset if it was of strategic importance e.g. a bridge over a trunk road. While HIE do own assets, this would normally require a business case where their investment would result in a return in income. Bridge replacement and maintenance however is part of the Council's core business and is therefore seen as the most obvious body to deliver this project.

4 PROCESS

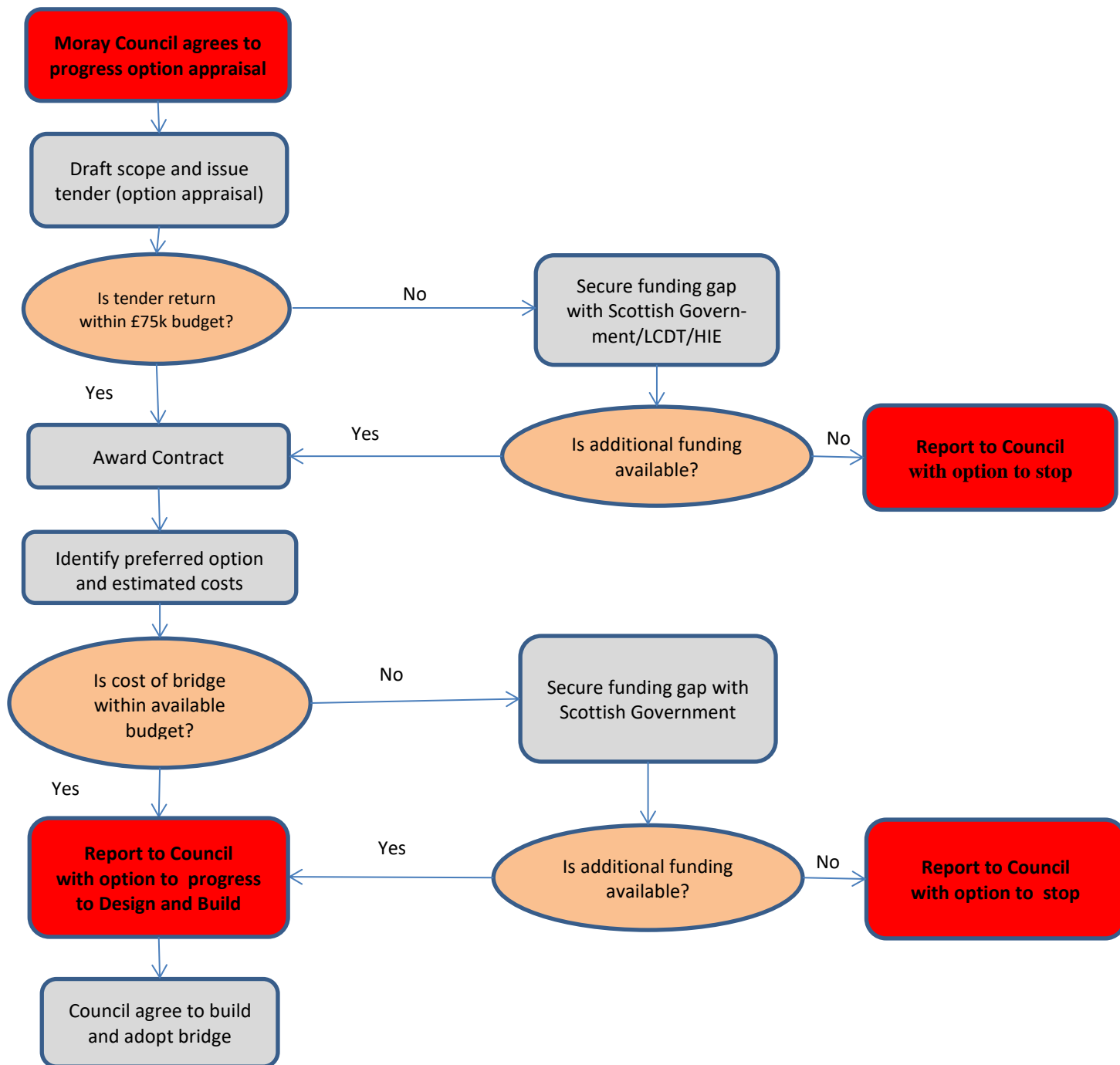
- 4.1 If the Council agrees to deliver and take ownership of a new bridge at Lossiemouth, the process for achieving this is set out below.
- 4.2 The project to provide a bridge from Lossiemouth to East Beach will be split into two phases, Phase 1 will consist of an option appraisal and Phase 2 will involve the design and construction of the bridge.
- **Phase 1** will include an option appraisal and development of a business case that will be submitted to Scottish Government. Funding for this phase is held by the Lossiemouth Community Development Trust and includes money raised by the community as well as contributions by Highlands and Islands Enterprise and Scottish and Southern Energy. (This is outlined in **APPENDIX 2**, Paragraph 6.4)
 - **Phase 2** will be the design and construction of the new bridge. Funding for this phase will be provided by Scottish Government, based on the outcome of the option appraisal and business case.
- 4.3 The Council's Consultancy Section will undertake all of the pre-tender work, which will include drafting and finalising the tender documents required, including contract documents, a detailed scope of work and site information. The team will also determine the most appropriate procurement method and this decision will be based on efficiency and minimising risk to Moray Council. Regardless of which procurement method is adopted the option to stop the project at the end of Phase 1 will apply. Stopping the project at this stage would only be necessary if sufficient funding for Phase 2 is not available. In parallel with the pre-tender work and Phase 1, the Council's Legal Services Section will carry out any preparatory land acquisition with costs to be allocated against the Phase 1 costs. This would involve negotiation on land purchase and/ or progress of Compulsory Purchase Orders as appropriate. The actual land purchase or completion of the CPO process would not be undertaken until Phase 2 had been approved and the land confirmed as required.
- 4.4 The staff resource required to progress the pre-tender work, Phase 1 and Phase 2 will be 1 FTE engineer for a duration of approximately two years. The Council would be expected to absorb the cost of this resource for the pre-tender work and Phase 1 but the external funding will cover the costs for Phase 2. This resource can be accommodated by re-prioritising the Consultancy programme of work during the pre-tender stage and Phase 1 and employing a temporary member of staff to cover the additional workload in Phase 2.

4.4 A draft of the scope is shown in **APPENDIX 2**. It should be noted that this could be subject to change following any discussions with community representatives and Scottish Government.

4.5 A flow chart of the decision making process is shown in Diagram 1.

Diagram 1

Decision Making Process



5 COMMUNICATION

- 5.1 It will be important to engage with the community during the development of this project. As well as holding public consultation events, the project team will consult with community representatives at key milestones in the delivery of the new bridge. This is likely to involve setting up a steering group with representatives from the Council, the Lossiemouth Community Development Trust, the Community Council, the Lossiemouth Business Association and Architect Design Scotland and/or Scottish Government. The project will also require a communications plan to disseminate information to the wider community.

6 MAINTENANCE

- 6.1 On completion of the bridge construction, if this is agreed by the Council when phase 1 is completed, the Council would take ownership of the bridge and responsibility for its ongoing inspection and maintenance. The cost of maintaining the bridge will be dependent on the design specification, i.e. if the bridge is designed to a high specification, the ongoing maintenance costs will be reduced. However, it should be noted that if the bridge is designed to a higher specification the construction costs will increase. The average cost of general maintenance for the bridge over a twenty year period is estimated at £300 per year. This cost does not include reactive works, e.g. to repair acts of vandalism or weather damage, or major maintenance works. Depending on the specification, major maintenance works such as repainting may be required twenty years after construction at a cost of £200,000 and bearing replacement after forty years at a cost of £100,000. These costs are based on a generic bridge and would be subject to change depending on the preferred option. The cost implications regarding maintenance will be clearer at the end of Phase 1 and this will be included in the report to members, before progressing to Phase 2.

6 SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

A thriving and well connected place, where more people live well in their communities.

(b) Policy and Legal

The Council will need to acquire land or the existing bridge to progress this project.

(c) Financial implications

It is currently unclear how any increase in budget costs will be covered. If this position is not clarified, the Council, as the organisation awarding the contract could be liable for these costs. As the principle funder for this project the Scottish Government would need to commit to any

increased costs associated with the option appraisal and Design and Build stages of the project. Failure to do so would result in the project being effectively stalled. The intention would be made clear to stakeholders that the Council would not be in a position to make up the difference should costs go above available budgets. The critical cost risks being, tender returns exceeding the £100K maximum available for the option appraisal and the cost of the preferred option for the Design and Build stage exceeding the available funding from Scottish Government. At this point the Scottish Government has not committed to a specific level of funding available for the design and build phase, which will be informed by the option appraisal and business case.

The average cost of general maintenance for the bridge over a twenty year period is estimated at £300 per year, not including reactive maintenance to address damage caused by vandalism or weather damage.

(d) Risk Implications

Funding for both phases of this project will be provided by external organisations, the Lossiemouth Community Development Trust and Scottish Government. Neither organisation has confirmed that it will underwrite any cost increases that may occur during the delivery of the new bridge. This risk is highest for the construction phase of the project as the location of the new bridge is subject to extreme weather conditions that could potentially cause delay and increased costs. Without a guarantee that increased costs will be underwritten by Scottish Government, the Council, as the organisation awarding the contract, would be exposed to this risk. This will be a matter for consideration in the next report to Council before phase 2. The legal process to secure any land required could cause significant delay in delivering the bridge.

Public expectations with regard to timescales are likely to be high and pressure is likely to be put on the Council throughout the duration of this project. In that respect the Council would be assuming a service pressure which is entirely discretionary.

(e) Staffing Implications

The cost of staff resources to undertake the preparatory work and project management of Phase 1 would need to be absorbed by the Council as there are no funds offered to cover this. This may be viewed as an in kind contribution towards the project development. Staff costs during design and build phases of the project will be funded externally. The staff resource required to deliver this project is likely to be in the region of 1 FTE for the duration of the project.

(f) Property

The property implications are set out in the report.

(g) Equalities/Socio Economic Impact

There are no equalities implications related to the recommendations in this report because they do not affect groups of people in different ways.

(h) Consultations

Depute Chief Executive (Economy Environment & Finance), Head of Economic Growth & Development, Chief Financial Officer, Legal Services Manager and Lissa Rowan, Committee Services Officer have been consulted and their comments incorporated into the report.

7. CONCLUSION

- 7.1 The bridge linking Lossiemouth to East Beach is an important asset and if it is not replaced the economic and amenity impact on the town is likely to be significant.**
- 7.2 While the Scottish Government has agreed to fund the cost of replacing the bridge the extent of that funding will not be confirmed until an assessment is carried out following the outcome of the option appraisal. This will determine if there is a viable option to progress.**
- 7.3 The community does not wish to take ownership of the bridge after it has been replaced.**
- 7.4 If the Council does not deliver and take ownership of the replacement bridge, it is unlikely that the project will go ahead, hence this is a pre-condition of the project progressing.**

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Background Papers:
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