

NORTH SOMERSET COUNCIL DECISION

DECISION OF: COUNCILLOR STEVE HOGG. THE EXECUTIVE MEMBER FOR TRANSPORT AND HIGHWAYS.



WITH ADVICE FROM: ASSISTANT DIRECTOR PLACEMAKING AND GROWTH, THE S151 OFFICER, AND ASSISTANT DIRECTOR LEGAL & GOVERNANCE

DECISION NO: 22/23 DP 525

SUBJECT: WINTERSTOKE ROAD BRIDGE: APPROVAL TO AGREE THE TERMS OF AND FOR THE COUNCIL TO ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN NORTH SOMERSET COUNCIL AND THE MINISTRY OF DEFENCE

KEY DECISION: NO

REASON: The value of this decision is less than £500,000 and entering into the MOU does not have a significant effect on those living and working in two or more local wards.

BACKGROUND:

Winterstoke Road bridge which is integral to the road network in Weston-super-Mare is in poor condition and has been weight restricted to 7.5tonnes. This has meant diverting HGVs along other roads to access the industrial area. The bridge, which carries the highway, is owned by the Ministry of Defence (MOD) and maintained and repaired by Network Rail at the cost of the MOD. The MOD have recognised the liability the bridge presents to them, and the proposal is for the council to procure the construction of a new bridge with the MOD funding the reconstruction and the council making a financial contribution of £450,000 (excluding VAT) to fund the cost of improved cycle and footway provision over the new bridge, alongside the highway. The MOD, following the construction of a new bridge to an adoptable standard, wish the council to adopt the new bridge as part of the highway, and for the bridge and the highway to be maintained at the public expense.

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. Upon completion of the new bridge, it is proposed the bridge would be adopted and become part of the general highway asset, which includes the road network and numerous structures that the council as the highway authority maintains. A commuted sum payable by the MOD would cover 120 years ongoing inspection and maintenance.

At present, the MoD have secured and paid the council £13m (including VAT) - £10.833m (excluding VAT) to commence this process.

Table 1: MOD funding

MoD Funding	Capital receipt to date	Capital funding to be received March 2023	Revenue funding to be received March 2023
Sum	£10,833,333	£6,960,000	£2,500,000
VAT	£2,166,667	£1,392,000	£0
Sum + VAT	£13,000,000	£8,352,000	£2,500,000
Subtotal	£13,000,000	£10,852,000	
Total inc VAT			£23,852,000
Total exc VAT			£20,293,333

Table 2: Total funding

Funding exc VAT	Value
MOD	£20,293,333
NSC	£450,000
Total	£20,743,333

Since the original payment was made the cost of rebuilding the bridge has escalated as a result of which the MOD has agreed to pay an additional sum of £10.852m (inclusive of VAT), which sum includes £2.5m as a commuted sum payment for future maintenance of the bridge.

An additional £8.352m inc VAT will be funded by the MOD. Once VAT has been paid on this sum, the remaining available funding of £6.96m (exc VAT) will be added to the construction budget.

£2.5m will be funded by the MOD for maintenance of the new bridge. This is revenue and not subject to VAT.

The additional payment of £10.852m must be paid to the Council no later than 31 March 2023.

The commuted sum value will be reviewed following completion of the design.

On the 10th January 2023, the Council's resolution (COU 87) included accepted £9.46m (£6.96m exc VAT + £2.5m) of additional funding from the MOD and delegated authority to the Executive Member for Major Infrastructure Project Delivery (with advice from the Director of Place and the s151 Officer and Assistant Director Legal & Governance) to agree the terms of a Memorandum of Understanding.

The council's legal team and project team have been working closely with the MOD and their legal advisors in the drafting of the Memorandum of Understanding (MoU) to provide a collaborative framework for decision making and assurance in protecting both the council and the MOD.

DECISION:

To agree the terms of, and approve the Council entering into the Memorandum of Understanding (MoU).

REASONS:

The MoU provides a formal framework in which the parties (the council and the MOD) will collaborate with each other on the project. 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. Without the MOU in place the MOD will not pay to the Council the additional funding required for the Project which would mean that the works to replace the existing bridge would not proceed for lack of funding.

OPTIONS CONSIDERED:

The MoU has been developed collaboratively between the council and the MOD and establishes the position that the cost of the bridge replacement and the commuted sum payment will be met by the MOD in full. In addition, the bridge will not become a highway asset until the replacement bridge is fully adopted and forms part of the public highway. Without the MoU the council will be unable to draw down the MOD funding and an opportunity to progress the bridge replacement would be lost for a considerable time as there is no other funding opportunity currently available. The MOD would be left to consider its approach to the ongoing bridge risk which will take time to develop and may include further restrictions and/or closure of the highway over the Winterstoke Road Bridge.

FINANCIAL IMPLICATIONS:

Other than the Council's contribution of £450k, there are no costs associated with the decision to enter the MoU other than the officer time spent on entering into MoU.

The MoU provides the framework to enable the council to commence detailed design of the new bridge and (subject to both the Council and the MOD approving the contract price for the new bridge) its construction. It commits the MOD to fund the bridge replacement work and commuted sum in full. The council will commit £450k over three years to cover locally enhanced footway and cycleway provision to link with the new bridge replacement work.

Costs

Table 3: Costs (estimate 2023)

Internal and External Fees and Licences	£3,500,000
Utility Provision	£970,000
Preliminary Design	£1,100,000
Detail Design	£400,000
Construction	£11,160,000
Risk	£1,113,333
Commutated Sum	£2,500,000
Total (Excl VAT)	£20,743,333

Funding

The MOD through the MoU will fully fund the bridge replacement (save for NSC's contribution of £450k) and pay a commuted sum to the council to allow the council to maintain the new bridge in a good and proper state of repair. The maintenance cost of the footway / cycleway improvements will be sufficiently low such that it can be absorbed within the wider existing Highways Authority maintenance regimes. The cost estimates provided above will be refined following detailed design. The Council will tender for a contractor to carry out the detailed design and construction of the new bridge. The decision to award such contract will be subject to a separate decision. . Following the receipt of the detailed design and the total cost price for the bridge replacement works the council and the MOD will each seek approval from their respective committee or board to proceed with the construction stage.

MOD - £20,293,333 (excluding VAT) with £10.833m (excluding VAT) already held by the council and the remaining £9.460m plus VAT to be paid upon signing of the MoU.

NSC - £450,000

JLTP funding over 3 years with £50k in 2020/2021; £200k in 2021/2022 and £200k in 2022/2023.

LEGAL POWERS AND IMPLICATIONS

Under the 1958 deeds the MOD is obliged to fund the maintenance and repair of the bridge. At present there is a permanent weight restriction of 7.5 tonnes on the bridge to address the immediate concerns with the structures condition.

Once replaced to an adoptable standard the bridge will form part of the public highway and will be maintained by the council through a commuted sum payment from the MOD.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The design, delivery and development of the new bridge will align with the principles of the PAS 2080:2016 specification, to aid carbon management.

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

The outcomes that can be secured from all parties involved including designers, constructors, suppliers etc 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
- Identification of carbon offsetting to mitigate capital carbon created.

The project team will also be working with the suppliers on ensuring efficient supply chains, maximising the use of both sustainable materials and renewables including primary sourcing of power.

CONSULTATION

There have been regular briefings of the Executive and CLT on the issues around Winterstoke Road bridge and progress with MOD funding. Engagement with both the MOD and Network Rail continue.

The introduction of the 7.5t weight limit required widespread engagement with colleagues in North Somerset waste and transport teams and more widely in the business and local communities including letter drops and on-site signing.

It is proposed that a bespoke communication strategy will be developed and implemented to ensure there is a 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

RISK MANAGEMENT

A risk workshop and risk register has been undertaken and fully developed with internal colleagues, Network Rail and the MOD. The Project Delivery Manual includes for a formal process on risk management and governance protocols. This will be further developed and managed with both the council's appointment of an Agent (Faithful & Gould) and the early contractor involvement D&B contractor.

Current top project risks

Risk	Mitigation	Rating
Further bridge failure during scheme development.	The 7.5t weight limit has reduced this risk and provided time for the scheme to be developed and implemented, delay may result in further restrictions needed.	Amber
Coordination and consent of Network Rail.	Early engagement commenced; entering into a BAPA agreement essential to ensure NR attend and focus on management meetings and tender processes.	Amber
Timing of Network Rail blockades and possessions.	Blockades and possessions do not align with the project programme creating delay. Early engagement to identify mitigation measures.	Amber
Inflation increasing costs	Regular review of cost forecast. Exploring opportunities to reduce programme and early engagement with MOD so they are aware of the risk and potential increase in funding.	Amber
Lack of pedestrian access across railway during construction.	Current draft design solution includes for a temporary access bridge across the railway. If this proves unworkable then a footpath diversion or a shuttle bus may be required.	Amber

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? ~~Yes~~ / No

A full EQIA 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 current weight restriction on the bridge means that this route cannot be used as an emergency diversion route for the M5. The route is also considered to be a key piece of infrastructure for residential, commercial access and development in the surrounding locality therefore it is critical for this highway link to remain operational for network resilience.

APPENDICES

None

BACKGROUND PAPERS

Memorandum of Understanding (MoU)
COU104 Council dated 12 November 2019
PAS 2080:2016 Carbon Management in Infrastructure
19/20 DE84
19/20 DE266
19/20 DE257
19/20 DE258
COU 87 Council dated 10 January 2023


SIGNATORIES:

DECISION MAKER:


Signed  Executive Member for Transport and Highways

Date: 19 April 2023

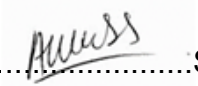
WITH ADVICE FROM:

Signed:  Assistant Director of Place in accordance with delegated authority decision 22/23 DP 53

Date: 19 April 2023

Signed  Head of Legal and Democratic Services

Date: 19 April 2023

Signed  S151 Officer

Date: 19 April