



EXECUTIVE BOARD DECISION

REPORT OF:	Executive Member for Growth and Development
LEAD OFFICERS:	Strategic Director of Growth & Development
DATE:	Thursday, 7 December 2023

PORTFOLIO/S AFFECTED:	Growth and Development
WARD/S AFFECTED:	Blackburn South East;
KEY DECISION:	Y

SUBJECT: Blackburn Growth Axis Transport Package (South East): M65 Junction 5 and Active Travel Project Update & Approvals

1. EXECUTIVE SUMMARY

This report seeks approval for the drawdown of capital funding and approvals required to undertake various activities to support the pre-construction stage of the Blackburn Growth Axis Transport Package (South East) ('Project'). This report also provides an update of the work completed to date since the publication of the previous Executive Board report in May 2023.

2. RECOMMENDATIONS

That the Executive Board:

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1. Notes the award of £20m Levelling-Up Funding ('LUF') to deliver the Blackburn Growth Axis Transport Package (South East) and the £10.5m upfront payment to date by Department for Levelling-Up, Housing and Communities;
2. Notes the progress of the two projects, listed below, comprising the Blackburn Growth Axis Transport Package (South East) LUF scheme:-
 - Project 1 – South East Blackburn Active Travel (Walking and Cycling) Network
 - Project 2 – M65 Junction 5 Improvement Scheme;
3. Notes the appointment of Ramboll engineering consultants by Balfour Beatty following a competitive tendering exercise to support Project 2;
4. Approves the appointment of WSP to provide Technical Advisory Support in administering the contract with Balfour Beatty, provide general technical assurance support and assistance in validating technical proposals for future adoption by the Council as Local Highway Authority;
5. Approves a capital budget of £0.75m for Project 1 and £3.25m for Project 2 to cover all pre-construction activities including fees, surveys, site investigations, approvals, service diversions, third party payments and other enabling costs necessary during the pre-construction stage. Note £500k of capital funding is

already profiled in the 2023/24 capital programme and therefore an additional £3.5m is now required to cover the pre-construction stage during with £0.7m of this additional funding required in year;

6. Authorises the Growth Programme Director in liaison with the Deputy Director of Legal and Governance to finalise any contract terms of the consultant and contractor appointments for Projects 1 and 2 accordingly;
7. Authorises the Growth Programme Director to issue contract instructions on behalf of the Council in administering the NEC Professional Services Contracts for Project 2 - M65 J5 Highway Improvement Scheme;
8. Authorises the Growth Programme Director in liaison with the Deputy Director of Legal and Governance to finalise the terms of acquisition for any third party land required to deliver the scheme;
9. Authorises the Deputy Director of Legal and Governance in liaison with the Growth Programme Director to finalise the terms of the agreement with National Highways for approval to work on their motorway network; and
10. Notes further report will be prepared for approval during 2024 to progress schemes to construction once final designs, approvals and construction costs have been finalised.

3. BACKGROUND

In January 2023 the Council secured £20m of LUF funding for its Blackburn Growth Axis Transport Package (South East). The funding supports the Council's strategic Growth Axis ambitions, as outlined in the emerging Local Plan, and will support growth in Southeast Blackburn through the implementation of key two projects.

Project 1 Update – South East Blackburn Walking and Cycling Network

The Walking and Cycling project will provide around 18 km of improved walking and cycling routes throughout South East Blackburn, giving residents better access to local amenities and opportunities, increasing levels of physical activity and reducing the number of vehicular trips required on the local road network. Building on the existing Weavers Wheel cycle network and the Leeds & Liverpool canal towpath which forms part of the National Cycle Network (Route 6), the proposed walking and cycling improvements include the following:-

- Route 1 - Blackburn town centre to Guide via Haslingden Road (3.8 km)
- Route 2 - Blackburn town centre to Walker Park via Queens Park (3.4 km)
- Route 3 - West Blackburn to Royal Blackburn Teaching Hospital (3.5 km)
- Route 4 - Leeds & Liverpool Canal to Royal Blackburn Teaching Hospital (2.1 km)
- Route 5 - Hollins Bank to Royal Blackburn Teaching Hospital via Manxman Rd (2.9 km)
- Route 6 - Haslingden Road to Weavers Wheel via the Arran Trail (1.9 km)

Feasibility studies have now been completed for each of the six routes and preliminary design works will commence in 2024 followed by a number of stakeholder engagement events to obtain feedback and comments about the proposed routes. Detailed design work will then follow on, along with obtaining all necessary approvals including planning approval if required. It is anticipated construction works will commence late 2024 and further details will be brought to Exec Board for consideration and approval.

Project 2 Update - M65 Junction 5 Improvement Scheme

This project delivers highway improvement works to the M65 Junction 5 and Guide Junction to increase capacity to support growth in South East Blackburn and will deliver the following improvements:-

- M65 southbound exit slip to be widened from two-lanes to three lanes increasing the slip roads capacity.
- M65 southbound entry slip is to be widened to allow for the construction of a new free flow (segregated left turn) lane for traffic entering the M65 southbound from the east.
- M65 northbound exit slip is to be widened from two-lane to three lanes increasing the slip roads capacity.

- M65 northbound entry slip is to be widened to the nearside to allow for the construction of a new free flow (segregated left turn) lane for traffic entering the M65 northbound from the west.
- B6232 eastbound approach is to be widened to allow for the construction of a new free flow (segregated left turn) lane for traffic entering the M65 northbound.
- A6077 westbound approach is to be widened to allow for the construction of a free flow (segregated left turn) lane for traffic entering the M65 southbound.
- Roundabout circulatory carriageway road markings to be amended increasing the lane capacity from two lanes to three.
- Intelligent traffic signals with queue flushes on the M65 motorway off-slips and bus priority detection to give greater priority to buses.

Balfour Beatty has been appointed through the Scape Civil Engineering Framework as a Design & Build Contractor. The framework has previously been tendered resulting in the appointment of Balfour Beatty as a sole supplier to deliver major infrastructure schemes in the North West of England. Balfour Beatty has significant experience in delivering similar interventions on the motorway network and is a recognised contractor partner for National Highways. The framework is open book with Balfour Beatty competitively procured on their overhead and profit percentage and all works will be tendered as open book under a target cost option under the NEC form of contract.

Four consultants were invited to participate in the tender process administered by Balfour Beatty to select a lead designer for Project 2; including Ramboll, SWECO, Tetra Tech and Mott MacDonald. The competitive tender process involved Council officers as participants in the process. Following a detailed evaluation and subsequent clarification stage Balfour Beatty appointed Ramboll as lead designer for Project 2. For information, Ramboll is a leading multi-discipline engineering consultancy with expertise in undertaking similar schemes for local authorities and National Highways across the North West and around the UK.

4. KEY ISSUES & RISKS

Programme Key Stages - Project 2 M65 Junction 5 Improvement Scheme

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|---|---|----------------------|--------------------------------|
| • | <i>Stage 0: Preliminary Considerations</i> | | (Completed as part of LUF Bid) |
| • | <i>Stage 1: Feasibility Stage</i> | | (Completed as part of LUF Bid) |
| • | <i>Stage 2a: Preconstruction Activities</i> | Designer Procurement | (Now Complete) |
| • | <i>Stage 2b: Preconstruction Activities</i> | Proof of Concept | (Commenced Nov 2023) |
| • | <i>Stage 2c: Preconstruction Activities</i> | Preliminary Design | (2024) |
| • | <i>Stage 3: Preconstruction Activities</i> | Detailed Design | (2024/25) |
| • | <i>Stage 4: Construction</i> | On site activities | (2025/26/27) |
| • | <i>Stage 5: In Use</i> - Close out of defects, aftercare procedures are implemented and project KPIs are collated with Monitoring & Evaluation. | | |

Ramboll has commenced Stage 2b (Proof of Concept) and, following approval by the Council and National Highways, will then progress with the preliminary and detailed designs during 2024. It is anticipated that construction works will commence on site early 2025 with completion of the scheme in 2027.

Technical Advisor Procurement - Project 2 M65 Junction 5 Improvement Scheme

The Council used the Crown Commercial Services (“CCS”) Construction Professional Services (RM6165) Framework, Lot 1 Built Environment to procure a Technical Advisor (‘TA’) to support Project 2. Tender documents were prepared and issued to the framework on the 18th September 2023 with a closing date confirmed as the 9th October which was later extended to the 23rd October 2023.

The tender documents included technical specifications, quality requirements, pricing schedules and supporting background documents. A Quality/Price split of 60/40 was agreed by Council officers which reflects the importance of selecting a consultant with the right expertise to support the Council in managing this complex project.

Four consultants returned tenders including WSP, Pick Everard, Costain and Turner & Townsend.

All tenders were assessed and evaluated in accordance with the evaluation criteria with a summary of the tender results presented in the below table.

Technical Advisor – Tender Evaluation Summary

	Bidder A	Bidder B	Bidder C	Bidder D
Bidder Name	<i>Not disclosed</i>	<i>Not disclosed</i>	<i>Not disclosed</i>	WSP
Price £	£398,894.50	£293,848.00	£309,275.50	£330,375.00
Price %	25.70%	40.00%	37.90%	35.03%
Quality %	43.75%	30.00%	33.75%	48.75%
Total Score %	69.45%	70.00%	71.65%	83.78%
Position	4 th	3 rd	2 nd	1 st

Based on the above evaluation summary WSP is recommended for appointment as the Council's Technical Advisor for Project 2.

WSP is a leading multi-discipline engineering consultancy with expertise in undertaking similar TA roles for local authorities around the UK. WSP is also the Council's Strategic Partner, following the acquisition of the Capita Real Estate and Infrastructure business in 2022.

5. POLICY IMPLICATIONS

The Blackburn Growth Axis (South East) Transport Package aligns with existing Council Policies and Strategies including the Financial Strategy, Local Plan, Emerging Local Plan, Highways Local Transport Plan ('LTP') and Growth Programme.

6. FINANCIAL IMPLICATIONS

A capital budget of £0.75m for Project 1 and £3.25m for Project 2 (total £4.0m) is proposed to cover all pre-construction activities including fees, surveys, site investigations, approvals, service diversions, third party payments and other enabling costs necessary during the pre-construction stage.

The capital programme for 2023/24 includes £0.5m of funding and therefore additional capital funding of £0.7m is required in year to cover planned commitments for both projects for the remaining months of 2023/24.

The Council has received £10.5m of funding from the Department for Levelling-Up, Housing and Communities ('DLUHC') to date and therefore these funds will be used to provide the £4m pre-construction funding. Council contributions will be required during the later stages of the construction stage.

Proposed capital funding profile is presented in the below table and will be updated on a quarterly basis and reported to DLUHC and to the Executive Board through the capital funding monitoring update.

	2023/24	2024/25	2025/26	2026/27	2027/28	Totals
Project 1 – Active Travel	£0.5m	£2.5m	£3.0m	-		£6m

Project 2 – M65 J5	£0.7m	£2.3m	£11.0m	£10.m	£1m	£25m
Totals	£1.2m	£4.8m	£14.0m	£10.m	£1m	£31m
Total Cumulative	£1.2m	£6.0m	£20.0m	£30.0m	£31.0m	-

A requirement from DLUHC is for the £20m LUF funding to be spent by March 31st 2026 and is therefore identified as a key risk for the project.

A future Executive Board report will be presented in 2024 to set out in detail the construction costs, DLUHC funding and Council funding contributions for both Project 1 and Project 2.

7. LEGAL IMPLICATIONS

Governance

The procurement strategies for both projects are in accordance with procurement best practice and all relevant legal requirements including public contract regulations 2015 and 2020 amendments (post EU exit) and other appropriate legislation.

The Council's Section 151 Officer has signed the Department of Transport's Memorandum of Understanding ('MoU') which allows for the drawdown of funds, sets out the terms, principles and practices that will apply to the working relationship between the Department for Transport and the Council' regarding the administration and delivery of the Growth Axis Transport Package (Southeast).

The Council has formed a LUF Project Board to oversee both projects on terms of reference set out in the MoU and will meet every quarter to review progress, programme, costs and risks. The Project Board is chaired by the Executive Member for Growth & Development and is attended by Chief Officers with responsibility for delivery and oversight of the projects.

The Council obtained legal advice during the pre-commencement stage of the project to assess the LUF grant in respect of the Subsidy Control Act 2022 and is satisfied following this advice that the grant is compliant.

Legal & Procurement

Project 1: South East Blackburn Walking and Cycling Network

- WSP consultant is appointed through the existing 'call off' procedure set out in the novated Strategic Partnership contract from Capita to WSP. (Note: WSP acquired the infrastructure and property business from Capita in 2022 and therefore services that were once procured from Capita are now procured from WSP)

Project 2: M65 Junction 5 Improvement Scheme

- Balfour Beatty will be appointed by the Council to progress Stages 2 and 3 using an NEC Professional Services Contract ('PSC') and will undertake all preliminary and detailed design.
- Balfour Beatty will appoint Ramboll as lead designer and engineering consultant for the scheme and their appointment will use the NEC4 PSC form of contract.
- The Council's Technical Advisor ('TA') will also be appointed using an NEC4 PSC form of contract on terms set out during the tender process and as approved by Legal Officers in Contracts and Procurement team.
- The appointment of Balfour Beatty for Stage 4 and 5, construction work, will be set out in a future Exec Board in late 2024 in expectation for a start of site in 2025.

8. RESOURCE IMPLICATIONS

Council Growth, Highways, Procurement and Legal resources will be used to deliver this project in addition to external consultants and contractors.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

Project 1 - Southeast Blackburn Walking and Cycling Network

Further engagement and consultation will be undertaken as part of the design process with residents, local businesses and stakeholder groups in addition to any formal consultation through the planning process if required.

Project 2 - Project 2 M65 Junction 5 Improvement Scheme

Council is in consultation with National Highways throughout the project and will continue with this engagement. A formal Planning Application for the project is not required, however Council Officers will ensure the wider public are informed on the proposals through stakeholder engagement.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	1.2
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CONTACT OFFICER:	Simon Jones, Growth Programme Director, Growth & Development
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DATE:	November 2023
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BACKGROUND PAPER:	None
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