

## **A13/A130 Sadlers Farm Junction Improvements Exception Report**

### **Introduction and Purpose**

The purpose of this report is to present a case for funding to be moved into next financial year i.e. 2012/13 and to outline the key risks and opportunities of this request. The award from the Department was given on the basis that the scheme would complete at the end of 2011/12. The current programme however shows a completion date of 9<sup>th</sup> May 2012, five weeks after the close of the 2011/12 financial year. This report provides early notification that Essex County Council would kindly request that £6.52 million of the award for 2011/12 to be moved into 2012/13 for reasons outlined in this report.

### **Current Status and Justification for Slippage of funds**

The original programme of works stated a completion within 86 weeks or 21 ½ months. The works were due to start on site on 20 April 2010 however the funding award from the Department was provided at the end of April resulting in a slight delay. This unfortunately led to a further knock on delay with obtaining the necessary approvals to proceed this included gaining Cabinet approval to appoint Birse Civils to construct the work and to commence works, once funding was confirmed. In addition and in order to provide assurances it was decided to amend the contract to a lump sum contract, this enables ECC to guarantee that the scheme will be delivered to budget as the majority of the deliverable risks now sit with the Contractor. This unfortunately resulted in an actual start of works in September, meaning a 3 month delay to start of works.

Since the start of works on site in September 2010 the County Council with contractor Birse Civils have made good progress in the construction of the project. However the severe winter which took place between December 2010 and January 2011 resulted in a further delay of 2 months. The hot summer of 2011 enabled Birse Civil's to make up a great deal of ground through 12 hour working and weekend operations (Appendix 1 shows some photographs of the progress and the complexity of the structures). However due to the sensitivity of constructing the project on an existing congested transportation network it was not possible to catch up any further time, in fact it only enabled a catch up of 3 months leaving the scheme faced with the remaining 2 month delay hence the completion date of 9<sup>th</sup> May 2012.

Given the complexities of the scheme and the fact that it is being constructed in one of the most congested parts of the Essex it is not possible to have any more presence on site to tackle the works, however it is possible to commence works on the roundabout itself prior to the strategic link opening. It should also be noted that there is only a minimal contingency for another adverse winter. The revised programme (9 May 2012 completion date) is attached as Appendix 2.

It should be noted that at every opportunity the County Council have challenged the contractors programmes specifically the traffic management methodology. This led to the County Council requesting a detailed programme of activities and what would need to be carried forward into the next financial year. This information formed part of the initial report sent to the DfT (sent 7<sup>th</sup> November 2011). However the County Council were advised only two weeks later (3<sup>rd</sup> December) that their traffic management methodology for interfacing with live traffic was flawed and that far more activities would need to be carried forward into the next financial year. It is also important to note that to have a completion date on 9<sup>th</sup> May gives greater surety in programme delivery, as critical finishing items which are extremely weather dependant will be completed when temperatures and conditions will be more favourable.

### **Key Considerations and Assurance**

As noted above the completion date is 9<sup>th</sup> May 2012 however the scheme will not cost the Department anymore funding particularly given the fact that a lump sum contract was chosen which provided a reduced risk to the County Council and DfT. The scheme will also delivery prior to the Olympic embargo (1<sup>st</sup> June 2012) with a guarantee from the contractor, attached as Appendix 3.

As already mentioned the scheme itself is located in one of the most congested parts of the County and as the scheme is now moving to elements which are primarily interfacing with live traffic it is therefore increasingly difficult to implement any traffic management measures which will have an adverse impact on traffic flow during peak periods. The scheme is also very complex with many structural elements such as 620 contiguous bored piles, four large structures one of which will span a four lane dual carriageway the other three structures will span dual carriageways, the roundabout itself will be converted to a conventional roundabout with signals.

In terms of the actual items which will need to be brought forward into the 2012/13 financial year these are shown below and are split by construction activities and other costs:

... *[Information redacted]* ...

### **Key Risks**

This section outlines the key risks and their associated mitigation measures:

<b>Risk Item</b>	<b>Risk Mitigation</b>
Olympic curfew date of 1 <sup>st</sup> June 2012	Strong assurances have been provided by Birse Civils at the Project Board, and a letter of assurance is provided in Appendix 3.

	In addition a meeting (11 December 2011) has taken place with the Olympic Delivery Authority outlining the current programme (showing completion of 9 <sup>th</sup> May), no concerns were expressed.
Funding Increases	The scheme is put together on a lump sum basis meaning that any overrun in costs will be down to the contractor
Severe Weather	The advantages of a completion date on 9 May 2012 will provide greater surety of programme to enable the completion of more weather critical items such as scheme finishes e.g. surfacing. In addition the contractor has also purchased the risk of weather and again any overruns will be down to the contractor
Adversely affecting traffic flow on sensitive routes	With the completion date of 9 <sup>th</sup> May it will enable a reduced impact on the traffic using the junction

### Options to facilitate

1. Allow the County Council to carry forward the £6.520 million into next financial year (2012/13)
2. ... *[text redacted]* ... If the County were to have approval to accrue the £6.520 million to completion (5 weeks) i.e. after March 2012, it would be possible to claim all of the award this financial year. ... *[text redacted]* ...
3. With the agreement of the DfT it could be possible to claim all of the part 1 claims in the same manner as previously carried out for the land costs in 2010/11 as these are committed costs as a result of the start of the scheme. ... *[text redacted]* ... .

### Preferred Option

Request that DfT provide the full carry over amount of £6.520 million.

### Conclusions and Recommendations

Essex County Council would like to provide assurance to the department that the A13/A130 Sadlers Farm Junction Improvements will complete on budget and prior to the Olympic curfew as outlined in this report.

It is recommended that £6.520 million is carried forward into 2012/13 to enable the completion of works.