

Councillor Stephen Cowan

Leader of the London Borough of Hammersmith & Fulham
Hammersmith Town Hall, London W6 9JU



25 August 2021

Baroness Vere of Norbiton
Parliamentary Under Secretary of State
The Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

Dear Charlotte

Hammersmith Bridge

Thank you for your letter of 20 August, your acknowledgement of our stabilisation plans and your confirmation that the Government is committed to funding a share of the full strengthening and restoration costs. This clarification is appreciated and will be welcome news to residents on both sides of the river. We also welcome your comments about further developing the Memorandum of Understanding (MoU) and the Terms of Reference (ToR) for the Taskforce. I will return to these later.

There are, however, two criticisms of our approach in relation to the MoU and to the contingency funding where, I am afraid, you have been misinformed. As your letter has been placed in the public domain, I would ask that these are corrected as soon as possible.

Contingency Funding

In relation to the contingency funding, your letter states: *"The costs in the business case for stabilisation should include a prudent amount of contingency (which the proposed £5.82m for stabilisation does not) in line with HM Treasury Green Book guidance."*

Later you return to the matter adding: *"Furthermore, although we have not received a breakdown of the £5.82m, our early conclusion is that the figure may be incomplete given that the WSP report suggests no allowance for contingency or preliminary costs. It is for circumstances such as this that we have our governance process."*

The fact is that the WSP report does contain a breakdown of the costs for the £5.82m stabilisation programme clearly evidencing a risk allowance/ contingency of £1.3m as well as preliminaries of £0.64m.

Dr Denton first briefed your officials about the WSP report on 9 August and I signed off on the Mott MacDonald stabilisation plan on 13 August with an Urgency Report. The same day, I wrote to you and attached the full WSP report, including a table on p29 with the breakdown of the programme including the £1.3m contingency. The report was published on 16 August.

Memorandum of Understanding

On the MoU, unfortunately your statement that we received the draft on 7 July is also inaccurate. As the Taskforce statement of 22 July, published on the Government website, makes clear, the MoU was sent by the Department for Transport and received by LBHF on 20 July – which is 50 days after the TfL funding agreement.

In relation to the **funding commitment**, LBHF's officials and advisers considered that the paragraphs to which you refer could have been written more clearly. We wish the parties' common aim – the full reopening of the bridge – to be apparent to all. Working on this is not misrepresenting the draft MoU, it is a normal process of negotiating a document. Since plainly neither you nor we wish there to be any doubt as to the commitments that can be given, your clarification is helpful and welcomed.

We do understand the importance of the spending review – and that it affects what you can say in the MoU. Nevertheless, our officials can work together on phrasing that captures intentions properly – that the parties will all contribute their share of the costs for both stabilisation and strengthening works. Officials are working on how this is expressed and resolving inconsistencies between the funding letter to TfL, your letter to LBHF and the press statements made.

When we ask for recognition of H&F's **funding proposal including tolling or road charging** it is important that the MoU does mention this. Whilst there are many constraints on the Government and its spending, the same is true to an even greater extent for a small, relatively cash-limited council. We have always accepted that other funding routes may be possible, but tolling and charging need to be mentioned on an inclusive basis so that the fact they are in the mind of the parties can be recorded. Our lawyers advise me that this can easily be done without prejudicing future decisions.

Business Case

I was disappointed that in relation to the business case our comments have been interpreted as suggesting that rigour should not be applied in public funding decisions. We have never sought to brush aside the business case process.

We agree that the business case process is an important part of project development and accept and welcome DfT and TfL scrutiny of our proposals and forecast costs. Indeed, we are developing a detailed OBC as agreed with DfT officials and have already shared two of the cases and are developing the others in line with the programme we have agreed with officials.

What our team has queried was the lengthy assurance and approvals process that had been attached to the business case process by DfT in relation to stabilisation works specifically. We had been advised by officials that the business case would require approval from DfT's Investment Portfolio and Delivery Committee (IPDC) and HMT Treasury Approval Point (TAP).

Given the scale of the £5.82m stabilisation costs, based on advice from our advisers, this appeared to be disproportionate and inconsistent with the scale of projects that typically require IPDC and TAP approval. We also see an urgency in expediting the work so it can be finished in time for next summer, thus avoiding the threat of potential further closures due to extreme high temperatures.

We are pleased DfT officials have now confirmed in response to our query that IPDC approval will no longer be required for stabilisation, which is helpful, but we would appreciate confirmation of the new (presumably much shorter) timescales for approvals. Your commitment to expedite the project through the process when requisite information is provided is welcome.

The ferry

In relation to the **ferry**, it is in fact a matter for TfL and the Government. This is explicit in the TfL Funding Agreement of 1 June where it states: "*Within this funding, TfL will*

continue to prioritise the urgent delivery and operation of a temporary walking and cycle ferry as a replacement crossing for local communities affected by the closure of Hammersmith Bridge.” Just as Hammersmith Bridge is the responsibility of LBHF, the ferry is the responsibility of TfL. Given that we expect the bridge will stay open for most of the time during the stabilisation works, it is questionable whether people will pay £1.85 to cross via the ferry, and whether the project is still an appropriate use of public funds going forward.

The Government Taskforce and Next Steps

Thank you for explaining your intention in relation to the new draft terms of reference for the Taskforce. That you were inviting comment on the changes was not immediately apparent, and we shall review them with that in mind, before commenting on the next iteration of the MoU (as you suggest).

In terms of the remit of the Taskforce, we share your concern that its role should be correctly captured in the MoU. Because LBHF bears the responsibility for Hammersmith Bridge it is important that the balance is correct – the Government with TfL has a key decision-making role through funding, so this reality has to be captured in the MoU.

Finally, can I reiterate our desire that the DfT collaborates with us on a solutions-oriented approach to the complex problems of Hammersmith Bridge. Too often it feels like our work is simply being marked - incorrectly at times as explained above - when we should be striving collaboratively to deliver a lasting plan for the restoration of a bridge which is a unique part of this country’s engineering heritage and a vital part of the region’s transport infrastructure.

I look forward to hearing from officials on progress with the MoU and the early confirmation of funding for the stabilisation works.

Yours sincerely



Cllr Stephen Cowan

Leader of the London Borough of Hammersmith & Fulham

Cc

Heidi Alexander, Deputy London Mayor for Transport

Cllr Gareth Roberts, Leader of the London Borough of Richmond

Robin Mortimer, Chief Executive of the Port of London Authority