

REPORT TO: Executive Board

DATE: 16 March 2017

REPORTING OFFICER: Strategic Director – Enterprise, Community and 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 (the Project) and the performance of the Mersey Gateway Crossings Board Limited (the MGCB) for the period July to December 2016, against the criteria set out in the MGCB Governance Agreement.

2.0 RECOMMENDATION: That

- 1) progress with the Project as set out in the report, be noted; and**
- 2) performance of the MGCB Ltd in monitoring the Project Company's (MER) performance as set out in the report, be noted.**

3.0 SUPPORTING INFORMATION

3.1 Background

3.1.2 The MGCB is a special purpose vehicle established by Halton Borough Council (the Council) with the delegated authority to deliver the Project and to administer and oversee the construction, maintenance and tolling of the new crossing including the tolling of the existing Silver Jubilee Bridge (SJB).

3.1.3 The MGCB's terms of reference and delegated authority are expressed in a Governance Agreement with the Council, set to last for sixty years. The MGCB 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 MGCB is working closely with Merseylink (MER) 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.

3.2 Construction Progress (Construction sections shown in Appendix 1)

3.2.1 Summary of recent events:

Main Crossing Approaches:

- NAV Main Box construction, all 11 spans complete – MSS1 has been withdrawn to span P8/P9 for dismantling and removal;
- NAV edge cantilever construction using wing traveller is approx. 75% complete although the wing traveller has been withdrawn to pier P7 until MSS1 is clear of span P8/P9;
- Continue waterproofing of edge strips of NAV cantilevers and erection of precast fascia panels;
- Continue construction of cofferdam and excavation for Pier P11 of SAV;
- Continue pier shaft construction for Pier P12 of SAV;
- Preassembly works for the second MSS for the SAV completed September 2016;
- SAV Main Box construction, two spans complete with MSS2 now in Span P17/P16 which is expected to be poured on 1 – 2 February 2017;
- The SAV wing traveller has been assembled in the first span and construction of the end diaphragm cantilevers is expected early February 2017;

Main Crossing Cable Stayed Bridge:

- Complete balanced cantilever construction of tenth pairs of cable stayed deck segments adjacent to north pylon of CSB (17 pairs remaining);
- Complete balanced cantilever construction of first pair of cable stayed deck segments adjacent to central pylon of CSB (14 pairs remaining);
- Complete balanced cantilever construction of eleventh pairs of cable stayed deck segments adjacent to south pylon of CSB (20 pairs remaining);

Landside Works:

- Section 1
 - Continue earthworks, highway and utilities works at and adjacent to Ditton Junction including final run of UU 2100 diversion and reconstruction of Ditton Road West arm;
 - Commence construction of reinforced soil wing walls for Ditton Junction Bridge;

- Continue construction of deck for Widnes and Victoria Viaduct including landing beams over Victoria Road;

- Section 2
 - Commence installation of precast concrete parapets for Widnes and Victoria Viaduct;
 - Continue construction of highway embankment behind west abutment of Widnes and Victoria Viaduct;
 - Continue construction of reinforced soil wing walls for Widnes and Victoria Viaduct;
 - Commence construction of circulatory carriageway of Widnes Loops junction;
 - Complete carriageway construction of link from Widnes Loops to Watkinson Way;
 - Complete construction of new highway embankments between Widnes and Victoria Viaduct and North Approach Viaduct;
 - Continue construction of reinforced soil retaining walls at NAV north abutment;

- Section 4
 - Continue erection of temporary propping and landing of deck beams for Astmoor and Bridgewater Viaduct;
 - Continue construction of deck sections for Astmoor and Bridgewater Viaduct;
 - Open Bridgewater junction to east-west and southbound traffic and continue highway construction for northbound slip;

- Sections 5, 6, 7 & 8
 - Continue renovation and modification of existing expressway bridges;
 - Continue new highway construction works at Halton Lea and Lodge Lane junctions under total closure of main line Central Expressway;
 - Continue deck construction for new Lodge Lane Junction bridge;
 - Continue highway construction works at Weston Point junction;
 - Complete partial demolition of existing Rocksavage West bridge;
 - Continue new highway construction works on Weston Point Expressway north of the new M56 Junction 12 north roundabout;

3.2.2 PR and communications is vital to ensure drivers in and around Halton are aware of traffic management changes. The Project website is a vital tool used 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.

3.2.3 MER uses dedicated computer software called Freshdesk to electronically capture all complaints and enquiries. MER must respond to all such complaints within 10 working days or must be formally acknowledged if a full response is expected to take longer to answer. The MGCB monitors compliance of this on a monthly basis.

3.2.4 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 the Project Agreement and Demand Management Participation Agreement.

3.3.1 On 28 October 2016 MER formally notified the Board of Compensation Event Number 1 which relates to the realignment of Network Rail fence at Weston Expressway. The event relates to the ownership of a section of land which the Construction Joint Venture (CJV) say they need in order to be able to relocate said fence to accommodate the re-alignment works of the Weston Expressway.

On detailed site drawings incorporated into the Project Agreement, the land in question is indicated as being part of the Project Site. The land in fact is in the ownership of Network Rail and there are no powers of compulsory acquisition, nor any agreement to acquire in place to secure the land.

Update: The MGCB Construction Director believes there is a technical solution that obviates the need to impinge on the Network Rail land and has written to MER accordingly. While a formal response is pending the CJV are investigating the feasibility of such a solution and feel it sufficient.

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 MER acknowledges the importance of Health and Safety (H&S). It is their highest Project priority and acts as a key driver in their site inductions for new starters and visitors. To date, **4,872** workplace safety inductions have taken place with attendees including site workers, consultants and sub-contractors. MER also carries out on site

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)

drug and alcohol testing at induction for all plant operators and those working in 'high risk' roles, 'random testing' project wide on a regular basis and any 'for cause testing' as required. Those with positive test results are dealt with by the Health and Safety Manager in line with MER's Drug and Alcohol policy.

- 3.5.2 As an exemplar of good practice, on returning to work following the 2 week 2016 Christmas close down, all MER employees, attended a 'Return to Work' seminar, known as Safety Stand Downs (SSD) to remind staff of the importance of H&S awareness at work. (**904** attended the 'Return to Work' seminar).
- 3.5.3 MER has also held a number of additional SSD presentations in 2016. These were focused separately on the Main Bridge and on the Landside so that each could focus on their specific safety issues. Main Bridge SSDs were attended by a total of **400** staff and Landside SSDs were attended by a total of **415** staff.
- 3.5.4 From the start of the Project to end December 2016 figures show **156** accident book entries with no notifiable events³ and no major injuries. Number of near misses and learning events reported to this date **116**. There have been 4 RIDDOR⁴ incidents following which HSE reports were completed with preventative measures identified. Three of these incidents were service (underground cable or mains) strikes which resulted in a 'Permit to Dig Authoriser' being recruited along with changes to the site working procedures. The other was a 'slip, trips or fall' incident.
- 3.5.5 The MGCB's most recent reported H&S Audit took place in June 2016. The visit to site commenced in Section 2 followed by Section 3 (MSS and South Pylon) before briefly visiting Section 8 (M56 Junction 12). The audit focussed on compliance with the MER H&S procedures and the associated records.
- 3.5.6 Compliance with the H&S procedures was, in the main, confirmed and the site inspection showed good controls in place to manage H&S on the site in the areas visited. Some improvements with respect to fire and first aid were identified and implemented. These have been consolidated into MER's safety procedures and their observance on site reinforced by monthly MGCB Inspections. The result has been an improvement on site.
- 3.5.7 MGCB carries out monthly, unannounced H&S Inspections and the findings are communicated to MER's H&S Manager.
- 3.5.8 The MGCB carried out an H&S Audit in January 2017 and the findings will be included in the Executive Board Report for the period January to June 2017.

³ Accidents resulting in the over-seven-day incapacitation of a worker

⁴ Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR)

3.6 Key Performance Indicators (KPI)

- 3.6.1 In general the MGCB does not measure MER's construction phase performance save for a number of KPI's associated with the PA's Employment and Skills Delivery Plan.
- 3.6.2 Throughout the lifetime of the Project, the majority of KPI's are associated with the Demand Management Participation Agreement (DMPA) through the Project's operational phase by Emovis (DMPA Co).
- 3.6.3 The KPIs are set out in 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.
- 3.6.4 MER is required to report data in connection with current national indicators during the contract period and these are known as Statutory Authority Performance Indicators.
- 3.6.5 Although not monitored as a KPI, the MER Monthly Progress report, submitted to the MGCB, is an effective method of monitoring progress as the report incorporates Design and Construction, Service, Management, Monthly Payment and Data Reports. Also included in the Monthly Report is information on all accidents, incidents, enquires, complaints and traffic management data. This report is monitored by the MGCB and issues requiring further consideration are logged in the minutes of the Monthly Progress meeting.
- 3.6.6 There are currently **771** people working on the Project across sites in Runcorn and Widnes. They include **34** people engaged by the MGCB, **228** people employed by the three partners (Kier, Samsung, FCC) in the MER construction joint venture (CJV) including **100** people recruited directly for the Project and **473** people supplied by labour suppliers or sub-contractors working on different elements of work across the site. Approximately **653** Halton residents have been employed on the Project during construction. Currently **223** local residents (Runcorn and Widnes) are working on the Project [November 2016 figure].
- 3.6.7 MER's Time Bank scheme, which aims to help local groups and organisations by providing professional services for community projects, has saved the local community approximately £116,000 having supplied consultation, labour and other services to around 30 successful applicants. This equates to around 265 days of Time Bank delivery

3.6.8 The Mersey Gateway Visitors Centre in Widnes at the Catalyst Science and Discovery Centre opened in February 2015 and so far has had **13,903** visitors. The Mersey Gateway Information Centre in Runcorn opened in February 2016 and so far has had **6,209** visitors (20,112 in total up to December 2016).

3.7 Risk

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

- The procurement of the necessary enforcement powers for the collection of tolls on the new bridge and on the SJB. The period for representations to the Secretary of State (SoS) closed on 14th May 2015

Update: The Modification Order was approved by DfT at the end of May 2016. However, as the provisions of the Modification Order include a new “Power of Entry”, approval by Home Office Ministers was required. This is a provision to the effect that, if there is no Road User Charging Scheme (RUCSO) in place and Halton reverts to using the tolling powers in the 2011 Order, some of the enforcement powers relating to road user charging including a power to enter vehicles would be available.

Modification Order was confirmed by DfT in August 2016. DLA provided DfT with the “Powers of Entry Gateway” forms on 2 June and passed to the Home Office. The Home Office processed the approval following which DfT arranged for a notice of making of the Order to be published in the London Gazette and the MGCB arranged for publication in a local newspaper. The Council approved the making of the necessary RUCSO for the MGB and SJB on 14 September 2016

- Byelaws – The byelaws need to be secured by PTU. The byelaws were approved by the Council on 12 October 2016 and the necessary Notices were published in the local press on 9 & 10 November 2016. Also, from 8 November 2016 the byelaws and plans were made available for public inspection at the Runcorn and Widnes Direct Link offices and they are available on the project website. The public had until 9 December 2016 to lodge any representations or objections with the Secretary of State for Transport as prescribed by the River Mersey (Mersey Gateway Bridge) Order 2011 (As amended 2016) – none were received. The SoS has approved the Byelaws and they were confirmed and sealed by DfT January 2017 and will come into force in August 2017.

3.7.2 Risk Register

- 3.7.2.1 The MGCB 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 MGCB'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 MER 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 by Members at the MGCB's offices.

3.8 Business Plan

- 3.8.1 Under the Governance Agreement there is a requirement for the MGCB to produce an Annual Business Plan, the requirements of this plan predominately relate to the Project during the operational period.
- 3.8.2 The MGCB has produced and supplied to the Council a business plan which is more suited to the operations of the MGCB during the construction period.
- 3.8.3 The Business Plan is available for inspection by Members at the MGCB'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 Financial Reports to the MGCB.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

6.1.2 The Project provides an opportunity to improve accessibility to services, education and employment for all.

6.2 Employment, Learning and Skills in Halton

6.2.1 Over **800** jobs have been created by or for the Project so far and the Project ensures the local community continues to have access to all 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. Approximately **653 Halton residents** have been employed on the Project during construction.

6.3 A Healthy Halton

6.3.1 The Project provides an opportunity to improve accessibility to services, education and employment for all, including improved cycling and walking facilities.

6.3.2 Improve local air quality and enhance the general urban environment.

6.4 A Safer Halton

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

6.4.2 The new crossing will improve safety and reduce the cost of accidents currently found with the high collision SJB route by up to £39 million. The narrow lane widths of 3.05m on the SJB will be redesigned to deal with local traffic, and offer new routes for cyclists, pedestrians and those using public transport.

6.5 Halton's Urban Renewal

6.5.1 The 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 Project 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

