

# WOOLWELL TO THE GEORGE: PHASE I ENABLING WORKS

Briefing Note



## 1. INTRODUCTION

- 1.1. This contract award report relates to the award of a contract for Phase I enabling works for the Woolwell to The George Transport Scheme (WTTG). The works involve vegetation clearance, tree removal, treatment of invasive species (INNS) and the demolition of properties at 442, 444 and 446 Tavistock Road as necessary to facilitate the Phase I construction works. The contract also includes works to convert 448 Tavistock Road (“the clock house”) to a contractor site office.
- 1.2. The agreed approach to procurement is to utilise the Scape Procure Civil Engineering & Infrastructure Framework. This approach was selected due to the very tight timescales for this project, it has proven to be a successful delivery model for other Council schemes, it is a framework which was awarded to Balfour Beatty through a compliant competitive tender, and it involves competitive tendering of works packages and therefore highlights value for money. The Professional Services Contract (PSC) for design and surveys was previously awarded to Balfour Beatty through the Scape Procure Civil Engineering & Infrastructure Framework, and therefore this enabling works contract is the next element of works to be delivered.
- 1.3. This award report commissions critical works needed to be undertaken to enable the delivery of Phase I of the Woolwell to The George Transport Scheme. In particular the vegetation clearance is necessary ahead of bird nesting season (February-August) and as such the contract is to be enacted promptly to meet the required timeframe and subsequent Phase I delivery programme.

## 2. BACKGROUND

- 2.1. The Woolwell to The George scheme aims to alleviate congestion at the notorious pinch-point between Woolwell Roundabout and The George, on the A386 Tavistock Road. More than 30,000 vehicles use this section of road each day and there are often queues and delays at peak times, caused by traffic having to merge over very short distances.
- 2.2. The Woolwell to The George Transport Scheme will be delivered in three phases:
  - Phase 1 – Woolwell Crescent junction, A386 Tavistock Road (north of Woolwell Roundabout) and Woolwell Road
  - Phase 2 – Main A386 Tavistock Road widening and new signal junction at Tavistock Road/Woolwell Road
  - Phase 3 – Expansion of The George Park and Ride site to provide additional parking capacity
- 2.3. This award report relates to Phase I only, which is due to commence construction in 2023. A new signalised junction will be provided where Woolwell Crescent joins Tavistock Road allowing vehicles to turn right to travel north. A new left turn into Woolwell Crescent will also be provided.
- 2.4. Woolwell Road is to be upgraded to improve pedestrian and cycle facilities. The amendments on Woolwell Road include a proposed signalised pedestrian junction to facilitate a desire line to the Tesco Superstore, shared use cycle/pedestrian facilities on both sides of the carriageway,

and amendments to tie in to the proposed junction on the A386 Tavistock Road / Woolwell Road.

- 2.5. Improvements to the Towerfield Drive roundabout are also being explored as part of the detailed design process.

### **3. REQUIRED PROJECT APPROVALS**

- 3.1. The works constitute permitted development and a Certificate of Lawful Development has been issued by Plymouth City Council as the Local Planning Authority (Application No: 22/01469/PRUS). Planning permission is therefore not required. An Environmental Impact Assessment (EIA) screening has also been undertaken. This followed a formal screening request to the Local Planning Authority and it has been confirmed that the project does not constitute EIA development (Ref: 22/01460/ERS103). All necessary surveys, such as an Arboriculture Impact Assessment, habitat surveys and invasive species inspections have been undertaken.
- 3.2. The Phase I scheme funding of £5m was added to the PCC capital programme from the Transforming Cities Fund (TCF) allocation in January 2022. Phases 2 and 3 are to be funded from the Levelling Up Fund (LUF) which was secured in October 2021. The deadline for spending the TCF funding was end of March 2023. Plymouth City Council has submitted a request for an extension to the TCF funding deadline which is currently under review by the DfT.
- 3.3. Additional approvals to be obtained include the Traffic Regulation Orders and the Temporary Traffic Regulation Orders. TTRO applications have been submitted (December 2022) for Woolwell Road, Woolwell Crescent and Tavistock Road as required for the enabling works for which approval is anticipated imminently.
- 3.4. Third party agreement is required to clear vegetation from land owned by Tesco. The clearance is needed to allow the construction works by temporary permit. No permanent land take is required from Tesco property. Plymouth City Council are to obtain the approvals and licences as required to deliver the Project.
- 3.5. Disconnections of utilities to Council owned properties 442, 444 and 446 Tavistock Road is required ahead of the demolition of the properties and these are being progressed with the relevant parties. A demolition application and section 80 building control application have also been submitted, and approval is expected in early February.

### **4. PROCUREMENT STRATEGY**

- 4.1. Following a review of the procurement options with the Council's Procurement and Legal teams in 2022, it was concluded that the Scape Procure Civil Engineering and Infrastructure Framework was the most suitable mechanism to procure the Woolwell to The George Transport Scheme contracts, utilising Schedule Ten; Enabling Works/Short Construction Delivery Agreement.
- 4.2. The choice of this framework and the various options were previously detailed in the Professional Services contract award report (Ref: COD05 22/23).
- 4.3. The Scape Group is a Local Authority controlled company wholly owned by Derby City, Derbyshire County, Gateshead, Nottingham City, Nottinghamshire County and Warwickshire County Councils in equal shares.
- 4.4. Scape was formed under section 95 of the 2003 Local Government Act and incorporated on 21 December 2005. It began trading on 1 April 2006. Scape acts as a Contracting Authority and Central Purchasing Body as defined in the EU Procurement Directives.

- 4.5. The Group's vision is to be leaders in collaborative working, providing cost effective solutions by using simple, easy to use and hassle free processes which deliver an inclusive and engaging experience for clients and the communities they serve.
- 4.6. Scape Procure Civil Engineering & Infrastructure Framework is delivered by Balfour Beatty, a leading international infrastructure group with more than 100 years of experience in complex infrastructure projects. Works under the Civil Engineering and Infrastructure Framework are valued from £1m to £40m and above.
- 4.7. This framework enables civil engineering and infrastructure works in sectors such as environmental, engineering, transportation, leisure, recycling and waste, defence, ports, harbours and marine, flood defence and coastal engineering, energy, education, industrial, commercial and other public sector assets.

## **5. ENSURING VALUE FOR MONEY WITH THE SCAPE FRAMEWORK**

- 5.1. This procurement path ensures value for money as the Scape Framework is an OJEU compliant and OJEU procured framework. It was subject to EU wide competition when it was set up to ensure/maximise value for money and quality.
- 5.2. Balfour Beatty were awarded the contract as a sole supplier based on their competitive tender and is able to further demonstrate value for money by competitively tendering the sub-contracted work packages through its extensive supply chain. This means that all of the project spend under this framework will have been subject to competition. Even though Balfour Beatty is the sole supplier under this framework this does not result in a monopolistic situation as Balfour Beatty were subject to EU wide competition to win the framework opportunity in the first place and the construction work for the project will be competitively tendered by Balfour Beatty. The Council can have input into that sub-contracting process if it wishes to.
- 5.3. The Scape Framework has also been used to procure design and construction services as part of the Council's South Yard project, Charles Cross Roundabout Redevelopment and more recently, the Forder Valley Link Road scheme, which have reported a good positive experience.
- 5.4. WTTG Phase I pre-construction works have been procured and delivered through the Scape framework using a PSC. Through this contract Balfour Beatty are to deliver the design services. The intention is for the Construction works to be delivered under the framework as Design & Build allowing compliancy with procurement processes and consistency for delivery.

### **Contractor's Procurement and Management of Supply Chain**

- 5.5. Although the Scape Framework is a sole supplier award, best value through Balfour Beatty's supply chain is achieved through competitively tendering individual work packages where sub-contractor prices are required through its extensive supply chain. This approach demonstrates value for money by all of the project spend under this framework being subject to competition. By fostering collaborative, honest and open relationships, Balfour Beatty can drive performance improvement across all areas of their supply chain.

### ***Enhancing Value***

- 5.6. By working in partnership with key supply chain partners, Balfour Beatty enhance value and minimise risk; specific examples of this include the following:
  - Collaborative planning forums – removes duplication and re-work for follow-on trades, by identifying constraints which may impact on interfacing works;
  - Risk and opportunity workshops – identifying key risks and opportunities which are jointly managed across all suppliers for particular work sections;

- Value stream mapping – ensuring that offsite fabrication aligns with the required delivery programme and identifying bottlenecks to allow early mitigation;
- Co-location of supply chain and project staff – teams working together, removing the risk of segregation;
- Expedition of critical materials – actively managing demand peaks and troughs to avoid delays.

### ***Tendering Processes – Approval, Selection and Performance Management***

5.7. A critical aspect of the project delivery is ensuring the correct supply chain are engaged. Balfour Beatty do this with their supply chain through the implementation of strict supply chain selection and approval processes which includes:

- Supply Chain Rationalisation – Balfour Beatty review the volume of suppliers they actively trade with to ensure that they work with only the best suppliers and drive efficiencies.
- Supplier Approval Process – all new suppliers and subcontractors are required to undergo a rigorous pre-qualification assessment procedure and are required to demonstrate their capabilities and competence in all aspects of their business.
- Supplier Performance Management – once approved, annual audits are carried out to ensure standards are maintained and continuous improvement targets are set and achieved. Where necessary, improvement plans are implemented to increase performance.
- Supplier Selection – Balfour Beatty use an evaluation tool to identify and select supply chain partners based on a series of value adding criteria (not simply lowest price). The selection criteria for each package is bespoke to reflect the constraints, risks and opportunities associated with that specific element of works. Selection criteria can include:
  - Health and Safety Culture
  - Technical expertise and competence of supervisors and technical support
  - Capability and Capacity (including track record for delivery)
  - Use of local labour force and a local supply chain
  - Competitiveness of a robust price and transparency of cost base
  - Robust risk assessments and risk mitigation plans
  - Effective project controls to manage quality (systems, processes and practical evidence), time, cost, maintaining and improving programme
  - Proposals for continuous improvement and increasing productivity
  - Supply chain mapping – the identification of sub-tiers of supply, sources of raw materials and country of origin
  - Innovation
  - Sustainability initiatives

### ***Risk Management***

5.8. Risk management within a contractor's supply chain is critical and Balfour Beatty ensure that risks are managed and mitigated at a macro level as well as throughout the lifecycle of the project.

- 5.9. Supply chain risks are managed and mitigated through detailed, bespoke procurement strategies.
- 5.10. Some of the most common supply chain risks that Balfour Beatty monitor and manage are:
- Supply Chain Vulnerability – Supply Failure and Supplier Failure
  - Macro-Environmental Risks – Political, Economic, Social, Technological and Legal
  - Anti-Competitive Behaviour – Price Fixing
  - Sustainability – Economic, Social and Environmental
  - Health and Safety – Policy, Performance and Investment
  - Commercial – Cost Certainty
  - Programme – Delivery and Completion
  - Quality – Products and Workmanship
- 5.11. Two of the most significant risks in the current market are that of Supply Failure and Cost Escalation brought about by the increasing likelihood of an imbalance between the demand on the supply chain and their capacity and capability to supply. These risks are managed closely through Balfour Beatty's supplier relationship management programmes and through the effective execution of project procurement strategies.

### ***Managing Health, Safety and Wellbeing***

- 5.12. The health, safety and wellbeing of employees and everyone else affected by project activities are fundamental. Balfour Beatty require that everyone who works for or with them:
- Embeds health and safety as core elements in all they do
  - Takes a lead in requiring and delivering excellent health and safety
  - Works with them to eliminate the risk of serious harm from all activities
  - Upholds and promotes their policies and expected behaviours
  - Is intolerant of unsafe behaviour, short cuts and unplanned work
  - Supports those who challenge these unsafe practices, and holds people to account if they don't conform
  - Insists that everyone is involved, informed and engaged
  - Challenges, learns and innovates to reduce risk
  - Reports potentially unsafe incidents and injuries, and investigates fully to learn lessons
  - Comes to work in a fit condition

### ***Sustainable Procurement***

- 5.13. Balfour Beatty are committed to working with the supply chain to:
- Maximise the engagement of local labour and suppliers
  - Measure, understand and minimise greenhouse gas emissions and use of water
  - Apply lifecycle thinking to the provision of lower impact products, materials and services
  - Reduce and avoid the disposal of waste to landfill
  - Provide responsibly sourced construction materials with high recycled contents
  - Develop their collaborative approach to sustainable and responsible procurement

- Implement effective controls to guard against Modern Slavery
- Maximise the total amount of social value generated by the project

## **6. ENABLING WORKS**

- 6.2. This award report is for enabling works to support the construction of Phase I of the Woolwell to The George Transport Scheme. To ensure value for money, Balfour Beatty tendered subcontractor packages of work to a number of suppliers with proven competency through mandatory Constructionline Gold accreditation, sustainability in terms of locality and successful delivery of works.
- 6.3. Subcontractor tender packages were issued by Balfour Beatty for Demolition, INNS, Traffic Management and Vegetation Clearance works. Fixed prices were received against a scope of works from prospective subcontractors and tenders evaluated by Balfour Beatty.
- 6.4. Tenders were assessed, compared, and selected on the basis of their adherence to the required scope, competitive price, locality to the scheme and confidence in their ability to deliver based on experience.
- 6.5. Balfour Beatty will be working as the Principal Contractor for the works and are responsible for the management on site and delivery of the works.
- 6.6. The contract is NEC Option A: priced contract with activity schedule.
- 6.7. The scope of works included within the enabling works contract has been reviewed against the subcontractor packages to ensure the works meet the requirements.
- 6.8. Balfour Beatty's cost submission for the enabling works has been reviewed and challenged as appropriate.

## **7. CONTRACT RISK ALLOCATION AND TRANSFER**

- 7.1. The Council has a robust Risk Management Strategy which will be used to manage risks within this project by wherever possible eliminating these risks or providing mitigation to reduce them as far as possible. The scheme delivery strategy is designed to maximise the use of the Council's in house skills and where appropriate pass risk on scheme construction and delivery to those best placed to deal with such risks.
- 7.2. A risk workshop was held during the preconstruction stage. At the workshop, all elements of the scheme development and delivery were discussed, and project risks were captured on a risk register.
- 7.3. The Quantified Risk Assessment will be updated to cover both the design and construction elements of the scheme. Risks have will be allocated to the most appropriate owner and are shown to be either the responsibility of the Council, the Contractor or shared. As it is a live document, this will continue to be reviewed at monthly progress meetings; as risks are closed they will be removed from the Risk Register or if risks materialise they will be placed on an issues log.

## **8. CONTRACT PROGRAMME**

- 8.1. The below programme dates have been submitted by Balfour Beatty and form part of the contract:
- Start Date – Early February 2023

- Completion Date – 28<sup>th</sup> April 2023

## **9. CONTRACT MANAGEMENT**

- 9.1. The Council already has a robust contract management process in place for this scheme and has secured external Contract Management support through consultants WSP to assist in administration of the enabling works contract.
- 9.2. This approach enables WSP to fully scrutinise and challenge all works and prices on behalf of the Council, in order to ensure that the contractor is achieving value for money and following the approach identified within their brief and the Employer's Requirements. WSP have direct experience of managing highway engineering contracts for many public sector clients, and have recently undertaken this role on Council schemes such as Plymouth Road, Forder Valley Link Road and Forder Valley Interchange.
- 9.3. WSP are also providing contract management for the Phase I PSC contract with Balfour Beatty
- 9.4. Key activities which the Contract Management team (WSP and PCC) will undertake include:
  - Ensure that value management procedures are implemented in order to minimise costs without adversely affecting quality;
  - Monitor works progress against both programme and forecast spend profiles, and check quality of the deliverables;
  - Review and agree the assessments of any compensation events;
  - Review and pay monthly and final valuations;
- 9.5. Contract change management will be overseen by the Council and their agents. The Contractor must notify the Client Project Manager, of any matter through an Early Warning, which could increase the prices, delay completion or impair the performance of the works in use.

## **10. FINANCIAL IMPLICATIONS**

- 10.1. This contract award is for the enabling works for Woolwell to The George Phase I.
- 10.2. The total contract value under this award is £484,311.
- 10.3. The funding for this award has already been accounted for within the project budget which is supported by TCF funding.