

NORTH SOMERSET COUNCIL DECISION

DECISION OF: DIRECTOR OF PLACE

IN CONSULTATION WITH: S151 OFFICER AND HEAD OF PROCUREMENT



DECISION NO: 20/21 DP 262

SUBJECT: CONTRACT AWARD FOR STAGE 1 OF THE DESIGN AND BUILD SERVICES OF WINTERSTOKE ROAD BRIDGE AND ADJACENT HIGHWAY IN WESTON-SUPER-MARE

KEY DECISION: Yes – the value of the decision is over £500k

BACKGROUND:

It is proposed to award the Stage 1: Preliminary Design contract for the design and build of Winterstoke Road Bridge, to the preferred contractor. The bridge is life expired and needs to be replaced. Awarding this contract helps minimise programme risk and delay which ensures we secure a replacement bridge as soon as practicably possible and thus avoid the increased risk of further weight restriction or closure.

The project will deliver a bridge that is designed to modern standards. These standards will help improve access to local communities, providing safer and greener methods of transport through betterment for pedestrians and cycling.

These aspects of the contract will help contribute to the Council's priorities of a thriving and sustainable place to live, and empowering people. These are also in line with the following policies from the Core Strategy.

CS10 Transportation and movement
CS15 Mixed and balanced communities
CS20 Supporting a successful economy

DECISION:

It is requested that the contract for Stage 1: Preliminary Design as part of the design and build of Winterstoke Road Bridge, be awarded to John Graham Construction Ltd of 5 Ballygowan Road, Hillsborough, Co. Down, BT26 6HX, company number NI003503, for £535,536 estimated to be between March 2021 and October 2021.

REASONS:

Background

Winterstoke Road bridge was built in 1943 to service an aeroplane factory during the Second World War and is currently the responsibility of the MOD. The bridge is life expired and it is no longer economic to repair the bridge with replacement being the necessary course of action if the route is to be maintained. The bridge is in an industrial area where many heavy goods

vehicles benefit from the use of the carriageway. As a result, it was necessary to impose a 7.5T weight restriction in December 2018 for the safety of highway and rail users.

It has been estimated that a replacement bridge will cost in the region of £15.6m (inclusive of £2.5m commuted sum). The project will be funded by the MOD, via a Memorandum of Understanding (MoU) between the MOD and The Council (19/20 DE 395). The MoU sets out key areas around objectives, principles of collaboration, governance and respective roles and responsibilities. It establishes the relationship between the parties and provides a framework for funding and decision making, protecting both the Council and MOD.

The Council as highway authority is better placed than the MOD to manage the reconstruction of the bridge and its long-term management in the interest of highway users, therefore will lead on the delivery of the replacement bridge and following completion, the Council will adopt the new bridge and be responsible for the maintenance.

Contract

The Design & Build services is split into 2 contracts with a break clause;

- Stage 1 - Preliminary Design and Target Cost negotiation
- Stage 2 - Detailed Design and Construction

This report is seeking for the approval of Stage 1 only, with the request to approve Stage 2 following the completion of the Preliminary Design.

The contract used will be the NEC4 Professional Services Contract: Option C for Stage 1. The project seeks to achieve best practice and using this industry standard contract helps support this goal.

Tendered Target Cost

The Consultant's Target Cost for Stage 1 of the Project shall be the same as its tender submission and shall include a breakdown by staff and programme activity. The Target Cost submitted is £535,535.88.

Stage 1

As the preliminary design is developed and completed, the Initial Target Cost for Stage 2 will be updated to a proposed Target Cost. This proposal will be scrutinised and NSC will negotiate with the Contractor a Stage 2 Target Cost.

Break clause

If an agreement cannot be made on the Stage 2 Target Cost, NSC has the option to walk away with the preliminary design and procuring another contractor to complete stage 2.

The Contractor's pain / gain share percentages for stage 1 are;

Share range	Contractor's share percentage
less than 80%	10%
from 80% to 90%	25%

from 90% to 120%	50%
greater than 120%	100%

The programme for procurement and sign off is outlined below.

Activity	Time frame
Tender period	Sep 20 – Nov 20
Internal sign off	Nov 20 – Jan 21
Contract award	Early 21

Commissioning plan

The Commissioning Plan was approved on 12 November 2019. The Plan noted the requirement to appoint a Civil Engineering contractor to design and deliver the physical works including the removal of the existing structure and installation of the new bridge and all associated highway works including;

- Network Rail engagement and management including entering into any necessary agreements as required to facilitate the design, development and delivery of the new bridge;
- Utility engagement and management to ensure continuity of services;
- Stakeholder management and engagement;
- Planning permissions;
- Full highway and structural design services from preliminary to detail design including securing any and all necessary approvals.

Procurement plan

The Procurement Plan was approved on 15 January 2020 (19/20 DE257) and it recommended the procurement of a single ECI Contractor (including their designer) to undertake the preliminary design, manage through all regulatory and statutory processes, undertake the detailed design and construct, with break clauses at the preliminary design and detailed design stages.

Governance

The Project Delivery Manual (PDM) sets out the governance that will be applied to the delivery of the project. It sets out the roles, responsibilities and decision-making processes. It also sets out the project organisation including the Project Board structure and members.

The Project Board will be formulated to steer, direct, co-ordinate and oversee the delivery of the project in line with the council's approved major projects delivery team structure and delivery framework. The Project Board authorises strategic decisions or seeks authority for key strategic decisions from the council and the MOD.

The Project Board comprises the following membership:

- Chair Head of Major Projects (NSC)
- Senior Responsible Officer Major Scheme Project Manager (NSC)

Quality

5 quality questions were asked that that focussed on the skills, knowledge and experience required to deliver a project like Winterstoke Road Bridge Replacement as well as aligning with North Somerset Council policies. A summary of each question is below.

Question 1 Weighting 35%
Theme: Organisation, Key People and Delivery

Question 2 Weighting 10%
Theme: Social Value and Environmental Impact

Question 3 Weighting 30%
Theme: Minimising / Eliminating disruption to rail and road users

Question 4 Weighting 15%
Theme: Minimising Carbon and Environmental Net Gain

Question 5 Weighting 10%
Theme: Project Risks

Procurement procedure & publishing information

The council competitively tendered the opportunity via the restricted procedure. The OJEU notice was published on 24 July 2020 ([For more information, visit the Tender Electronic Daily website – ref 2020/S 142-350794](#)).

The Selection Questionnaire was advertised on the council's e-procurement system. 8 contractors submitted a response and, as detailed in the tender documents, the top 5 were invited to tender.

The top 5 suppliers were invited to tender, of which all responded. All bidders were required to re-submit their pricing submissions because of omissions or clarifications. One of the bidders failed to submit their pricing submission on time and as such was excluded.

Evaluation Panel Members

Project Manager	NSC
Senior Responsible Officer	NSC
Project Advisor	NSC
Project Officer	NSC
Finance	NSC
Climate Emergency Project Manager	NSC
Project Support	Consultant
Project Support	Consultant

Facilitators

Procurement	NSC
Procurement	NSC

Evaluation outcome

Price

Each element (e.g. PSC Target Cost from “Award Criteria” chapter) was marked against the lowest tendered submission considering all suppliers using the below formula.

$$\text{Supplier element score} = \frac{\text{Lowest tendered element value} \times 100}{\text{Supplier element value}}$$

All the Supplier’s scores for each element were then combined to provide an overall score for Price.

Quality

Each question was scored 0 to 5, from unsatisfactory to excellent. All the Suppliers scores for each question were combined to provide an overall score for Quality.

Final Evaluation Scores

	John Graham	Supplier 2	Supplier 3	Supplier 4
Quality Score	32.80%	28.40%	33.20%	25.20%
Price Score	56.57%	54.43%	40.68%	50.59%
Total Score	89.37%	82.83%	73.88%	75.79%

Social Value

Stage 1 commitments include:

- A meet the contractor day to encourage the local supply chain.
- A graduate recruitment day

If the Stage 2, detailed design and construction contract is awarded to Graham’s, they have included significant social value commitments in their bid including: work placements, apprenticeships, enrolling graduates on a two-year programme, training events for the supply chain, site visits for schools, volunteering days, re-use of excavated materials and diversion of waste from landfill.

Implementation of Contract

The contract will be delivered over the below estimated timescales;

Preliminary design	Mar 21 – Oct 21
Statutory and other approvals	Oct 21 – Mar 22
Detailed Design	Mar 22 – Aug 22
Construction	Aug 22 – Aug 23

Contract Management

The Contract will be managed by the Project Manager, with performance and budget regularly reviewed with the Senior Responsible Officer as well as the Project Board. Key support from the Employer’s Agent who will provide Contract Administration and Cost Consultant services

will also be provided. The Employer’s Agent has been procured through the WECA framework and is currently going through the approval process.

OPTIONS CONSIDERED:

Network Rail bridge inspection reports show that the bridge is in poor structural condition. The existing management approach is to implement a weight restriction (7.5 tonne 2018) on the bridge with a need to for closure within 5 years.

Option 1 – Do nothing

Doing nothing would result in the bridge being closed to traffic within 5 years. The bridge is a key access route for Weston-super-Mare and serves the local industrial estate.

Rejected – This would have a significant negative impact on the local economy

Option 2 – Repair

Repairing the bridge and continual maintenance of a bridge this old would be a significant financial burden and would cause regular disruption to traffic and trains.

Rejected – This would not deliver value for money

Option 3 – Replace

Replacing the bridge will come at significant capital cost but ensure continual use for both vehicles and trains, benefiting the local economy. It will also provide an opportunity to design to modern standards and improve pedestrian and cycling access.

Accepted – Supports the local economy and provides much needed access, aligning with Corporate objectives.

FINANCIAL IMPLICATIONS:

Costs

The Target Cost submitted as part of the Stage 1 contract and the value of this contract award paper is £535,536.

Project category	Cost
Tender Stage 1	£535,536
Tendered Stage 1 total (a)	£535,536
NSC staff & consultancy costs	£471,674
Legal	£7,700
Employers Agent	£405,000
Network Rail	£56,000
Publicity	£5,000

Other project costs up to Stage 1 completion total (b)	£945,374
Total estimated Stage 1 costs (a + b)	£1,480,910

Funding

The MOD are funding the majority of the scheme and have already provided £10.8m that has been approved and added to the Capital Programme (Nov 2019). North Somerset Council are contributing a flat £450k from the Challenge Fund. If the value of the work increases, the MOD will fund the additional costs as outlined in Memorandum of Understanding between the MOD and NSC. The project will be delivered using best practice to ensure value for money for the MOD. There is sufficient funding in place to cover the costs of Stage 1. The funding is from Cost Code KDH 407.

Approved capital funding

MOD	NSC	Total
£10.8m	£0.45m	£11.25m

LEGAL POWERS AND IMPLICATIONS:

The Contract is using the NEC4 PSC terms and conditions including bespoke clauses to ensure that the Council is sufficiently protected.

The MOD is responsible for the repair and maintenance of Winterstoke Road Bridge. The highway crossing the bridge however, is the responsibility of the Highway Authority. Once the bridge is replaced to an adoptable standard and through a commuted sum it will form part of the public highway maintained at the public expense and be part of the council's highway asset.

The MoU has been agreed between the Council and MOD which details the responsibilities of each in delivery of this project and maintenance of the asset both before, during and post-construction.

The Council has entered into a Basic Asset Protection Agreement with Network Rail to ensure Network Rail are able to be involved in the project development. An Overbridge Agreement will be entered into between the Council and Network Rail re the adoption of the bridge at a later date. The risks and liabilities that are held by the Council re site investigation, design, development and construction flow down into this Contract onto the Contractor.

The scheme was granted a Certificate of Lawful Development in September 2020 by the Local Planning Authority. This confirms that planning permission is not required.

The Council procured the contract ensuring compliance with the Public Contract Regulations 2015.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS:

It is proposed to undertake the design, development and delivery of the bridge to accord with the specification detailed within PAS2080:2016 Carbon Management in Infrastructure.

PAS2080 provides a framework on all sectors and value chain members, on how to manage whole life carbon when delivering infrastructure assets. Use of the PAS will promote reduced carbon, reduced cost of infrastructure delivery and foster more collaboration across the supply chain.

For Winterstoke Road bridge the specific focus will be capital carbon which is directly associated with the creation, refurbishment and end of life treatment of an asset. However, the promotion and facilitation of wider improved pedestrian and cycle links will also assist in providing improvements and opportunities in relation to operational carbon, emissions associated with the operation of an asset.

The outcomes that can be secured from all parties working collaboratively towards a common goal of carbon reduction;

- Reduced carbon, reduced cost of infrastructure;
- Promotion of innovation delivering wider society and community benefits;
- Contribute to tackling climate change;
- More sustainable solutions providing a blueprint for future projects.

Wider specific commitments from the Contractor include;

- A Green Travel plan will be implemented to identify / encourage sustainable transport.
- Timber will be donated to Somerset Wood Recycling to be used on their community projects.
- Use of hybrid / electric vehicles
- Use of renewable energy
- 10% biodiversity net gain

CONSULTATION

Consultation was held with Key Stakeholders including North Somerset Council, MOD and Network Rail, re the project objectives and aims, including betterment for pedestrian / cycling and reduced carbon emissions. The outcome of this feeds into the contract specification.

The bridge will primarily be designed to the Design Manual for Roads and Bridges and supported by wider specialist guidance that will form part of the specification. Although early in the process, internal teams including Structures, Street Lighting and Transport Policy were consulted, providing an opportunity for them to input their requirements into the specification. Externally Network Rail and the Internal Drainage Board were also consulted. Generally limited information was provided but the exercise will be undertaken again once the contractor is on board.

Local Members, Executive Member and SPEDR have been briefed as part of the contract award process.

A bespoke Communication Strategy is in place which will help ensure there is co-ordinated pro-active communication plan where the whole community can have visibility, understanding and provide feedback on both the nature of the works and programme. Regular updates will also be provided.

The project team held pre-market engagement sessions with the market to ensure its proposed ECI procurement approach was appropriate and in line with the types of contract which civil engineering contractors would wish to bid for.

RISK MANAGEMENT

The risk of not awarding this contract and not replacing the bridge will lead to the eventual closure. The bridge is a key route into WsM and also provides access to an industrial estate. Closure would have a significant impact on the local and wider economy for businesses. The bridge also provides access to those living in the Bournville Estate to local shops and amenities.

The inclusion of a break clause in the contract between stage 1 and 2 ensures that the contractor provides a detailed target cost and acceptable preliminary design before proceeding to detailed design and construction. There are strict criteria detailed in the contract that need to be met for substantiating an increase in the contractor's bid cost and the Employers Agent will make an assessment on the level of risk included within the overall costs to ensure it is appropriate. If agreement on all these elements are not met, then the break clause can be implemented.

The below table is the top five risks to the project.

Key Risks 1 - very low 2 - low 3 - medium 4 - high 5 - very high	Likelihood	Severity	Mitigating Actions	RAG
Timing of Network Rail blockades and possessions If the Network Rail blockades and possessions plan does not align with the project schedule then the project will be delayed.	4	3	Engage with NR at project inception to explore possession opportunities and alternative operational diversions. Contractor engaged on alternatives / minimising possession requirements.	Red
Specialist skills Contractors at premium due to other major capital projects.	3	3	Resource hiring and retention strategy put in place to ease pressure. Higher costs to be factored into the budget.	Amber
The structure requires ongoing monitoring and repair work The structure remains in a poor state of repair and despite the recently introduced 7.5t weight limit needs monitoring and ongoing repair work until such time as a new bridge is in place.	3	3	Existing NR survey work has identified areas that need addressing. This work needs to take place to deal with ongoing maintenance issues, further an inspection regime needs to be agreed.	Amber
Train and Freight Operating Companies If the scheme negatively impacts the business practices of the Train and Freight Operating Companies, then there is potential for a claim for compensation.	3	3	Transfer risk to ECI contractor.	Amber
Utilities diversions If it is not possible or economically viable for the utilities on the current bridge to remain active throughout construction of the scheme, then diversions will be required.	3	3	Engage early with utility companies to ascertain options for relocation. Contractor to design temporary facility to ensure continuity of service provision during scheme construction.	Amber

EQUALITY IMPLICATIONS:

Have you undertaken an Equality Impact Assessment? No

Assessment has been undertaken as part of scheme development however a full EIA for the project will be undertaken as part of the project design and development phase. The scheme proposed enhanced pedestrian and cycle facilities and linkages across and adjacent to the new bridge.

CORPORATE IMPLICATIONS:

The provision of key enabling infrastructure and the improvement of the transport network widely support the Corporate Plan objectives in creating a thriving and sustainable place to live, and empowering people.

BACKGROUND PAPERS:

Commissioning Plan & acceptance of MOD funding: COU 104 dated 12 November 2019

Procurement Plan: 19/20 DE 257

Memorandum of Understanding: 19/20 DE 395

Basic Asset Protection Agreement: 20/21 DE 117

[Pothole and Challenge Fund Tranche: 20/21-DE-199](#)

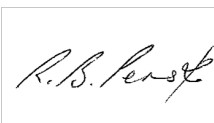
SIGNATORIES:

DECISION MAKER(S);

Signed:  Director of Place

Date: 19 January 2021

IN CONSULTATION WITH:

Signed: 

Date: 4 January 2021

Signed:  Head of Strategic Performance

Date: 4 January 2021