

Cheshire East Council

Cabinet

Date of Meeting:	18 th October 2016
Report of:	Executive Director of Place
Subject/Title:	Crewe Green Roundabout Improvements – Preferred Option and Procurement
Portfolio Holder:	Cllr David Brown, Highways and Infrastructure

1. Report Summary

- 1.1 The Council has set out a clear vision and strategy for jobs-led economic growth in the emerging Local Plan. It is vital that there is significant investment in transport infrastructure to support that growth.
- 1.2 The Council has a successful record of progressing and delivering significant transport projects. Recently delivered schemes such as Crewe Green Link Road South, Basford West Spine Road and improvements to the A500 near to the M6 Junction 16 are already contributing to economic growth.
- 1.3 In addition, funding has been secured to progress schemes such as the Congleton Link Road, Poynton Relief Road, Middlewich Eastern Bypass and the replacement of Sydney Road Bridge which will all contribute to delivering Local Plan housing and jobs growth and provide additional capacity in the period leading up to HS2.
- 1.4 Crewe Green Roundabout is a key congestion ‘Pinch Point’ on the main distributor network on the route between Crewe and the wider road network and on one of the main access routes to Leighton Hospital. The proposed scheme at the junction will provide capacity for the predicted growth in traffic during the Local Plan period up to 2030.
- 1.5 The £5m scheme will also improve access to strategic employment sites at Basford, M6 J16/J17 and Crewe Town Centre. A further objective is delivering network resilience in the era prior to the arrival of the HS2 Hub.
- 1.6 Crewe Green Roundabout is also a key gateway to the town and improvements at this junction will support the growth strategy whilst addressing existing traffic and access constraints.
- 1.7 This report identifies a preferred option for the junction improvement and recommends a procurement route for the delivery of the scheme.

2. Recommendations

Cabinet is recommended to

- 2.1** Approve Option 3 as the preferred design solution in accordance with the layout shown at Appendix 1.
- 2.2** Approve the use of the Scape Civil Engineering and Infrastructure Framework for the procurement of the scheme works with the NEC Target Cost form of contract.
- 2.3** Authorise the Director of Legal Services to enter into any necessary delivery agreements (or supporting agreements) for the provision of services by the Contractor.
- 2.4** Authorise the Executive Director of Place, in consultation with the Highways and Infrastructure Portfolio Holder, to enter into negotiations with third party landowners for the acquisition of the land and rights necessary for the construction of the scheme.
- 2.5** Authorise the Executive Director of Place to take all necessary action to undertake the advance diversion of any utility services necessary to deliver the scheme.
- 2.6** Authorise the Director of Legal Services in consultation with the Portfolio Holder to enter into such legal agreements as necessary to acquire all land and rights to that land necessary for the construction of the scheme and to dedicate that land as highway.
- 2.7** Authorise the Executive Director of Place, in consultation with the Highways and Infrastructure Portfolio Holder, to proceed with all necessary technical work, including preparation of a detailed design, land assembly, investigation and conduct of diversions of statutory-undertakers apparatus to enable the Highway Works in regard of the Preferred Option.
- 2.8** Approve the continuation of Jacobs as designers for the scheme under the existing arrangements with them for delivery of highway professional services.
- 2.9** Authorise the Executive Director of Place in consultation with the Highways and Infrastructure Portfolio Holder, to complete the assembly of the necessary third-party funding contributions for expenditure on the scheme and authorise the forward funding of the scheme up to £1.7m.

3. Reason for recommendations / Other options considered

Preferred Design Option:

- 3.1** At the July meeting, Cabinet accepted the four design options that had been prepared for public consultation. A public consultation exercise has

been conducted between 19th July and 26th August 2016. A summary of the results of consultation is included at Appendix 3.

3.2 The outcomes from the consultation exercise (including consideration of alternative suggestions received during consultation), plus further traffic-modelling work, exploratory discussions with Utility Companies, an assessment of construction risks and maintenance liabilities have all be considered in identifying a preferred option. All four options are considered to be affordable and all could be completed in sufficient time for Sydney Road Railway Bridge replacement scheme to proceed to current programme. A score-card comparison of each design option has been prepared based upon the following criteria

- Ease of construction
- Ease of use
- Suitability for Strategic Development Site
- Utilities impacts
- Disruption during construction
- Resilience to future traffic growth
- Provision for non-motorised users
- Affordability.

3.3 A copy of this assessment is included at Appendix 4, showing the relative merits of each option and the rationale for proposing Option 3 as the preferred solution.

3.4 In summary, Option 3 is considered to be the most effective in achieving the Council's objectives. Option 3 was also the most favoured in consultation; has least impact on the Strategic Site and is the lowest cost solution. Therefore it is recommended that Option 3 be considered the Preferred Option. The three options consulted on but not recommended as "preferred" are shown at Appendix 2.

Procurement Route:-

3.5 For schemes of this nature and scale, the Council has a number of available options for procurement of a suitably-qualified construction contractor. A detailed evaluation of the relevant procurement options has been completed and this is included at Appendix 5.

In summary, the following procurement options have been assessed:

- OJEU procurement paths,
- Highway England's Collaborative Delivery Framework

- The Scape Civil Engineering and Infrastructure Framework
 - The Cheshire East Highway Service Contract
- 3.6 Based upon the assessment at Appendix 5 and the legal opinion on the use of the Highway Service Contract, it is recommended that the Scape framework is used to deliver the Works at Crewe Green Roundabout using an NEC Target Cost Form of Contract.
- 3.7 Preliminary designs have already been developed much more fully than usual as a basis for public consultation. These designs have informed consideration of the procurement of the works. Continuity of design input is considered to be a key factor in minimising risks and ensuring timeliness of construction works beginning on site. For this reason, it is recommended that Jacobs continue their role as scheme designers under the Council's existing "reachback" contractual arrangements with them. The Scape framework allows for the use of such an arrangement and there are many examples of where a nominated designer has been incorporated in scheme successfully delivered via the framework.
- 3.8 Commencement of detailed design work will include all the associated topographical, environmental and habitat surveys that are necessary to inform a planning application. The planning application will require the statutory public consultation to be conducted.
- 3.9 Consultation with the Duchy of Lancaster has been ongoing during this year concerning the Local Plan and the Strategic Site at Crewe Green. As a result, the Duchy has joined the Project Board and is well-informed on the Council's design and delivery process. The Council must now proceed to negotiations for the acquisition of Duchy land required for the preferred scheme. No other landowners are affected by the need to acquire land.
- 3.10 Statutory Undertakers' apparatus is present at Crewe Green and will be affected by the preferred, or any other, design solution. Preliminary discussions have already taken place with the relevant Utility Companies, as reflected in the options appraisal. There is now a requirement to enter into detailed discussions with the affected Utilities to agree the diversions / relocations that will be required. Utility diversion works are intended to be completed before the main construction works for the scheme commences.

4. Background

- 4.1 Following on from an award of £142.7 million of Local Growth Fund in July 2014, the LEP was awarded a further £15.2 million in February 2015 as part of an LGF round 2. One of the projects included in this additional round was Crewe Green Roundabout which was awarded an allocation of £3.3 million. This allocation was made on a proposal that the scheme removed a key congestion 'Pinch Point' on the main distributor network in Crewe and improved access to strategic employment sites at Basford, Capricorn (J17) and directly opened up an allocated Housing Site. The

project proposed to unlock 570 new homes, facilitate the creation of 750 jobs and increase GVA by £167m (2011 prices)

- 4.2 The remainder of the £5m total scheme funding (£1.7m) will come from developer contributions in the form of S106 contributions from developments which will contribute to traffic growth at the roundabout. Dependent on the timing of development, there may be a requirement to forward fund some of the scheme costs in advance of receipt of the developer contributions.
- 4.3 The land required by the scheme will be taken from the development land for the Strategic Site identified in the draft Local Plan. Development of the site will be subject to planning permission. The landowner is the Duchy of Lancaster and access is also required to the development site on the Duchy land (subject to planning).
- 4.4 Further to the north of Crewe Green Roundabout is the Sydney Road Railway Bridge. Sydney Road Bridge is due to be replaced as another LGF funded Major Scheme in the Council's current infrastructure programme. Concurrent construction works at Crewe Green Roundabout and Sydney Road Bridge would require substantial diversions and traffic management measures, leading to unacceptably high levels of disruption locally. Therefore the programming of these two schemes is intended to avoid any concurrent road closures at the 2 sites. The bridge works require temporary closure and possession of the West-Coast Main Line railway, with railway possessions secured starting in October 2018. Therefore, it is important to complete the works on site at Crewe Green Roundabout before October 2018. This makes the speed of delivery of the scheme a major driver of the choice of procurement route.

5. Wards Affected

Crewe East and Haslington Wards

6. Local Ward Members

Cllr David Newton – Crewe East

Cllr Suzanne Brookfield – Crewe East

Cllr Clair Chapman – Crewe East

Cllr John Hammond - Haslington

Cllr David Marren – Haslington

7. Implications of Recommendations

7.1 Policy Implications:

- 7.1.1 It relates directly to the Council's Three Year Plan; Outcomes 2 and 6.

- 7.1.2 The Scheme supports the emerging Local Plan Policy CO2 and is included in the associated Infrastructure Delivery Plan
- 7.1.3 The scheme aligns strongly to both the Economic Development Strategy and the Vision and Strategy for Economic Growth.
- 7.1.4 It is included in the Local Transport Plan 2015 Policy B2 – Enabling Development.

7.2 Legal Implications (including procurement):

- 7.2.1 The proposed Scheme is subject to the Public Contracts Regulations 2015 and must be procured by way of a compliant procurement exercise. The Service has engaged with Procurement and conducted an evaluation of the procurement options.
- 7.2.2 A planning application will need to be submitted prior to any works taking place and any requirements of such permission will need to be met as detailed in that permission. Further advice will need to be taken once the land issues have been fully investigated.
- 7.2.3 The Council is subject to strict rules on the pooling of funds through s106 agreements and cannot pool more than 5 contributions from such agreements. Additionally, there are some risks in the Council forward funding infrastructure projects on the basis of potential s106 funds. For example, s106 agreements cannot be obtained for projects that have already been completed, the receipt of s106 monies is conditional on the terms of the individual s106 agreements and the ability of the developer to pay. There is therefore a risk that valid s106 agreements never lead to the receipt of funds so this funding stream cannot be absolutely guaranteed at this stage.

7.3 Financial Implications:

- 7.3.1 The preliminary estimate of the cost of a solution is £5m which is included in the approved capital programme. The costs will vary depending on the selection of the preferred design but all options are expected to come either within or below this estimate.
- 7.3.2 The scheme will be fully funded from external resources including Local Growth Fund award of £3.3m and £1.7m of developer contributions secured by the Council.

7.4 Equality Implications:

- 7.4.1 There will be no equality implications as a result of this decision.

7.5 Rural Community Implications:

- 7.5.1 There will be no rural community implications as a result of this decision.

7.6 Human Resource Implications:

- 7.6.1 There will be no human resource implications as a result of this decision.

7.7 Public Health Implications:

- 7.7.1 The detailed design of the preferred solution will accommodate both pedestrians and cyclists to prevent, as far as possible, the junction acting as a barrier to those wishing to walk and cycle to access town centre facilities and employment sites, including the new Lifestyle Centre.

- 7.7.2 The design will be subject to a safety audit process to ensure that vulnerable road users, including pedestrians and cyclists, are taken into account in the final layout.

8. Risk Management

- 8.1 Robust governance arrangements have been operating for the project and a risk register is in place. Mitigation measures; monitoring and effective control will continue to be exercised.
- 8.2 The three principal risks identified are safety in construction; timely completion and delivery within budget. They have all been considered in the selection of the preferred design solution.
- 8.3 The procurement route proposed is a risk-minimising measure having been assessed using these principal risks as the key criteria.
- 8.4 The retention of the Designers will mitigate risk saving time by not handing over their design work to a contractor's designer and retaining the Council's Designer's knowledge in full.
- 8.5 In addition, the third party funding from S106 agreements is not yet all secured, so there remains a risk that this may not be achieved. If this occurs, there is a risk that the Council's forward funding element of the project will not be recouped and the overall capital programme would need to be modified accordingly. Mitigation of this risk is underway via close working with the planning team and negotiations with developers to ensure that sufficient contributions will be secured which, along with the LGF funding, will fully fund the scheme.

9. Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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