

16 December 2016		ITEM: 13 (Decision 01104393)
Cabinet		
A13 Widening – Award of Detail Design and Construction Contracts (two contracts)		
Wards and communities affected: All	Key Decision: Key decision.	
Report of: Councillor Brian Little, Portfolio Holder for Highways and Transport		
Accountable Head of Service: Ann Osola, Head of Highways and Transport		
Accountable Director: Steve Cox, Corporate Director of Environment and Place		
This report is Public		

Executive Summary

The A13 Widening has progressed through the preliminary design, compilation of a business case and several engineering and environmental surveys to a position where tenders for the detail design and construction have been received and the full business case has been submitted to the Department for Transport. The next steps are to award contracts for the detail design and construction to deliver the scheme. This report sets out the progress made since the last Cabinet report and requests delegation of authority for decisions necessary to implement the scheme.

1. Recommendation(s)

That Cabinet delegates authority to the Corporate Director of Environment and Place in consultation with the Cabinet Member for Highways and Transport, subject to the Council's procurement rules and terms and conditions being approved by the Section 151 Officer and the Monitoring Officer to:

- **Enter into an agreement with the Department for Transport (DfT) with respect to funding provided by the DfT for the A13 Widening scheme**
- **Award contracts for the detail design and the construction for the A13 Widening**
- **To award any further contract(s) for the provision of works and services to progress the A13 Widening scheme**
- **To acquire or accept dedication of any land required for the A13 Widening**

2. Introduction and Background

- 2.1 The A13 growth corridor is the largest single growth opportunity in the South East Local Enterprise Partnership (SELEP) area. The A13 links the key port infrastructure of Tilbury and London Gateway with the national road network including the M25 at junction 30.
- 2.2 The A13 widening is required as a part of managing and improving traffic flow on this route. The widening of the A13, from two lanes to three in each direction from the A128 junction (Orsett Cock) to the A1014 junction (Manorway) is necessary to improve current flow and assist with the future year growth from major planned and committed investments. A plan describing the scheme is attached as Appendix 1.
- 2.3 The need for the A13 widening was included and justified by the process (including examination in Public Inquiry) for the London Gateway Port Limited's Harbour Empowerment Order (HEO).
- 2.4 This HEO includes the planning approvals and the land acquisition powers for delivering the scheme. The Council has entered into agreements with London Gateway Port Limited (LGPL) with respect to developer contribution, use of the HEO powers for the scheme and for LGPL to use their compulsory purchase powers (included in the HEO) to acquire land for the Council necessary for the scheme.
- 2.5 As a part of the July 2014 Growth Deal for the SELEP area, the Government provided a £5m allocation for the development of the scheme as well as allocating a further £75m in their scheme programme for delivery subject to final business case approval. The scheme has been selected as a retained scheme whereby the Department for Transport manage governance using their processes.
- 2.6 After consideration of a report to the November 2014 Council, Cabinet resolved that the Council enter into agreements with LGPL, and that the scheme be developed including the preliminary design and to seek tenders for the detail design and construction.
- 2.7 The preliminary design work including surveys and contract preparation has been completed. Tenders have been sought and returned from designers and contractors.
- 2.8 The scheme cost estimate informed by the work during the development stage and the recently tendered values for detail design and construction are within the budget allocations and have been used in the completion of the business case.
- 2.9 To secure the £75m funding, the Council has to submit the business case to the DfT which includes the strategic case, economic case, financial case,

commercial case and management case. This business case has been submitted and the DfT decision is anticipated in January 2017. The business case can be viewed on the Council's website.

3. Issues, Options and Analysis of Options

- 3.1 The next steps to progress the scheme are (provided a positive decision from the DfT) are to accept the funding and to initiate the construction phase. This will include placing contracts with the detail designer and also the contractor. Council commitment for LGPL to implement the land purchase will also be required. These steps then commit the Council to the scheme.
- 3.2 The funding from the DfT and LGPL is for fixed values. The scheme costs have been built up from the tender values. The allocated total includes for the calculated value of a risk register which has been compiled during the preliminary design.
- 3.3 The Council has used an experienced consultant to manage and advise during the development stages. Also the preliminary designer and the tenderers for the detail design and construction have been sourced from the Highways England framework for this type of works.
- 3.4 Throughout the development and implementation the risk register is managed to mitigate the risk by reducing the likelihood or effect to each risk. This is a part of the overall cost control process to keep the scheme within budgets.
- 3.5 Local businesses have been consulted to try to ensure minimum disruption from the traffic management measures needed to complete the works. The Council has been liaising with Highways England to ensure that their road works at M25 junction 30 / A13 are complete before works start on the A13 widening scheme.
- 3.6 Ongoing risk management investigations will continue whilst the DfT are reviewing the Business Case and preparing their decision. Actions to reduce risk, such as the purchase of selected areas of land and investigatory work, will be progressed within the overall £5m development funding already secured.
- 3.7 Financial Control and Risk Management

Thurrock Council will be responsible to the funding stakeholders for the delivery and financial outcome for the scheme. Specific funding when approved will represent a fixed contribution from SELEP/DfT/LGPL to Thurrock for our scheme. This is the normal procedure for capital schemes but given the size of this scheme it is important to manage and reduce the risk of an overspend position.

A risk register has been compiled and maintained as potential project risks are identified. The principal risks relate to land, environment, utility plant and construction risk.

The overall scheme value includes the tendered costs for management, design and construction, utility costs, land costs and for a risk pot. This risk pot is built up from the assessed likelihood and costs of the scheme risk register and compiled using recognised risk.

Mitigation measures to reduce the probability and impact of each risk have and will be taken. These include:

- The Project Board to overview and manage the scheme.
- The use of the Highways England's form of contract to source designer and contractor and to link with their contract compliance processes.
- The use of large contractors and consultants with skills and experience in this type of work.
- Appointment of Mott MacDonald to supplement in-house team and to prepare the Business Case.
- Appointment of AECOM to the role of preliminary designer.
- The maintenance of a risk register to assess, co-ordinate and manage the mitigation of risks.

4. Reasons for Recommendation

- 4.1 The A13 Widening scheme is required to provide much needed capacity for this road.
- 4.2 The A13 Widening scheme will provide mitigation for some of the traffic impacts of the London Gateway Port development.
- 4.3 The final Business Case has been submitted for decision by the Department for Transport.
- 4.4 Given a positive decision the detail design and construction contracts are ready to be entered into and the land acquisition can be committed.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 The scheme has been included in the planning and consultation for the London Gateway development including land acquisition.
- 5.2 Specific planning permission is not required for the highway widening but any planning and consultation required for any works or measures outside the HEO will be carried out.
- 5.2 A communication plan will be prepared for the scheme delivery which will include website

6. Impact on corporate policies, priorities, performance and community impact

6.1 Thurrock Transport Strategy 2013 – 2026

Policy TTS18: Strategic Road Network Improvements

“Where modal shift and network management are insufficient to tackle congestion on the Strategic Road Network, the Council will look to encourage additional capacity to reduce congestion, improve journey times, facilitate growth and improve access to key strategic economic hubs.”

The strategy includes:

“Currently the need for major network improvements on strategic routes facilitate growth has been identified as:

A13 widening of the section between the A128 and the A1014, partly to help deliver the London Gateway development.”

6.2 The proposals set out in this report support the Council’s Corporate Plan Priority Projects 2016/17:

“Work with partners to identify and provide for infrastructure needs including tackling issues of congestion and proposals for a Lower Thames Crossing.”

The A13 widening is cited as the example of infrastructure and highways improvements progressing this priority.

7. Implications

7.1 Financial

Implications verified by: **Carl Tomlinson**
Finance Manager

The A13 Widening scheme development has been funded by a £5m grant from the South East Local Enterprise Partnership’s Local Growth Fund allocation.

The Government has classified this scheme as a retained scheme which will be subject to management process by the Department for Transport (DfT).

The A13 Widening has a further allocation of £75m in the Local Growth Fund Subject to a positive decision following the submission of a Business Case to the DfT. The funding is completed by a contribution from the London Gateway Port Limited.

It should be noted that the financial risk of this project rests with the Council. Additional spend over and above the agreed funding mentioned above will

have to be funded by the Council. Effective project and risk management are essential to mitigate this risk.

7.2 Legal

Implications verified by: **Assaf Choudry**
Major Projects Solicitor

The London Gateway Port Harbour Empowerment Order 2008 (HEO)

The HEO came into force on 16 May 2008. By part 2 of the HEO, the London Gateway Port Limited (LGPL) became the Harbour Authority in relation to the powers granted under the HEO.

The HEO gives powers to the Harbour Authority to carry out a range of works described in the Schedules to the Order under Works descriptions and at locations identified on the Plans and drawings deposited and approved with the Order. These define lateral limits within which road improvement works can take place and vertical limits within which these works should be carried out. The future detailed design will take these limits into account.

These powers may be devolved by the Harbour Authority to the Council, as Local Authority. The Council has entered into an agreement with TLGPL to carry out the works required for the A13 Widening, identified within the HEO on behalf of the Harbour Authority.

Further, Schedule 12 of the HEO identifies land that may be acquired Compulsorily. Thurrock Council cannot itself, use the compulsory acquisition powers granted by the HEO which reside in TLGPL. Under an agreement TLGPL will acquire the land required under the HEO.

The powers of compulsory acquisition must be exercised within 10 years of the HEO coming into force (i.e. before 16 May 2018). This factor introduces another basis of urgency for commencing the A13 Widening project.

If any other works are required, which are not authorised by the HEO, the Council may use powers granted to it as a Local Highway Authority.

Highways Act 1980

The act gives the Council a general power to carry out work to improve the highway for the use or protection of persons using the highway and the construction and reconstruction of bridges; the Council may, also, alter or remove any works executed by the council under this section.

Government Funding

The specific provisions (including any conditions and/or restrictions) which will apply to any Government Funding will be included in any funding Grant award following any decision regarding our Business Case submission.

7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**
Development & Equalities Manager

There are no direct implications arising from the report, however any diversity issues that arise will be fully addressed in the detail scheme development. The widening of the A13, so that it can cater for proposed traffic will reduce the risk of traffic being diverted onto less appropriate local roads.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

There are none at this stage.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- November 2014 Cabinet
<https://thurrockintranet.moderngov.co.uk/documents/g194/Public%20reports%20pack%2005th-Nov-2014%2019.00%20Cabinet.pdf?T=10>
- Thurrock Transport Strategy 2013 – 2026
https://www.thurrock.gov.uk/sites/default/files/assets/documents/strategy_transport_2013.pdf
- A13 Widening Business Case submission to the Department for Transport
<https://www.thurrock.gov.uk>

9. **Appendices to the report**

- Appendix 1 - A13 Widening Scheme Plan

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Transportation & Highways

Appendix 1 - A13 Widening Scheme Plan

