

A13/A130 Sadlers Farm Junction Improvement Scheme: Update on Progress and Financial Position

Introduction and Purpose

The purpose of this report is to inform the Department of the progress of the A13/A130 Sadlers Farm Junction Improvement Scheme and to request funding to be moved into next financial year i.e. 2012/13. This report highlights that the current programme shows a completion date of May 2012 and therefore into the next financial year 2012/13. The award from the Department was given on the basis that the scheme would complete at the end of 2011/12. Therefore this report is providing early notification that the County Council would kindly request that a proportion of the award for 2011/12 to be moved into 2012/13.

Update on Current Status of Scheme

Unfortunately the start of the scheme works were delayed due to negotiations around the value of the Section 31 Grant for 2010/11, this resulted in a start of works commencing in September as opposed to July 2010. In addition, the scheme also suffered a significant delay due to the extreme weather conditions experienced in December 2010, and January 2011. As a result the County Council requested and agreed with the Department to move £6 million into 2011/12.

Works have progressed well through the prolonged dry spells experienced this summer and as result a significant amount of the time has been made up on the programme. Please refer to the photographs contained in Appendix 1.

However the current programme prepared by the contractor Birse Civils still gives a contract completion date of 4th May 2012. This date is assuming that normal levels of weather disruption are experienced, however if similar conditions are experienced to previous winters then this date could extend to the end of May 2012.

The following provides an indication of the types of works or activities that are likely to be outstanding in 2012/13 these activities assume that the completion date is 4th May 2012:

Activities (assuming a completion of 4th May 2012)

Lining, signing and landscaping (approx. £300,000)

Activities (assuming a completion beyond 4th May 2012)

If slippage occurs (worst case scenario) due to severe weather the activities that would be slipped from April to May include:

Road restraint (crash barrier)	£50,000
FABM/base/binder course for carriageway	£360,000
Wearing course for carriageway	£280,000
Completion of street lighting	£330,000
Total	£1,020,000

As the Department is aware the works are being constructed in close proximity to the Olympic Mountain Biking Venue and the A13 is also a secondary Olympic route network. With the progress that has been made to date and taking into consideration the worst case scenario for completion as stated above the County Council and the contractor Birse Civils are confident that there will now be no clash and that works will be completed prior to the ODA's deadline of June. The County Council are in regular dialogue with the ODA and are due to meet formally with the ODA in due course to discuss progress.

However it should be noted that the completion in May 2012 does not include any further contingency around any unforeseen engineering issues becoming apparent which could have a resultant impact on the programme.

To mitigate the effect of any additional costs that may arise through changes or unforeseen engineering issues the decision was made prior to award of the delivery part of the contract to negotiate a Lump Sum price as opposed to the traditional Target Cost method. This way the County Council and the Department can be more confident that the works will be delivered within the allocated budget. In order to facilitate this change the terms of the contract were re-worked with the contractor buying more of the employer's risks ... *[text redacted]* ...

Conclusion

The scheme will finish on budget, aided by this style of lump sum contract as the contractor has bought the majority of the project risks including weather related risks. Excellent progress is being made, and attached to this report is some photographs and newsletters demonstrating the progress which has been made.

Recommendations

The County Council request that some funding is moved into next financial year with a worst case scenario of funding potentially totalling £1 million. The County Council has already identified an underspend for this year of £500,000 and the commentary has requested movement of this funding into next year. It should be noted that this sum is at present an estimate as it is unclear what the winter conditions will be like.

Given the progress made the County Council and the contractor Birse Civil's would like to invite a Transport Minister to personally visit the site in what is an important growth area. Please can you respond with a decision as soon as possible?

Appendix 1 Scheme Photograph





