M11 Junction 7A

Essex County Council

Procurement Strategy Workshop

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M11 Junction 7A

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Appendix A. Additional Information

Executive Summary

Harlow currently suffers from significant congestion at peak times which will increase as committed development is built. Harlow currently has only one connection to the strategic network Junction 7 on the M11 accessed via the A414, which are both subject to congestion in peak periods.

Essex County Council has requested Ringway Jacobs and their Designers, Jacobs UK Ltd to undertake development of options for the M11 Junction 7A. The proposed junction is located between Junction 7 and 8 of the M11 motorway and includes a grade separated junction and a link road joining the M11 with B183 Gilden Way east of Harlow, Essex.

In order to progress the delivery of the project and to continue to determine the most appropriate procurement strategy a procurement strategy workshop was held on 15th June 2016 with participation from both Essex County Council and Jacobs UK Ltd.

This workshop commenced with a recap on the outcome of a previous procurement strategy workshop held on 24th February 2015. The Key Client and Project Objectives were reviewed along with Project Obstacles and Constraints and were updated based on the current status of the project. The introduction of additional objectives and constraints did not impact on the outcome of the previous conclusion that both Traditional and Design and Construct procurement routes were appropriate for this scheme and that a further workshop was required to review the advantages and disadvantages of each route and a preferred single route identified to take forwards.

The key Advantages and Disadvantages of both Traditional and Design and Construct procurement routes in meeting the objectives of the scheme were identified as follows;

- The key advantage of the Traditional route being that the Client retains control of the design but this being offset by the disadvantage of a lack of early Cost certainty,

- The key advantage of the Design and Construct route being, the transfer of design risk to the Contractor and early cost certainty. A disadvantage being less influence over the design and the potential premium for transferring design risk.

As a result of this review it was agreed that the Design and Construct route best meets the Key Clients Project objectives while dealing with the constraints identified.

To support this conclusion, reasons for not adopting a Design and Construct procurement route were reviewed and this identified as follows; 1) Issues surrounding the phasing / packaging of the works and 2) The requirement for some Advanced Works.

It was agreed that while these reasons would not change the preferred procurement route a further Procurement / Buildability workshop would be necessary in 6 to 8months time in order to review, Packaging of the works, Advanced Work requirements and associated procurement, vehicles to market for advance works and main contract and contract strategy options.

1. Scheme Overview

Essex County Council (ECC) issued a mandate (dated 22 April 2013, Scheme Code HA29310) requesting Ringway Jacobs (RJ) and their designers, Jacobs UK Ltd (Jacobs), to undertake development of options for the M11 Junction 7A.

The proposed M11 Junction 7A (M11 J7A) scheme is located between Junction 7 and 8 of the M11 motorway and includes a grade separated junction and a link road joining the M11 with B183 Gilden Way east of Harlow, Essex.

Harlow currently suffers from significant congestion at peak times, which will increase as committed development is built. In addition, further development to support economic growth through the Local Plan process, will place additional pressure on the local and strategic road network.

Harlow currently has only one connection to the strategic network, Junction 7 on the M11, accessed via the A414, which are both subject to congestion in peak periods. Constraints have already been placed on the development of the Local Enterprise Zones, which can only be relieved by additional road improvements, primarily an additional connection to the M11, the M11J7A scheme. This scheme has been identified as a priority in the Essex Growth Strategy (EGS) and feasibility work for a new junction has already been undertaken.

Since the original mandate, Jacobs has been requested to develop an option which shows future intent for the development of the M11 J7A scheme into a Northern Bypass.

2. Introduction

The purpose of this report is to provide feedback on the findings of a Procurement Strategy workshop held on the 15th June 2016 at Jacobs London Bridge Office.

The aims and objectives of this procurement strategy workshop were set out as follows;

- Recap on outcomes from previous workshop held 24th February 2015
- Review the current position in relation to Procurement Strategy and update as appropriate.
- Review Programme impact and achievability
- Conclude preferred procurement route and agree next actions

This workshop was attended by project team members from both Essex County Council and Jacobs UK Ltd.

3. Outcome of Procurement Workshop held Feb 2015

A procurement strategy workshop was held on 24th Feb 2015 which identified the following;

Key Client and Project Objectives

- Successful / Timely delivery of the statutory process
- To ensure that the Programme for start and completion of the works is achieved
- Cost Certainty

Project Obstacles and Constraints

- Potential for a Public Inquiry
- Capacity of Contractors
- Internal Governance issues

These Objectives and Constraints were then analysed in relation to various procurement options at that time and the conclusion from the workshop was as follows;

Conclusions / Recommendations

- Traditional and Design and Construct procurement routes both meet the aims and objectives of the project and the Project Board are to identify their preferred option.
- It was also recommended that a further Procurement Workshop is held in 12months time to review the preferred procurement and update in accordance with any development to the project Objectives and Constraints.

These outcomes were reviewed in relation to the current status of the project and further objectives and constraints were identified, these being;

Key Client and Project Objectives

- Transfer of Design Risk

Project Obstacles and Constraints

- Construction to commence before March 2020
- Potential phasing requirements
- Availability of local Materials
- High Pressure Gas Main
- Discharge of Planning conditions
- Access to land East of M11

The introduction of these additional Objectives and Constraints did not impact on the previous conclusion and the workshop therefore progressed by reviewing the relevant advantages and disadvantages of both the Traditional Route and Design and Construct Procurement route in order to determine the preferred route.

4. Traditional Procurement Route (NEC3 – Employer Design)

Advantages	Dis-advantages
• Client retains design risk/ liability	• Detailed Design Programme
• Design compliance with planning conditions	• Limits Contractor Design Innovation
• Greater Stakeholder engagement	• Potential for over design / engineering
• ‘Reasonable’ Cost Certainty	• Client retains design risk / liability
• ‘Reasonable’ Construction Programme Certainty	• Reasonable Cost Certainty
• Low complexity design	

The key advantages meeting the objectives of the scheme being the reasonable cost certainty and the reasonable construction programme certainty.

The Key dis-advantage being that the Client retains the design risk / liability.

5. Design and Construct Procurement Route (Contractor Design)

Advantages	Dis-advantages
• Contractor takes Design Risk / Liability	• Detailed Quality
• Cost Certainty	• Less Design Control / Influence
• Encourages innovation	• Over design / stakeholder engagement
• ‘Potential to issue tender earlier	• Potential Risk Premium
• Single point responsibility	• Potential for a longer Tender period
• Less Adversarial	• Cost of Change Control.
• Programme start and completion	

The key advantages meeting the objectives of the scheme for design and construct route being the transfer of design risk to the contractor, cost and programme certainty and the potential to issue tender earlier.

The Key dis-advantages being less influence over the design and the potential risk premium.

6. Preferred Procurement Route

As a result of the review of the advantages and disadvantages of the proposed Procurement routes it was agreed that the Design and Construct was the preferred route that currently best meets the key clients project objectives while dealing with the constraints identified.

Reasons presented for **not adopting** a Design and Construct Procurement Route was limited to;

- Issues surrounding the phasing of the works &
- The requirement for some Advanced Works

It was agreed that these reasons did not impact or change the outcome of the preferred procurement route being Design and Construct and that these issues could be addressed at subsequent planning workshops.

An opportunity was suggested in relation to the delivery of Gilden Way as a separate contract / advanced works which would need to be reviewed in further detail at a planning workshop.

Potential vehicles to market for tendering were also discussed such as the use of the existing 'Eastern Highways Alliance framework but it was agreed that the approach would be to go out to the market through the OJEU process.

It was agreed that matters raised in relation to separate contracts, advanced work packages, vehicles to market and contract strategy be reviewed at a subsequent Procurement / Buildability Workshop to be held in 6 to 8months time.

7. High Level Programme Review

A high level review of the programme based on the adoption of a Design and Construct procurement route was carried out the and following dates identified.

Ref	Programme Activity	Design & Construct
1	Construction Start Date	Jan 2019
2	Contract Award Date	Jan 2019
3	Preferred Contractor Notice	Dec 2018
4	ECC Commence Governance process	Oct 2018
5	Recommendation to ECC	Oct 2018
6	Tender Evaluation Commences	Oct 2018
7	Tender Returns	Sept2018
8	Issue Invitation to Tender	July 2018
9	PPQ Process	May/June 18
10	Issue OJEU Notice	1st May 18
11	Prepare tender documents	Jan 2018

The above dates conclude that a Design and Construct procurement route will meet the overall programme dates for the project and the constraint of commencing works on site before March 2020.

It is acknowledged and recommended that a separate interactive planning workshop is held to review these dates with all other design disciplines.

8. Conclusion

It was concluded from the outcome of this review / workshop that the preferred procurement option which best meets the aims and objectives of the scheme was the Design and Construct Procurement Route.

A high level review of the programme for a Design and Construct procurement route was reviewed in relation to Essex County Council overall programme requirements and it was shown that these would be met.

However it is recommended that a further interactive planning / programme workshop is held to firm up these dates and review and establish any potential phasing requirements and or advanced works requirements.

Potential vehicles to market for tendering were discussed and it was concluded that this scheme was likely to go to tender through the OJEU process but this needed to be confirmed and reviewed at a subsequent workshop.

An opportunity was also identified to deliver ‘Gilden Way’ separately to the main contract to assist in the buildability / methodology of the works. This opportunity would need to be reviewed as appropriate at a separate programme workshop.

It was concluded that a Procurement / Buildability workshop take place to address these matters in 6 to 8 months’ time.