

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	Thursday 4 January 2024
<b>Subject:</b>	Procurement Strategy for Maritime Corridor Scheme - Phase 1		
<b>Report of:</b>	Assistant Director of Place (Highways and Public Protection)	<b>Wards Affected:</b>	Litherland; Molyneux; Netherton and Orrell; St. Oswald;
<b>Portfolio:</b>	Cabinet Member - Locality Services - Deputy Leader		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

**Summary:** This report seeks Cabinet approval to appoint Balfour Beatty under the Scape Framework to provide Early Contract Involvement in the development of the works information for the first Phase of the Maritime Corridor scheme with a view to a further appointment to deliver the works. The Maritime Corridor scheme seeks to deliver measures in the south of the borough to improve access for all highway users to employment sites. The Scape Framework allows a contractor to be appointed during the scheme design and development; to provide a Feasibility report at no costs, followed by an Early Contractor Involvement stage during which a Target Cost is established and other pre construction activities undertaken leading to a Contract to deliver the works.

**Recommendation(s):** That Cabinet :

- 1) Approves the appointment of Balfour Beatty under the Scape Framework to offer Feasibility input into the development of the first Phase of the Maritime Corridor Scheme, at no cost to the Council.
- 2) Gives delegated authority to the Assistant Director of Place - Highways & Public Protection, following consultation with Cabinet Member, to award the Contract for Early Contractor Involvement (ECI) in the construction of Maritime Corridor Phase 1 works to Balfour Beatty, subject to the Feasibility Input (above) and receipt of a Grant Funding Agreement or similar confirmation of funding from the Liverpool City Region Combined Authority.
- 3) Gives delegated authority to the Chief Legal and Democratic Officer, following consultation with Cabinet Member, to sign the grant funding agreement for the necessary Development Funding to enable the ECI stage of the Maritime Corridor Phase 1 project to be undertaken.
- 4) Gives delegated authority to the Assistant Director of Place - Highways & Public Protection, following consultation with Cabinet Member, to award the Contract for the construction of Maritime Corridor Phase 1 works to Balfour Beatty, subject to the Feasibility Input and EIC (above) and receipt of a Grant Funding Agreement.
- 5) Gives delegated authority to the Chief Legal and Democratic Officer, following consultation with Cabinet Member, to sign the grant funding agreement for the

necessary Funding to enable the Construction stage of the Maritime Corridor Phase 1 project to be undertaken.

- 6) Approves a supplementary capital estimate of £500k for Development Funding secured from the Liverpool City Region Combined Authority into the Transport Capital Programme for 23-24.

### **Reasons for the Recommendation(s):**

The Liverpool City Region Combined Authority (LCRCA) have received funding from the Levelling Up Fund (LUF) to deliver a number of linked transport projects throughout the City Region including elements of the Maritime Corridor Phase 1. This funding is conditional on all the funds being expended by March 2025. Early Contractor Involvement has the advantage of ensuring that the works are well programmed, buildability of the scheme is considered at an early stage and that the period between completing the design (and agreeing a contract cost) and the works commencing will be reduced. This should ensure that greater cost certainty is achieved, construction risks are reduced and the works are more likely to be delivered within the funding window.

The use of the Scape Framework has been welcomed by the LCRCA as they see the benefits, particularly in giving more certainty of delivering the scheme in the timeframe.

### **Alternative Options Considered and Rejected:** (including any Risk Implications)

The works could be delivered using a tendering process. This would introduce some further competition into the procurement process. However, the project planning wouldn't have the benefit of contractor input until following the award of the contract for the works thus increasing the risk of delay and claims. There is also the risk that contractors may choose not to tender due to current workloads. The tender appraisal process would also shorten the time available for construction and therefore increase the risk of the funds not being expended by the deadline. The SCAPE Framework was developed following a fully compliant OJEU Procurement process.

### **What will it cost and how will it be financed?**

#### **(A) Revenue Costs**

None

#### **(B) Capital Costs**

The Feasibility Stage of the Commission comes at no cost to the Council.

The Early Contractor Involvement stage is charged at a percentage of the Works cost which are determined at Feasibility Stage. The percentage is fixed by the rate agreed in the Scape Framework.

The ECI process enables the Target Cost for the scheme to be established through detailed consideration with the supply chain. It also allows for the programme to be

developed. Under the Scape framework, it is expected that the Council will award the main works Contract in recognition of the ECI work but there is no legally binding requirement. These costs will be funded through the LCRCA Development Fund subject to a successful appraisal as part of the LCRCA Gateway Process and approval of a supplementary capital estimate in the Transport capital programme as per the Council's Financial Procedure Rules.

The Construction and any ancillary costs, following award of the main contract, will be funded from the Levelling Up Fund and an element from the City Region Sustainable Transport Settlement (CRSTS). The Council will receive a Grant Funding Agreement (GFA) setting out the terms and conditions of the Capital Funding subject to a successful appraisal as part of the LCRCA Gateway Process. These GFA conditions will be reviewed and the funding brought into the Capital Programme subject to approval of a supplementary capital estimate by Cabinet and Council. The Works contract value is expected to be approximately £12m.

**Implications of the Proposals:**

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>	
<p>The management of the contract will be overseen by staff in Transportation Planning and Highway Development team. The contract administration and supervision will be undertaken by a team from the existing Transport Technical Services Supply Framework. The intention being that this team will administer and supervise several large capital schemes which are expected for delivery at the same time.</p> <p>The staff costs incurred prior to the award of the Contract will be funded from the Development Funding secured by the Council from the LCRCA which is contained within the Transport capital Programme. Staff Costs, once the contract for the works is awarded, will be funded from the capital funding secured for the construction.</p>	
<b>Legal Implications:</b>	
<p>As determined by the Council's Contract Procedure Rules, the contract for the works will need to be sealed.</p>	
<b>Equality Implications:</b>	
<p>An Equality Impact Assessment will be completed on the detailed design prior to construction. This should determine whether there are equality implications.</p>	
<b>Impact on Cared for Children and Care Experienced Young People:</b>	
<p>The Impact of the scheme cared for children and care experienced young people will be considered as part of the Equality Impact Assessment. Options for positive impacts will be considered in the development of the Social Value commitments that the Contractor will be expected to provide.</p>	
<b>Climate Emergency Implications:</b>	
<p>The recommendations within this report will</p>	
Have a positive impact	Y/N
Have a neutral impact	Y/N

Have a negative impact	Y/N
The Author has undertaken the Climate Emergency training for report authors	Y/N

This report relates to the Procurement exercise which by its nature will have little impact. The construction process will have negative impact in that new materials will be used and there will be a net carbon increase. There will also be a negative impact on traffic movements on the impacted streets whilst works are ongoing.

However, the scheme when implemented, will improve accessibility and should encourage people to walk, cycle or use public transport . This should reduce the carbon impact.

The scheme is one of a number of schemes currently subject to a Whole Life Carbon Assessment which will be able to provide a definitive picture.

**Contribution to the Council's Core Purpose:**

<b>Protect the most vulnerable:</b> Not applicable.
<b>Facilitate confident and resilient communities:</b> The scheme should improve walking and cycling in the local area by making employment areas easier to access.
<b>Commission, broker and provide core services:</b> As the local Highway Authority, it is incumbent upon the Council to seek to improve provision for all highway users, including those walking, cycling, using public transport and driving motor vehicles.
<b>Place – leadership and influencer:</b> The scheme should help improve access to places of employment in the south of the borough.
<b>Drivers of change and reform:</b> The delivery of facilities that encourage and enable more active travel is consistent with a range of national, regional and local policy objectives, including those related to addressing climate change and improving air quality, health and wellbeing
<b>Facilitate sustainable economic prosperity:</b> The scheme should help improve access to existing and proposed development on Atlantic park and other areas in the Corridor.
<b>Greater income for social investment:</b> Not applicable.
<b>Cleaner Greener</b>

The scheme should improve walking and cycling in the local area by joining cycle infrastructure and making areas of employment easier to access on foot.

## **What consultations have taken place on the proposals and when?**

### **(A) Internal Consultations**

The Executive Director of Corporate Resources and Customer Services (FD 7432/23) and the Chief Legal and Democratic Officer (LD5532/23) have been consulted and any comments have been incorporated into the report.

### **(B) External Consultations**

Consultation on the highway proposals formed part of the wider consultation on The Maritime Corridor. This consultation was completed in accordance with the proposals approved by the Public Consultation and Engagement Panel in April 2021. Further detailed engagement with Ward Members, key stakeholders, residents and business has recently been completed in September and October 2023 and results appraised. Comments relating to the Phase 1 proposals were summarised in the recent report to Licensing and Regulatory Committee (Nov 23).

## **Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Cabinet decision.

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## **Appendices:**

Appendix A – General Arrangement Plans

## **Background Papers:**

Report to Licensing and Regulatory Committee November 2023

## **1.0 Introduction/ Background**

- 1.1 The Liverpool City Region Combined Authority (LCRCA) approved the Outline Business Case for the Maritime Corridor Scheme. This was a series of improvements centred around the A5036 and the A59 and the employment land in between. The proposals were intended to reduce congestion, improve safety and provide easier access to employment sites in the south of the borough. In the development of the proposals further consideration was given to how people walking or cycling could better access employment sites and hence the scope of the scheme was increased.
- 1.2 The Council were invited to develop and submit a Full Business Case (FBC) on the understanding that all costs incurred would be funded from a Development Fund administered by the LCRCA. A condition of this funding was that the scheme be developed to detailed design stage prior to the FBC submission. It was believed that this would improve cost certainty.
- 1.3 An allowance of funding of £12m was originally identified by the LCRCA in the distribution of funds from the City Region Sustainable Transport Settlement to fund all the works within the Maritime Corridor. This has to be expended before March 2027.
- 1.4 The LCRCA then were asked by the Department for Transport (DfT) to review the programme and reprofile to reflect revised costs and likely deliverability within the funding window. Local Authorities were then asked to review their schemes and identify likely costs to enable the programme to be 're-baselined'. As a result of this exercise, the allocation towards the Maritime Corridor was increased.
- 1.5 The LCRCA also explored the opportunity of securing Levelling Up Funding (LUF) for a series of transport related improvements in Liverpool, Wirral and Sefton. As such elements of the Maritime Corridor work were included in the LUF Business Case.
- 1.6 The Department for Levelling Up, Housing & Communities then asked the LCRCA to reprofile the LUF Business Case to clarify the scope of the work that can be delivered before the deadline for expenditure of March 2025. In turn the LCRCA asked the three contributing local authorities to critically examine their programme and cost profile.
- 1.7 In response to this request, the Council have identified works which will form Phase 1 of the improvements and thus could be delivered by March 2025 and hence can be funded from the LUF contribution.
- 1.8 Following the rebaselining exercise of the CRSTS funding allocation and the revision to the LUF Business Case a total allocation of £21.2m has been made to the Maritime Corridor scheme for expending before March 2027. Within this allocation is £9.5m LUF and £2.5m CRSTS which has to be expended before March 2025. This represents Phase 1.

## **2.0 Scheme Proposals and Funding**

- 2.1 In determining the scope of works to be included in Phase 1, each element of the project has been reviewed to identify those elements where land take is minimal and where a significant positive impact can be made. As such the works on the A5036 providing a new left turn lane to Atlantic Park, on Netherton way and the junction with Bridle Road have been identified for inclusion in this phase.
- 2.2 The general arrangement plans are contained with Appendix A. Those elements within Sefton's highways have secured approval from Council's Licensing and Regulatory Committee at the November 2023 meeting. The report included feedback from the consultation completed in September and October which related to Phase 1. The element within the trunk road requires approval from National Highways. Discussions are progressing to secure the necessary approval for the plans.
- 2.3 The LCRCA have confirmed that the Phase 1 works will still form part of the FBC which, if approved, will release the CRSTS allocation to fund the other elements of the Maritime Corridor scheme. However it should be noted that delivery of the Phase 1 scheme isn't dependant on approval of the FBC for the whole scheme. As the LUF funding (and an element of CRSTS) will be approved, once the revised LUF business case is signed off by the Department for Levelling Up, Housing & Communities, the works can be delivered as soon as the relevant GFA is received from the LCRCA and a scheme is approved for inclusion with the Transport Capital Programme as per the Financial Procedure Rules.

## **3.0 Procurement Process**

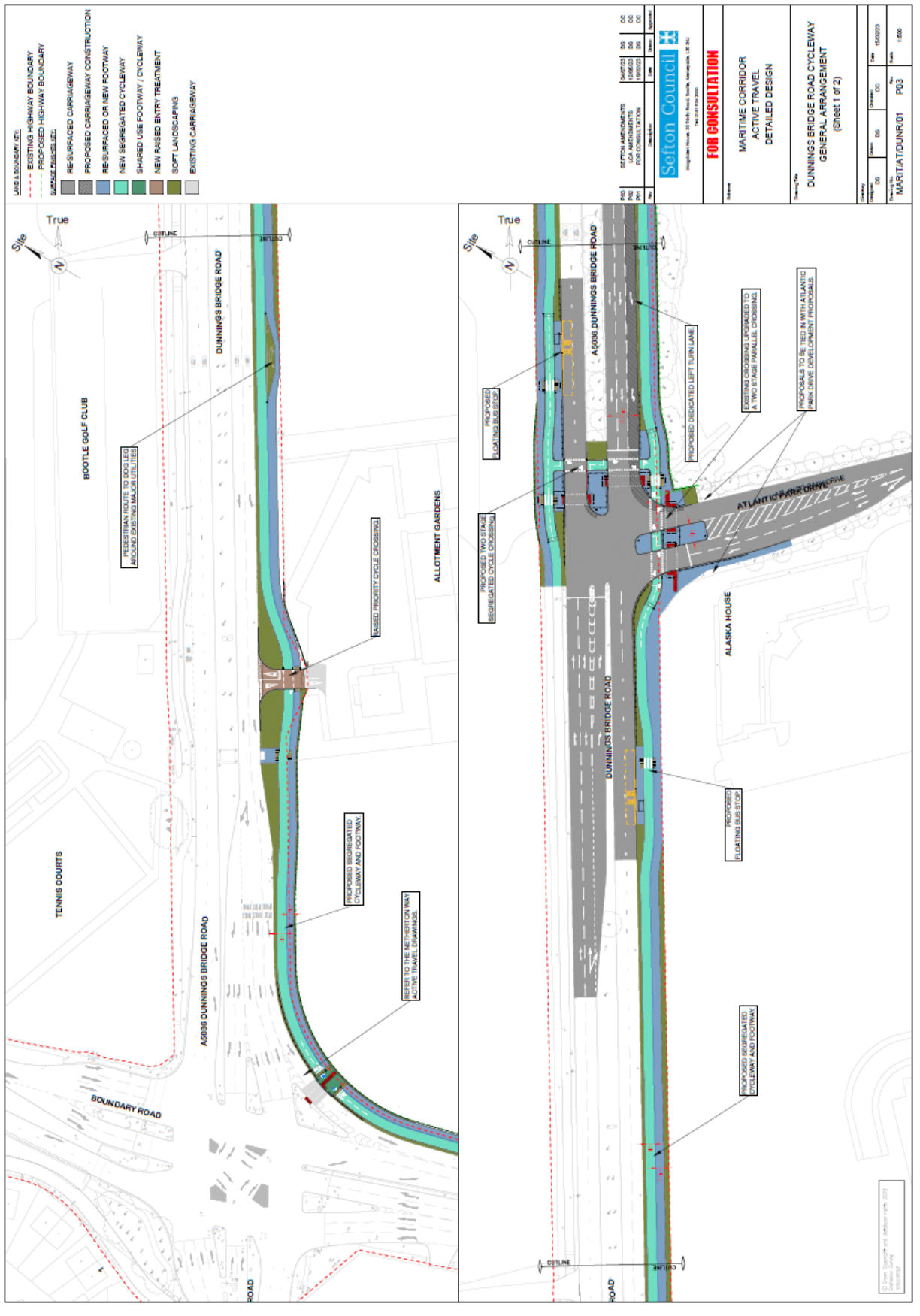
- 3.1 The Council have entered into an agreement with SCAPE which enables the Framework to be used of the delivery of construction projects.
- 3.2 The SCAPE Civil Engineering Framework is a single supplier framework designed for use by public sector organisations in which the successful Contactor, Balfour Beatty has been through a competitive tender process aimed at fixing Contractors overheads and profits. These tendered figures will then be applied to costs provided by the supply chain and the contactor builds up prices for the works based on the completed design.
- 3.3 There are three stages to the process under the commission. The first is the Feasibility Stage. This is a service, offered by the Contractor, Balfour Beatty, to assist the Officers and Atkins Realis, as one of the Council's Transport Technical Services Supplier, in the compilation of the detailed design and works information, in the development of the outline Contract Price, the establishment of an initial Social Value Plan and in the programming of the works including any statutory undertakers diversions. This results in a Feasibility Report.
- 3.4 Following a review of the report by Officers, Balfour Beatty can then be commissioned, under an appropriate form of Contract, to complete an Early Contractor Involvement (ECI) exercise in which the detailed design drawings and other Works Information is scrutinised and a Target Cost and Programme of implementation developed. This work is charged at a fixed rate applied to the

anticipated works costs arising from the Feasibility Exercise. The fixed percentage is derived from tendered rates which are set out in the SCAPE framework.

- 3.5 The ECI process will also allow for any enabling works to be undertaken and will consider the programming and potential management of any statutory undertakers diversion work necessary to be completed before the works commence. The outcome from this exercise is a report containing the Target Cost, programme, confirmation of any enabling work and other relevant information.
- 3.6 It should be noted that this ECI exercise will be dependent on the Council securing the appropriate development funding, following a review through the LCRCA Gateway process. A letter of confirmation or GFA is expected.
- 3.7 In developing the Target Cost for the scheme, The Construction fee and preliminaries fees are fixed, based on the tendered figures. The Sub Contracts packages will be established by securing costs from three suppliers. This process is open and transparent and will be overseen by the Council's team.
- 3.8 This ECI report will then be assessed by officers, shared with Cabinet Member Locality Services prior to the award of the main contract for the Works. The Contract will only be entered into when the assessment has been completed and all information provided deemed to be in accordance with the conditions within the SCAPE Framework.
- 3.9 The works contract, which be a separate contract to the ECI process, will only be signed once the works funding has been secured, the appropriate GFA received and funding brought into the Council's Capital Programme.
- 3.10 It should also be noted that the SCAPE framework commits the contractor to developing a Social Value Action Plan with the Council. Targets are established which agree percentages for local labour, local spend, percentage of waste diverted from landfill and SME engagement. These targets are measured by the SCAPE team throughout the delivery of the works and a regular report will be given to Cabinet Member.
- 3.11 The SCAPE Framework requires the contractor to report on their targets including Social Value Commitment and other Key Performance Indicators (KPIs).
- 3.12 Should the recommendation be approved, the performance of Balfour Beatty will be assessed, using these KPI's and this will help influence the decision over whether Phase 2 of the Maritime Corridor scheme, i.e. that not included in Phase 1, will be delivered using the Scape Framework.
- 3.13 The following points should also be noted;
  - 1) that procurement advice has been sought;
  - 2) that this appointment is allowed under the relevant framework
  - 3) the use of this framework is in accordance with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules.



# Appendix A – General Arrangement Plans – Maritime Corridor Phase 1



- LAND BOUNDARY (E)**
- - - EXISTING HIGHWAY BOUNDARY
  - - - PROPOSED HIGHWAY BOUNDARY
  - - - SURFACE TREATMENT
- ROADWAY TREATMENT**
- RE-SURFACED CARRIAGEWAY
  - PROPOSED CARRIAGEWAY CONSTRUCTION
  - RE-SURFACED OR NEW FOOTWAY
  - NEW SEGREGATED CYCLEWAY
  - SHARED USE FOOTWAY / CYCLEWAY
  - NEW RAISED ENTRY TREATMENT
  - SOFT LANDSCAPING
  - EXISTING CARRIAGEWAY



SEFTON ACTIVE TRAVEL PROPOSALS TO BE TIED TO THE NATIONAL HIGHWAYS TEMPORARY CROSSING POINT AND NATIONAL HIGHWAYS TO REVISION THE PARK LANE JUNCTION AND SEFTON AND NH PROPOSALS COORDINATED ONCE AVAILABLE.

REV	DESCRIPTION	DATE	BY	CHECKED
01	ISSUED FOR CONSULTATION	18/02/23	DS	CC
02	FOR CONSULTATION	18/02/23	DS	CC
03	FOR CONSULTATION	18/02/23	DS	CC

**Sefton Council**  
 Integrated Council for Sefton, Wirral, Knowsley, St Helens and Liverpool  
 Tel: 01709 100 200

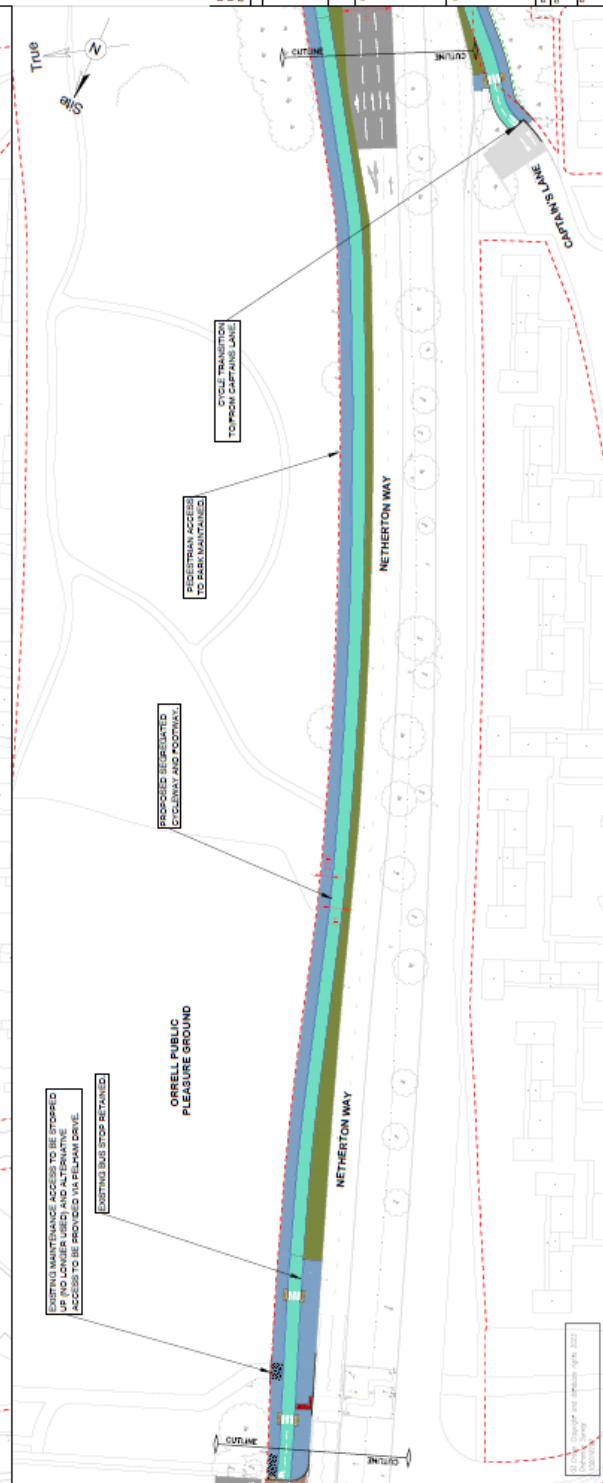
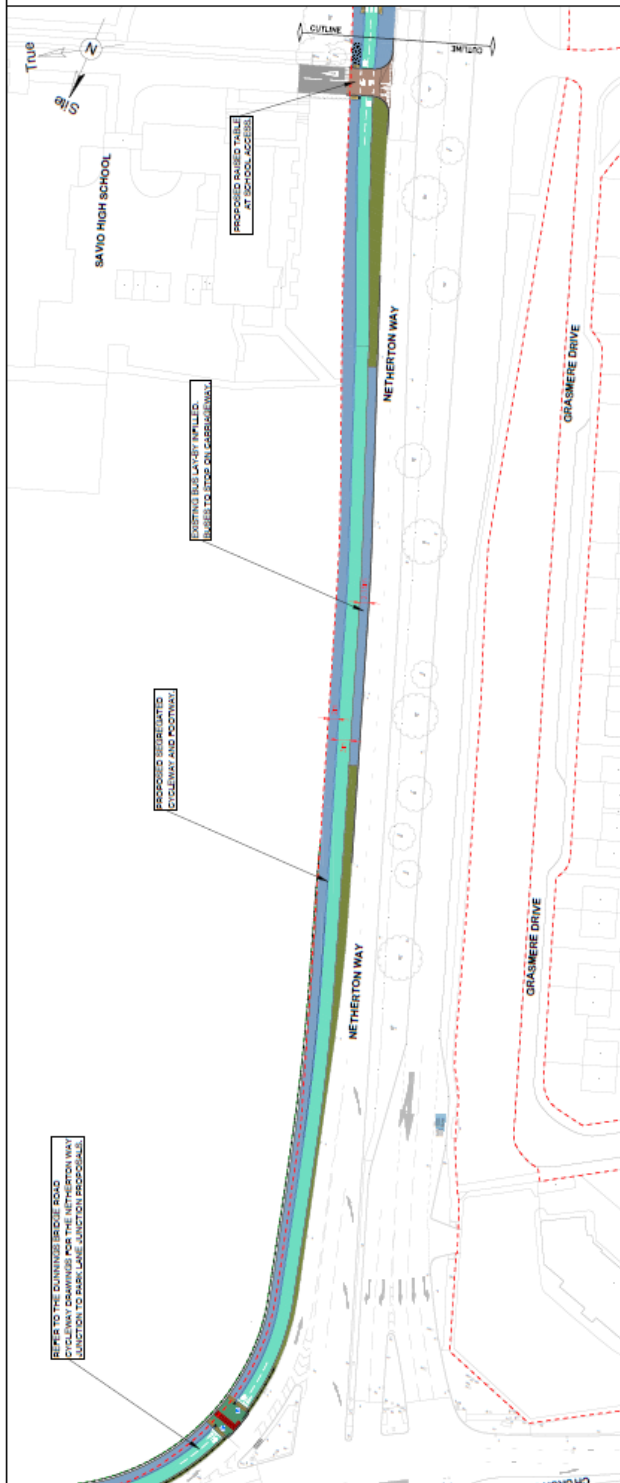
**FOR CONSULTATION**

**MARITIME CORRIDOR  
 ACTIVE TRAVEL  
 DETAILED DESIGN**

**DUNNINGS BRIDGE ROAD CYCLEWAY  
 GENERAL ARRANGEMENT  
 (Sheet 2 of 2)**

Category	Drawn By	Checked By	Date
Design	DS	CC	18/02/23
Check	CC	DS	18/02/23
Scale	1:500		

<p><b>LEGEND</b></p> <ul style="list-style-type: none"> <li>EXISTING HIGHWAY BOUNDARY</li> <li>PROPOSED HIGHWAY BOUNDARY</li> <li>SURFACE FINISH LINE</li> <li>RE-SURFACED CARRIAGEWAY</li> <li>PROPOSED CARRIAGEWAY CONSTRUCTION</li> <li>RE-SURFACED OR NEW FOOTWAY</li> <li>NEW SEGREGATED CYCLEWAY</li> <li>SHARED USE FOOTWAY / CYCLEWAY</li> <li>NEW RAISED ENTRY TREATMENT</li> <li>SOFT LANDSCAPING</li> <li>EXISTING CARRIAGEWAY</li> </ul>	<p><b>FOR CONSULTATION</b></p> <p>MARITIME CORRIDOR ACTIVE TRAVEL DETAILED DESIGN</p> <p>NETHERTON WAY CYCLEWAY GENERAL ARRANGEMENT (Sheet 1 of 2)</p>
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NO	DESCRIPTION	DATE	BY	CHKD	APP'D
001	SECTION AMENDMENTS FOR CONSULTATION	15/02/23	DS	DS	DS
002	LOA AMENDMENTS FOR CONSULTATION	15/02/23	DS	DS	DS
003	FOR CONSULTATION	15/02/23	DS	DS	DS

**Sefton Council**  
Highgate House, 33 Talbot Road, Sefton, Merseyside, L32 7JF  
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**FOR CONSULTATION**

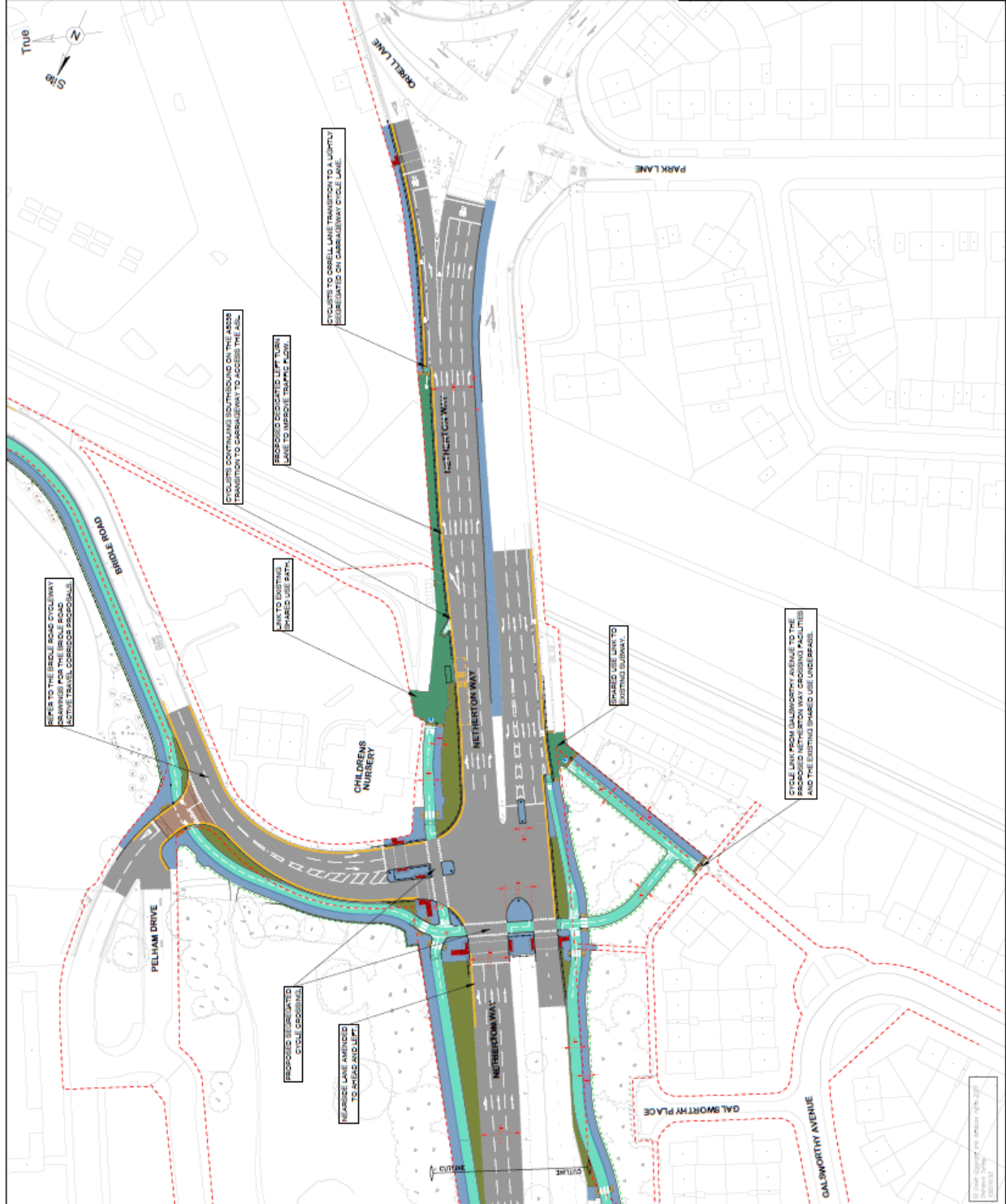
MARITIME CORRIDOR  
ACTIVE TRAVEL  
DETAILED DESIGN

NETHERTON WAY CYCLEWAY  
GENERAL ARRANGEMENT  
(Sheet 1 of 2)

Drawn	DS	Check	DS	Date	15/02/23
Checked	DS	Drawn	DS	Date	15/02/23
Project No.	MARITIA/NTHW01	Page	PO3	Scale	1:200

Prepared by: [Name] and checked by: [Name] 15/02/23

- MARKING/PAVING:**
- EXISTING HIGHWAY BOUNDARY
  - PROPOSED HIGHWAY BOUNDARY
  - SURFACE FINISH USE:
  - RESURFACED CARRIAGEWAY
  - PROPOSED CARRIAGEWAY CONSTRUCTION
  - RESURFACED OR NEW FOOTWAY
  - NEW SEGREGATED CYCLEWAY
  - SHARED USE FOOTWAY / CYCLEWAY
  - NEW RAISED ENTRY TREATMENT
  - SOFT LANDSCAPING
  - EXISTING CARRIAGEWAY



NO	SECTION AMENDMENTS FOR CONSULTATION	ISSUED FOR CONSULTATION	DATE	BY	APPROVED

Highway Centre, 22 Tisbury Road, Southminster, SS2 2JZ  
Tel: 01702 731 200

**FOR CONSULTATION**

MARITIME CORRIDOR  
ACTIVE TRAVEL  
DETAILED DESIGN

Sheet No: NETHERTON WAY CYCLEWAY  
GENERAL ARRANGEMENT  
(Sheet 2 of 2)

Client:			
Project No:			
Revision No:			
Revision Date:			
Revision Description:			
Scale:			
Drawn By:			
Checked By:			
Project Name:	MARITIMETHW02	POS	1:500

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