

**AWARD OF NENE BRIDGE BEARINGS WORK PACKAGE THROUGH THE PETERBOROUGH HIGHWAY SERVICES CONTRACT**

**COUNCILLOR PETER HILLER, CABINET MEMBER FOR GROWTH, PLANNING, HOUSING AND ECONOMIC DEVELOPMENT**

**February 2018**

**Deadline date: N/A**

Cabinet portfolio holder:	Councillor Peter Hiller, Cabinet Member for Growth, Planning, Housing and Economic Development
Responsible Director:	Simon Machen, Corporate Director Growth and Regeneration
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan : KEY/01MAY17/07
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so has it been registered on Verto?	The project is registered on Verto PR002303

**RECOMMENDATIONS**

The Cabinet Member is recommended to:

Authorise the issue of a work package to Skanska Construction UK Limited (“Skanska”) under the Council’s existing Peterborough Highway Services Contract (the “Contract”) to undertake a programme of works to replace Nene Bridge pier bearings up to a value of £5.1m.

**1. SUMMARY OF MAIN ISSUES**

- 1.1 This report seeks approval from the Cabinet Member for Growth, Planning, Housing and Economic Development for:
- The award of a work package to Skanska Construction UK Limited (“Skanska”) up to a value of £5.1m to replace the bearings in Nene Bridge. (See Section 7.5)

**2. PURPOSE OF THIS REPORT**

- 2.1 This report is for the Cabinet Member for Growth, Planning, Housing and Economic Development to consider exercising delegated authority under paragraph 3.4.3 and 3.4.8 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (b).

### 3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	<b>N/A</b>
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### 4. **DETAILS OF DECISION REQUIRED**

- 4.1 The Nene Bridge lies southeast of the city centre and carries the A1139 Frank Perkins Parkway over the river Nene and March railway line. The A1139 is a major traffic route connecting the north and south of the city and is essential for the delivery of the city's growth agenda.
- 4.2 In addition to motorised traffic, the bridge also provides a key pedestrian and cycle route connecting the north and south of the city.
- 4.3 Nene Bridge was constructed in 1984 by the Development Corporation and is now displaying signs of significant degradation. The Council has a duty of care to maintain the highway in a safe condition. If the bridge is not maintained the structure is at risk of failing creating severe connectivity and accessibility issues for traffic, pedestrians and cyclists in the short term but could equally have detrimental effects on the delivery of the city's longer term growth agenda.
- 4.4 In order to maintain the bridge the Council intends to award a package of work under its existing contract with Skanska.

### 5. **CONSULTATION**

- 5.1 A capacity bid was made for funding when it became known that bridge repairs were required, the bid was approved and subsequently the allocation of capital funding was included in the 2015/2016 - 2024/2025 Medium Term Financial Strategy (MTFS) consultation. The MTFS was publically consulted and approved by full Council in February 2016.
- 5.2 When required information will be added to the Council website providing details of any Temporary Traffic Regulation Order's (TTRO's) and Road Space Bookings prior to the works commencing.

### 6. **ANTICIPATED OUTCOMES**

- 6.1 Approval to deliver of a package of works to replace the pier bearings of the Nene Bridge, A1139 Frank Perkins Parkway, utilising the existing Peterborough Highway Services Contract

### 7. **REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION**

- 7.1 Nene Bridge was constructed in 1984 by the Development Corporation and is located on a primary traffic route that has been identified as key for the development and growth of the city. It has been identified that the bridge pier bearings have deteriorated to a condition where significant maintenance is required in order to keep the route operational. Failure to maintain would have significant detrimental effects to both current daily traffic movements and future growth, forcing traffic limits at best and closure at worst.

Bridge bearings transfer loads and movements from the bridge deck to the substructure and foundations and in order for Nene Bridge to remain operational for its 120 year design life the bearings need to function efficiently. Condition surveys have identified that the bearings have deformed and subsequently, the working life of the structure may be significantly

reduced. Replacing the bearings will ensure that the bridge can accommodate current traffic volumes and realign the structures condition in line with its 120 year design life.

7.2 The Peterborough Long Term Transport Strategy (2011-2026) and the fourth Peterborough Local Transport Plan (2016-2021) were developed in consultation with a wide range of key stakeholders. The Council considered a range of transport interventions to best address local problems, meet the growth aspirations of the city and integrate the Government's transport priorities agreed nationally by the Local Government Association and the DfT. The assessment and appraisal of options involved included the following:

- Policy Fit (meets objectives of the strategy)
- Cost Benefit Analysis (value for money)
- Key Performance Indicator Assessment
- Network Improvement Impact Assessment
- Equality Impact Assessment (EIA)
- Strategic Environmental Assessment (SEA)
- Habitats Regulation Assessment (HRA)

In the future there will be a new Local Transport Plan prepared by the Combined Authority.

7.3 The Highway Asset Management Policy and Strategy provides a clear position on how the Council will maintain the highway network to ensure that it is adequate to support the growth of the city and specifically to meet the Council's Strategic Priorities.

Key aspects of the Highway Asset Management Policy and Strategy include:

- Acknowledgement that effective asset management is critical to the delivery of its services and the realisation of the Council's long term vision and strategy;
- Asset management principles enable informed decisions to be made about investment and maintenance funding, assist in the targeting of resources to where they can be most effective, and enables the identification and management of the risks associated with statutory duties to manage and maintain public infrastructure;
- To promote a strategic and forward thinking approach to managing the highway network to give confidence to decision makers to take current and future planned maintenance decisions.

7.4 The contract for highway services has been delivered by Skanska since October 2013 with the establishment of Peterborough Highways Services (an informal collaborative "partnership" between PCC and Skanska to deliver highway related services across the unitary authority area) and award of the Highway Services Contract (the "Contract"). This process was ratified by a Cabinet Member's Decision Notice (AUG13/CMDN/068).

It is proposed that pier bearing replacements will be carried out by Skanska through the Professional Services element of the Highway Services Contract (2013-2023). This element is referred to within Schedule 5 of the Contract (Description of the Services). The award of this package of works is undertaken in accordance with clause Z44 and Schedule 2 of the Highway Services Contract.

Following evaluation of the alternative procurement mechanisms it is considered that the Highway Services Contract provides the most suitable delivery mechanism for the pier bearing replacement works. The award of this package of works under the existing Contract complies with Regulation 72(e) Public Contracts Regulations 2015. Utilising the existing Highway Services Contract will mean that the Council will realise the following benefits:

- Reduced procurement costs by using an existing framework contract.

- Improved project management and cost certainty through the utilisation of a target cost style of contract.
- Reduced construction costs through 'Early Contractor Involvement' (ECI) at the design stage to manage and mitigate more effectively any potential issues with the scheme.

Further details in relation to the contract award can be viewed under the web link stated in Section 14 Background Documents.

## 7.5 Project Budget Profile

### **2015/16 (£2,305.98 Capitalised)**

£2,305.98 Design Fees to Skanska

### **2016/17 (£158,076.23 Capitalised)**

£153,992.63 Design Fees to Skanska  
 £1,351.64 Network Rail  
 £2,731.96 Staff Fee Capital Recharge

### **2017/18 (£220k estimate)**

£125k Design Fees to Skanska (estimate)  
 £5k Staff Fee Capital Recharge (estimate)  
 £90k Construction Cost to Skanska (estimate)

### **2018/19 (£4,187k estimate) - (Slippage from 2017/18 £3,887k + £300k from LTP Annex)**

£42k Network Rail for BAPA (PO from PCC direct)  
 £5k Staff Fee Capital Recharge (estimate)  
 £4,140k Construction costs to Skanska

### **2019/20 (£518k estimate from LTP Annex)**

£515k Construction Costs to Skanska (estimate)  
 £3k Staff Fee Capital Recharge (estimate)

**Total Estimated Cost £5,085,382.21 of which Skanska costs make up £5,026,298.61**

## 8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Not to deliver a programme of works: A do-nothing scenario has been ruled out, due to the necessity to ensure the structure is safe and maintain an operational primary traffic route.
- 8.2 Competitive tender: approaching the open market would incur additional costs and delay the start date of the works. Delay to the scheme may result in the condition deteriorating further with network implications furthermore Peterborough City Council undertook a thorough tender process to award the Peterborough Highways Contract, ratified by a Cabinet Member's Decision Notice (AUG13/CMDN/068).

## 9. LEGAL IMPLICATIONS

- 9.1 The Highways Act 1980 prescribes that the highway authority is under a duty to maintain the highway. This requires that the highway has to be maintained so that it is reasonably passable by the ordinary traffic of the area. Failure to approve the programme of works for drought damaged roads and identification of a timely programme of works could result in a risk that the authority may neither meet its legal duty to maintain the highway, nor its strategic transport and highway priorities for Peterborough.
- 9.2 Approving the programme of works for the Nene Bridge pier bearings shall ensure that the highway network can be maintained thereby meeting the statutory duty to maintain the

highway, and improvements can be carried out using grant funding from DfT, thereby meeting the Council's transport objectives.

- 9.3 The award of this new package of works for Nene Bridge pier bearings under the existing Contract complies with Regulation 72(e) Public Contracts Regulations 2015 (PCR 2015), where the modifications, irrespective of their value, are not substantial within the meaning of Regulation 72(8) (PCR 2015). The new package of works may be awarded in accordance with clause Z44 of the Contract.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 Approving the recommendation will ensure that that the planned expenditure is consistent with the capital programme of works via the performance measurement and efficiency mechanisms built into the Highway Services Agreement. This is in line with commitments made in the MRFS.

## **11. PROCUREMENT IMPLICATIONS**

- 11.1 There are no procurement implications.

## **12. EQUALITY IMPLICATIONS**

- 12.1 An Initial Equality Impact Assessment has been carried out and there are no detrimental effects associated with the scheme.

## **13. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED**

- 13.1 None

## **14. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

- Peterborough Local Transport Plan 4 (2016 – 2021)  
<http://www.peterborough.gov.uk/ltp>
- Highway Asset Management Policy and Strategy (2016)  
<https://www.peterborough.gov.uk/residents/transport-and-streets/highway-assetmanagement/#PolicyAndStrategy>
- Peterborough Highway Services contract (2013-2023)  
Cabinet Member's Decision Notice (AUG13/CMDN/068)  
<http://democracy.peterborough.gov.uk/documents/s17190/PHS%20CMDN%20V5%20Final%20pub.pdf>