



Mersey Gateway Executive Board

**Thursday, 15 March 2012 3.00 p.m.
The Board Room - Municipal Building,
Widnes**

A handwritten signature in black ink, appearing to read 'David W R', positioned above a rectangular stamp.

Chief Executive

BOARD MEMBERSHIP

Councillor Rob Polhill (Chairman)	Labour
Councillor John Stockton	Labour
Councillor Mike Wharton	Labour

*Please contact Lynn Derbyshire on 0151 471 7389 or e-mail lynn.derbyshire@halton.gov.uk for further information.
The next meeting of the Board is to be confirmed.*

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

Part I

Item No.	Page No.
1. MINUTES	
2. DECLARATION OF INTEREST	
Members are reminded of their responsibility to declare any personal or personal and prejudicial interest which they have in any item of business on the agenda no later than when that item is reached and, with personal and prejudicial interests (subject to certain exceptions in the Code of Conduct for Members), to leave the meeting prior to discussion and voting on the item.	
3. PROCUREMENT PROGRESS REPORT	1 - 7
PART II	
In this case the Board has a discretion to exclude the press and public and, in view of the nature of the business to be transacted, it is RECOMMENDED that under Section 100A(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.	
4. MERSEY GATEWAY BRIDGE - ITPD EXECUTIVE SUMMARY	8 - 16

In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

REPORT TO: Mersey Gateway Executive Board

DATE: 15 March 2012

REPORTING OFFICER: Chief Executive

PORTFOLIO: Leader

SUBJECT: Mersey Gateway Bridge –
Procurement Progress.

WARDS: All

1.0 PURPOSE OF THE REPORT

1.1 This report advises members of the progress made in implementing the agreed procurement process.

2.0 RECOMMENDATION: no decisions are required but the Mersey Gateway Executive Board are invited to note:-

- (1) that the six candidates who participated in prequalification have been advised of the selection result and meetings with each group have taken place to provide feedback on performance; and**
- (2) the documentation required to support the formal Invitation to Participate in Dialogue (ITPD) has been completed and issued to the three Bidders.**

3.0 SUPPORTING INFORMATION

- 3.1 At the special meeting of the Mersey Gateway Executive Board on 15 February 2012 members agreed the prequalification result and authorised the Chief Executive, in consultation with the Leader, to move to commence the tendering process by issuing the ITPD document to Bidders.
- 3.2 On 16th February the six Bidders were informed of the prequalification result by letter from the Project Director. The letter offered the unsuccessful candidates a debriefing opportunity, which all accepted. The debriefing meetings took place on 29th February. Letters to the three successful candidates also offered to provide feedback on performance and these debriefing meetings took place on 1st March. Any issues arising from these meetings with successful and unsuccessful candidates will be reported orally at the Board meeting
- 3.3 A press release announcing the results of prequalification was released on 17th February. The Department for Transport press office was consulted on the draft release. The selected Bidders were reported in

local news and appear across the national technical journals and media. A copy of the press release is at annex 1.

- 3.3 The letter to the three Bidders set out the expected timetable for commencing the tendering process. The ITPD is planned to be issued to Bidders during the week of 12 March, to be discussed at a Dialogue Commencement meeting with each Bidder during the following week. Over the coming year, Dialogue meetings are envisaged to be held at the Stadium with the occasional meeting held in the offices of DLAP in Manchester or London. On average we expect to meet with each Bidder once every three weeks. The ITPD sets out the Council agenda covering a schedule of meetings up to November 2012. The Project organisation to progress the Dialogue process is attached at annex 2.
- 3.4 Instructions to Bidders, as part of the ITPD, include measures to ensure that communication between the Council and Bidders are classified as commercial in confidence, to ensure competition is protected so that the Council receives bids that maximise the potential to secure value for money. The integrity of the competition relies on the security of information and discussions during an extended procurement process. The governance arrangements agreed with this Board envisage the confidential nature of issues arising during Dialogue and are reflected in the Chief Executive being delegated authority to deliver procurement in consultation with the Leader. This delegation provides the project team with access to a streamlined chain of authority where decisions can be taken expeditiously in circumstances that maintain confidentiality. The regular meetings of the MGEB, at every two months will enable reports on progress to be made to keep the Board up to date with key issues arising in the Dialogue process. Alongside these arrangements, the portfolio holder Cllr Stockton holds regular meetings with the Project Director.
- 3.5 The high level procurement programme is attached at annex 3. The projections are in line with advice given to members previously and progress will be monitored against this programme.

4.0 POLICY IMPLICATIONS

- 4.1 The project is a key priority for the Council which will deliver benefits locally and across the wider region.

5.0 OTHER IMPLICATIONS

- 5.1 All substantive implications are reported above and in the report annex.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 **Children and Young People in Halton**

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all.

6.2 Employment, Learning and Skills in Halton

Over 500 construction jobs will be required for MG and matters are in hand to ensure the local community has access to these job opportunities. In the longer term, several thousand jobs are forecast to be created in the sub-region due to the wider economic impact of the project.

6.3 A Healthy Halton

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all, including improved cycling and walking facilities.

6.4 A Safer Halton

The project will produce road safety benefits for road users including improved cycling and walking facilities.

6.5 Halton's Urban Renewal

Mersey Gateway Project is a priority project in the Urban Renewal Programme.

7.0 RISK ANALYSIS

The project structure supported by the proposed delegation and decision authority will reduce the risk of delay and improve the quality of the project control.

8.0 EQUALITY AND DIVERSITY ISSUES

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 None under the meaning of the Act.

17 February 2012

MERSEY GATEWAY PROJECT ANNOUNCES BIDDERS SHORTLIST

The shortlist of three bidders for the Mersey Gateway Project has been announced.

The three shortlisted bidders (in alphabetical order) are:

- **Balfour Beatty, Bouygues Travaux Publics, Egis Projects consortium**, comprising equity members Balfour Beatty plc, Bouygues Travaux Publics and Egis Projects,
- **Merseylink consortium**, comprising equity members Macquarie Capital Group Limited, Bilfinger Berger Project Investments Limited, Vialia Sociedad Gestora de Concesiones de Infraestructuras S.L. and FCC Construcción S.A., and
- **MGL consortium**, comprising equity members Galliford Try Investments Limited, Hochtief PPP Solutions GmbH and Iridium Concesiones de Infraestructuras S.A.

The three were selected by Halton Borough Council from the expressions of interest received from six groups in December 2011. The selection has been based on the published pre-qualification criteria where the shortlisted bidders were awarded the highest scores.

The successful candidates will now be invited to compete for a contract to design, build, finance and operate a new toll bridge over the River Mersey between Runcorn and Widnes and associated work in the towns. The value of the construction phase, including land, is estimated at £600m.

Cllr. Rob Polhill, Leader of Halton Borough Council, said: "We have attracted world class construction groups that have come together to compete for this prestigious contract. I look forward to announcing the eventual winner and the commencement of construction later next year."

Steve Nicholson, Mersey Gateway Project Director, said: "We were delighted with the quality and the quantity of the submissions we received. Each of the six groups we evaluated met our requirements but we set out to limit the procurement process to three bidding groups and we have maintained this approach so that we can reduce bid costs whilst running an effective competition."

He added: "During the next year the project team will work with the shortlisted bidders to develop proposals that deliver quality and value for money on behalf of the taxpayer."

ENDS

For further information or interview requests please call:

DTW 01287 610 404

Chris Taylor 07949 287 356

Pete Whelan Jnr 07983 288 388

About the project:

The centrepiece of the Mersey Gateway Project is a new six-lane toll bridge over the Mersey between the towns of Runcorn and Widnes.

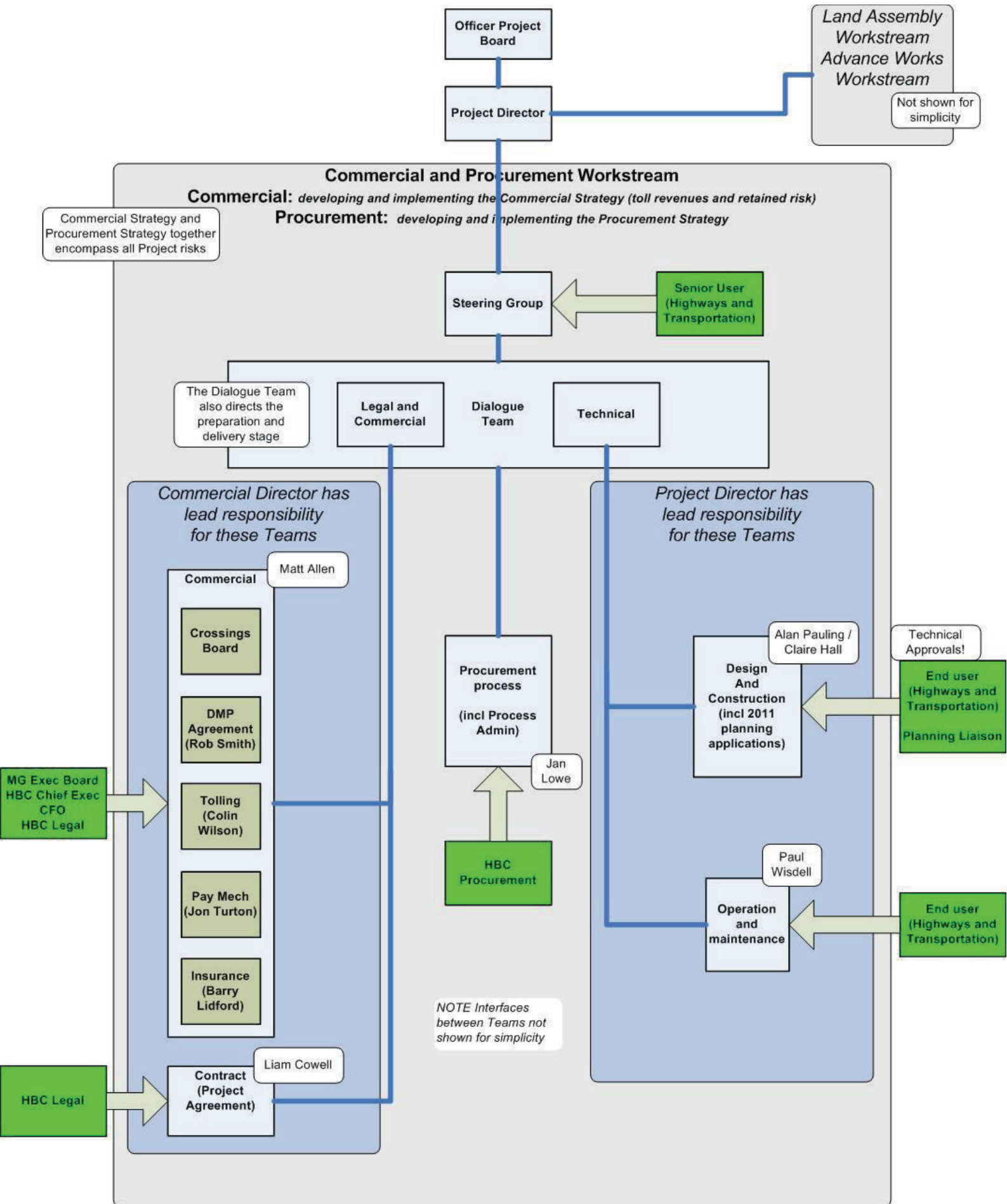
In addition to speeding up journey times and improving journey reliability in the region it will act as a catalyst for investment and bring benefits over four times greater than the investment cost, including:

- an estimated 4,640 new jobs through direct employment, regeneration activity and inward investment, and
- the generation of a conservative estimate of £61.9 million a year in Gross Value Added from the new jobs by 2030.

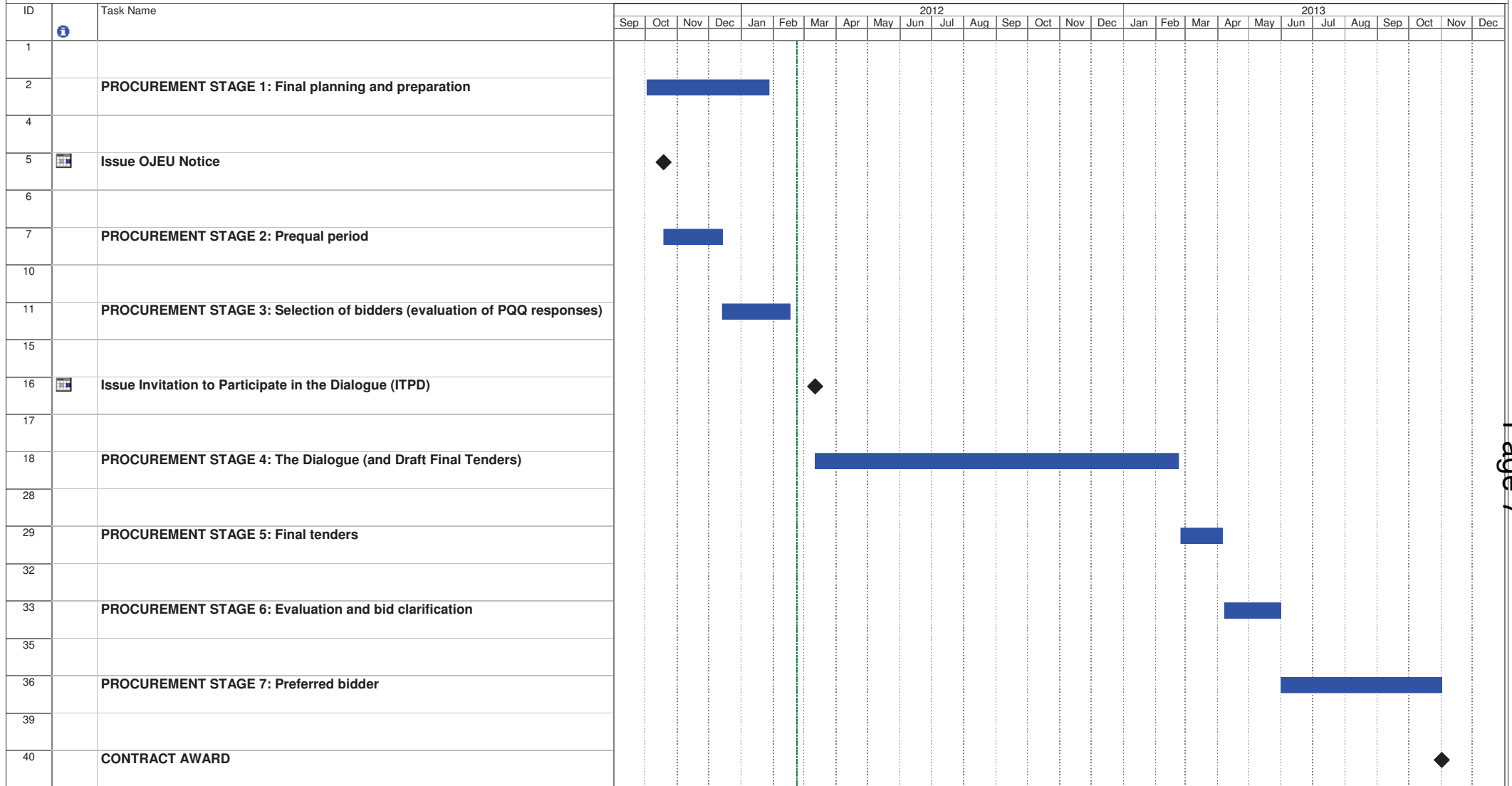
The existing Silver Jubilee Bridge will also be tolled as part of the project.

It is anticipated that construction work will start within two years, and that the new bridge will take around three years to complete.

As well as the income from tolls, the Department for Transport will provide £86m in capital grant towards land and remediation and up to £14.55m per year in long-term revenue support for 26.5 years from opening to fund the scheme.



Mersey Gateway Procurement programme (schematic)



Halton Borough Council	Task		Progress		Summary		External Tasks		Deadline	
	Split		Milestone		Project Summary		External Milestone			

Document is Restricted