

REPORT TO: Executive Board

DATE: 25 February 2016

REPORTING OFFICER: Strategic Director – Community & Resources

PORTFOLIO: Transportation

SUBJECT: Mersey Gateway Bridge Project – Progress Update

WARDS: All

1.0 PURPOSE OF THE REPORT

- 1.1 To provide an update on progress with the Mersey Gateway Bridge project and the performance of the Mersey Gateway Crossings Board Limited (MGCB) for the period June to December 2015, against the criteria set out in the MGCB Governance Agreement.

2.0 RECOMMENDATION: That

- 1) the progress with the Mersey Gateway Bridget project as set out in the report, be noted; and**
- 2) the performance of the Mersey Gateway Crossings Board Ltd in monitoring the Project Company’s performance as set out in the report, be noted.**

3.0 SUPPORTING INFORMATION

3.1 Background

3.1.2 The Mersey Gateway Crossings Board Ltd (the Board) is a special purpose vehicle established by Halton Borough Council with the delegated authority to deliver the Mersey Gateway Bridge project and to administer and oversee the construction, maintenance and tolling of the new tolled crossings including the tolling of the existing Silver Jubilee Bridge.

3.1.3 The Board’s terms of reference and delegated authority are expressed in a Governance Agreement with the Council, set to last for sixty years. The Board are commissioned to deliver the project on behalf of the Council and operate as a commercial (though not for profit) organisation on an arm’s length basis.

3.1.4 The Board is working closely with the Project Company – Merseylink - on a day to day basis to ensure that all aspects of their policies are

adhered to ranging from PR and Communications, environment, traffic management to local employment and skills.

3.1.5 This report provides an update on the progress of the Project and the performance of the Board in monitoring the Project as required under the Governance Agreement.

3.2 Construction Progress (Construction sections shown in Appendix 1)

3.2.1 Key Construction events

• Completion North Pylon Inner Cofferdam	25/03/2015
• UU sewer diversion at Victoria Junction	06/08/2015
• Mobile Scaffold System (MSS) assembled	12/10/2015
• Completion of Pylon Foundations	04/11/2015
• Completion of Bridge Pylons	06/09/2016
• Concrete Works to North Approach Viaduct	30/09/2016
• Deck Completion	03/04/2017
• Waterproofing to MG	27/06/2017

3.2.2 Construction - Main Crossing (Update on progress to December 2015)

Approach Viaducts

- Removal of the sheet piles at Pier 8.
- Installation of the sheet piles for the temporary MSS bases at Pier 4
- Completion of the MSS supporting pile caps Pier 2 – Pier 4.
- Installation of secant piling at Pier 17 and Pier 18.
- Installation of dewatering at Pier 18.
- Complete excavation of cofferdams at Pier 9 and Pier 16.
- Installation of sheet piling on Pier 15, Pier 14 and Pier 13.

Main Bridge

- Trestle: Finger trestle beside south cofferdam.
- North Cofferdam: Removed dewatering pumps and pipes.
- Central cofferdam: Removed waling beams.
- South cofferdam: Form traveller foundation.
- Excavation and backfill for Form Traveller foundation.
- Removed dewatering pumps and pipes.
- North pylon : Hammer head Lift
- Central pylon: Spread footing. Lower pylon 1st lift.
- South Pylon : Hammer head Lift

3.2.3 Construction - Landside & Highways (Update)

- Utilities diversions around Ditton Roundabout ongoing.
- Sewer diversion under construction.
- Ditton utilities diversions ongoing.
- Bunds for earthworks arising's.

- Platform for soil mixing at MSS area.
- Road Works for Section 1 ongoing.
- Trial embankments under construction.
- Ditton Bridge: Pile caps, abutments and piers under construction.
- Widnes Victoria viaduct: Pile caps, abutment and piers under construction.

3.2.4 **Most recent activities on site** (November/December 2015):

- Pile caps for Ditton Junction Bridge and Victoria Viaduct.
- Abutments and piers for Ditton Junction Bridge and Victoria Viaduct.
- Arrival of pre-cast Beams for Ditton Junction Bridge and Victoria Viaduct.
- Recommence ground improvement works at former S. Evans site.
- Removal of the sheet piles at Pier 16.
- Installation of the sheet piles for the temporary MSS bases Piers 5 & 6.
- Completion of the MSS supporting pile caps Pier 2 – Pier 6.
- Complete excavation of cofferdams at Pier 15 and Pier 14.
- Construction of Clifton Retaining Wall. Section 8
- Construction of ID4 Living Retaining Wall. (Section 5)
- Construction of Lodge Lane Footbridge ramps and installation of Footbridge. (Section 5)
- Works to Brookeplace South Footbridge, Halton Lodge Busway Bridge. (Section 5)
- Works to Beechwood Road and Rail Bridges. (Section 6)
- Works to Rocksavage Viaduct. (Section 7)

3.2.5 **Programmed activities for January 2016**

- Continue construction of deck slab for new Ditton Junction Bridge.
- Highway and utilities works at Ditton Roundabout and Moor Lane.
- Continue abutment and pier construction for Widnes and Victoria Viaduct.
- Pour deck box of first span of North Approach Viaduct.
- Construction of hammerhead for central pylon
- Construction of deck slab for Astmoor and Bridgewater Viaduct
- Complete construction of approach ramps for Lodge Lane North footbridge.
- Continue highway works at M56 Junction 12 north roundabout.

3.2.6 Given the scale and nature of the project, from time to time it is necessary to modify the planned methods of construction. In particular the variable ground conditions encountered and challenging tidal effects in the estuary have led to revisions and adaptations to the techniques and working practices. This can be clearly seen in the different methodology used in the construction of the Central Pylon Cofferdam compared to that of the North and South Pylon Cofferdams.

Merseylink also introduced additional resources and increased working hours following consultation with the appropriate regulators.

3.2.7 PR and communications is vital to ensure that drivers in and around Halton are aware of traffic management changes. The Project website is a vital tool to communicate changes and utilises innovative interactive maps which highlight works across the Project route. Weekly traffic updates are issued to local press and in instances of works which may cause significant change or disruption, specific detailed press releases are issued along with letters to affected residents and, where appropriate, public meetings are conducted.

3.2.8 Merseylink uses dedicated computer software called Freshdesk to electronically capture all complaints and enquiries. All complaints and enquiries are to be responded to within 10 working days or formally acknowledged if a full response is expected to take longer to answer. The Mersey Gateway Crossings Board monitors compliance of this monthly.

3.2.9 The project remains on programme for the main bridge and approach roads to be commissioned and trafficked in autumn 2017 as set out in the Project Agreement.

3.3 Compensation Event¹ – Specifically defined in Project Agreement and Demand Management Participation Agreement.

3.3.1 None to report at this stage.

3.4 Relief Event² – Specifically defined in Project Agreement and Demand Management Participation Agreement.

3.4.1 None to report at this stage.

3.5 Health and Safety

3.5.1 Merseylink acknowledges the importance of Health and Safety, it is a key driver in their site inductions for new starters and visitors and they have also introduced random on site drug and alcohol testing. To date, **3,037** workplace safety inductions have taken place with attendees including site workers, consultants, Sub-contractors.

3.5.2 As an exemplar of good practice, on returning to work following the 2 week 2015 Christmas close down, all Merseylink employees (no exceptions), were required to attend a 'Return to Work' seminar to remind staff of the importance of Health & Safety awareness at work.

¹ A breach by the Board/Council of its obligations (could result in financial penalty)

² Failure by any Statutory Undertaker, Utility Company or Local Authority or other like body to carry out the works or provide services (could provide Merseylink with vindication for failures under the contract)

- 3.5.3 From the start of the project to December 2015 the accident figures are low (**89** accident book entries) with no notifiable events and no major injuries. Number of near misses and learning events reported to date is **45**. There have only been 2 RIDDOR incidents; HSE reports have been completed with preventative measures identified. Both were service (underground cable) strikes and these resulted in a 'Permit to Dig Authoriser' being recruited and changes made to the site working procedures. Since this has been implemented there have only been very minor underground service difficulties.
- 3.5.4 The Board carried out an impromptu follow up H&S audit on 14th August to confirm compliance with audit findings and 'close out' of minor issues and observations raised in an earlier audit carried out on the 7th May.
- 3.5.5 The findings from the impromptu visit recognised positive changes have been implemented within the audited areas. As this was an unannounced early morning visit it was clear that the daily working practice had improved greatly and there had been a positive change in the site supervision and safety management.

3.6 Key Performance Indicators (KPI)

- 3.6.1 In general the Board do not measure Merseylink's construction phase performance through KPIs. Contractually, the majority of KPI's relate to the demand management, which only becomes live during the operational phase. These are set out in Schedule 1 of the DMPA and will be used to determine the performance of the Revenue Collection Services and any additional measures specified in the Roadside Tolling Equipment Specification. They will also measure Safety Performance.
- 3.6.2 Key performance indicators and measurements are used to monitor the Project Company's performance and that of its Key-Subcontractors against each of the Employment and Skills Delivery Plan objectives.
- 3.6.3 Statutory Authority Performance Indicators: The Project Company are required to report data in connection with current national indicators during the contract period.
- 3.6.4 Although not monitored as a KPI, the Merseylink monthly progress report, submitted to the Board, is an effective method of monitoring progress as the report incorporates; Design and Construction; Service; Management; Monthly Payment; and the Data Reports. Also included within the monthly report are all accident, incident, enquires, complaints and traffic management data. This report is monitored by the Board and issues to be addressed are logged in the minutes of the monthly management meeting.
- 3.6.5 There are currently **878** people working on the project (figure reported in Merseylink's December 2015 Project update) across sites in

Runcorn and Widnes. They are made up of 32 people engaged by the Mersey Gateway Crossings Board, 262 people employed by the three partners (Kier, Samsung, FCC) in the Merseylink construction joint venture including 105 people recruited directly for the project and 584 people supplied by labour suppliers or sub-contractors working on different elements of work across the site.

3.6.6 Merseylink Time Bank scheme which aims to help local groups and organisations by providing professional services for community projects has saved the local community £35,000 having supplied consultation, labour and other services to around 16 successful applicants.

3.6.7 The Mersey Gateway visitors centre in Widnes at Catalyst Science and Discovery Centre opened in February 2015 and so far has had **5,639** visitors. A visitor's centre based in Runcorn is in development stage. In October 2015 an outdoor environmental trail opened at Wigg Island, Runcorn.

3.7 Risk

3.7.1 Current progress on the actions/risks accepted by the Council/Board at Financial Close is as follows:

- The procurement of the necessary enforcement powers for the collection of the tolls on the new bridge and on the Silver Jubilee Bridge. The period for representations to the Secretary of State (SoS) closed on 14th May 2015 by which time 3 (three) objections had been received. All three were from individuals who reside in Halton and none related directly to the content of the proposed Modification Order placed before the SoS but rather to imposition of tolls. An attempt to persuade all three objectors to withdraw their objections proved to be unsuccessful. The SoS made a decision on how to proceed with the application on 11 June 2015. The SoS decided that this would be by written representation. The Council was required to submit representations relating to all three objections by 9 July 2015: they were actually delivered to the SoS on 26 June 2015. The SoS forwarded these to the objectors on 30 June 2015. By the required date of 21 July 2015 the SoS received only 1 communication from an objector which did not require further response from the Board.
 - **Update:** The DfT Orders Unit and the Board's legal advisors last exchanged correspondence on 13th October 2015 in relation to detailed drafting of the Modification Order. The DfT were last contacted on 17th December 2015 for an update on progress and the Board were told that the matter had left the Department's lawyers and was now under consideration at 'decision stage'. At this time we are unable to advise as to when the SoS will confirm the Modification Order but will continue to 'prompt' the DfT. *(There is no*

prescribed timescale for this stage of the process and as at 31st December the SoS has now taken 22 weeks).

- Bye-laws – An initial draft of the bye-laws has been prepared and Merseylink has now been consulted. Merseylink's drafting comments are currently being considered internally by the Board.

3.7.2 Risk Register

3.7.2.1 The Board has developed a comprehensive Risk Register to identify those risks associated with the Project, to ensure that the retained and contractual risks are effectively managed and any potential impact is mitigated.

3.7.2.2 The Risk Register is a standing item on the agenda of both the Board's Audit Committee, whose membership includes the Council's Head of Internal Audit, and the monthly Board of Directors Meeting, whose membership includes Cllr Polhill and Cllr Wharton as the duly appointed Council Non-executive Directors.

3.7.2.3 As reported to full Council (Dec 2013) under the Project Agreement the Project Company take the risk of any cost or programme overrun but the Council is exposed to some cost risk during construction (specifically associated with sharing the cost of dealing with contamination in exceptional circumstances). The DMPA Co is responsible for the collection risk associated with the tolls.

3.7.2.4 The principle risk retained by the Council and DfT relates to toll revenue which is a function of the toll charge and the volume of traffic using the bridges.

3.7.2.5 Although appearing numerous, the risks identified in the Risk Register predominately relate to contractual risks associated with any major infrastructure project.

3.7.2.6 The Risk Register is available for inspection at the Board's offices.

3.8 Business Plan

3.8.1 Under the Governance Agreement there is a requirement for the Board to produce an Annual Business Plan, the requirements of this plan predominately relate to the project during the operational period.

3.8.2 The Board have produced and supplied to the Council a business plan which is more suited to the operations of the Board during the construction period.

3.8.3 The Business Plan is available for inspection at the Board's offices.

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 FINANCIAL IMPLICATIONS

- 5.1 All substantive implications are reported in the Mersey Gateway Monthly Financial Report to the MGCB.

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

878 jobs (December 2015 figures) have been created for the Mersey Gateway so far and matters are in hand designed to ensure the local community continues to have access to these job opportunities through the Employment and Skills Working Group. 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

The 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 Mersey Gateway Project will provide much needed environmental improvements to the immediate areas. Removal of cross river congestion will enhance response times for emergency services.

6.5 Halton's Urban Renewal

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

7.0 RISK ANALYSIS

- 7.1 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

8.1 The 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.

Appendix 1 - Construction sections

