

NAME OF SCRUTINY COMMITTEE	COMMUNITIES
DATE OF MEETING	2 December 2014
TITLE	Pont Briwet
AUTHOR	Aled Davies, Head of Regulatory Department
CABINET MEMBER	Cllr W Gareth Roberts
PURPOSE	To provide contextual information and progress and update regarding the Pont Briwet project.

1. BACKGROUND

1.1 Pont Briwet spans the Afon Dwyryd between Penrhyndeudraeth and Llandecwyn in the Meirionnydd area of Gwynedd.

1.2 In transportation terms the 1860's, grade II listed, timber bridge provided an inadequate link for modern transport. The rail crossing which carried the important Cambrian Coast line had a speed limit of 20mph on the bridge and approaches. The one lane toll road had a speed limit of 20mph and was controlled by traffic lights, which caused significant congestion at busy times. The 2 tonne imposed weight limit, as well as the narrow width of the road, restricted the level of road traffic permitted to use the bridge and there was no safe provision for pedestrians or cyclists.

1.3 The problems of the current arrangements and the need to improve matters had been recognised for many years. By 2007 Network Rail had identified that over £5m remedial works were required in the short term with a continuing need for that level of maintenance on a regular basis in the future. Workshops in 2008 culminated in a commitment to replace the bridge and seek out funding. A formal business plan was submitted to WEFO and approved in July 2010. The £20.5m total budget for the project is funded by the European Regional Development Fund, administered by the Welsh Government, as well as TraCC (the Mid Wales Transport Consortium), Network Rail and Gwynedd Council.

1.4 Originally it had been intended that Network Rail would take the lead on this project, however in order to ensure that all the stringent funding criteria could be met, it was decided that Gwynedd Council would take the lead with Network Rail providing a technical, approving role. In order to ensure that no expertise was lost, a close and successful working relationship has been established between Gwynedd Council and Network Rail.

2. THE NEW BRIDGE

- 2.1 Many considerations had to be taken into account in the design of the new bridge, including the restriction of the existing railway line on its location, but in particular the sensitive nature of the surrounding Special Area of Conservation (European Designation) and Site of Special Scientific Interest.
- 2.2 The new bridge will provide a modern, safe and sustainable structure including a railway, a two-lane public highway, a cycle/footpath, an improved railway halt at Llandecwyn as well as improvements to the narrow approach roads.

3. PROCUREMENT OF MAIN CONTRACTORS

- 3.1 The original plan had been to close the road bridge in order to carry out the project but following concerns expressed during the public consultations in 2010, designs were amended to incorporate a temporary road bridge and causeway adjacent to the existing bridge.
- 3.2 The procurement of the main contractors started in January 2012 with the intention they would be appointed by Autumn 2012. However, because Gwynedd Council were unable to take the risk of appointing the main contractors until the planning and land purchase confirmation was received it was not until February 2013 that the appointment of the main contractors could be made.
- 3.3 Five contractors, who all had to have Network Rail's Principal Contractors' Licence, had been invited to tender. Three of those contractors included the temporary road bridge and causeway. Two others, including Hochtief, provided an alternative construction package. This included retaining the old bridge until the new railway bridge was completed and then putting a temporary road deck alongside this. This was considered to be an affordable, acceptable solution which would enable the local communities to continue to cross the river during the project. It should be noted that the bids containing the Bailey Bridge option were some £3m/£7m more expensive than the more innovative bids and were therefore considerably over the allocated budget.
- 3.4 Even with the provision that the road would be kept open as much as possible, it was inevitable and unavoidable that the road bridge would have to be closed at various times during the construction work, and this message was circulated to the general public. However, when the road was closed in order to divert the existing Scottish Power cable from the estuary before the construction work could start, it became clear that some members of the public considered any disruption to the roadbridge was unacceptable.

4. PROBLEMS AFFECTING WORK ON SITE

- 4.1 The first major problem experienced by the project was in October 2013 when National Grid identified a problem with the adjacent electrical pylon. The road and rail bridge had to be closed for safety reasons. This meant that piling for the new rail bridge was delayed whilst National Grid carried out emergency works on erecting a new pylon. Once again, there were many complaints received from the general public, who were also under the misconception that the damage to the pylon had been caused by the project. This was not the case, as the need to carry out remedial work on the pylon had been known for many years.
- 4.2 In November 2013 it was necessary to close the existing railway line following settlement of the old bridge, due to construction of the new bridge. Replacement buses were provided and, with agreement from Network Rail, Gwynedd Council attempted to keep the road bridge open. By January 2014, deterioration in the surfacing and structure, together with the lack of bridge safety parapets, meant it was no longer safe for vehicles to cross over and the decision had to be made to close the bridge to road vehicles.
- 4.3 With the closure of the road however all traffic was now being diverted onto the alternative A496 route through Maentwrog. Severe weather at the beginning of the year (which delayed progress on the scheme) had also badly damaged other parts of the Cambrian Coast railway and the sea defence walls. As well as the heavy vehicles which habitually used this road, there were now additional lorries travelling to carry out repair works further down the coast. Many concerns were raised by the local county and community councillors about safety on this narrow road and queues building up when lorries were unable to pass each other. Because of the nature of the road, physical solutions were limited. It was suggested by local community councillors that a traffic convoy system be installed along the narrowest 1.4 mile stretch of this road.
- 4.4 However as these traffic management costs were outside the original budget for the scheme, the only way to provide them without incurring additional costs was to look for savings elsewhere. There is no scope to omit aspects of the permanent works which meant the only saving which could be achieved was to take out the temporary road bridge. This meant that safer driving conditions on the A496 could be provided, cost neutral to the overall project budget. At that time the Contractors had also indicated that omitting the temporary road decking would enable the permanent road bridge to be completed in December 2014, earlier than planned. This information was circulated to the general public, and representatives from the Council and the Contractors attended a public meeting in Penrhyndeudraeth in March.
- 4.5 WEFO and Network Rail supported the decision to omit the temporary decking as they considered that the possibility that the roadbridge could be completed earlier would help to minimise the risk of any over-run to the project completion date.

- 4.6 The rail bridge re-opened on 1st of September 2014. Following that, services from the old bridge were scheduled to be transferred to the new rail bridge before the demolition of the old bridge could take place. Until the old bridge is demolished, piling work for the new bridge cannot be started. The demolition work on the old bridge will be completed by 21st November.
- 4.7 Whilst discussions with the Statutory Services have been taking place since the beginning of the contract, problems have been encountered with both Welsh Water and BT about the programming of the transfer and the amount of time they are taking. At the beginning of October, the contractors provided an updated programme which showed that the critical date for the demolition of the old bridge had been affected by this work and that it was now envisaged that the road bridge would not be complete until June 2015, four months later than the original contract period of February 2015.

5. RISKS

- 5.1 The work has now been programmed to finish in June 2015. Time has slipped in the programme for some unexpected matters. However the project officers feel strongly that the completion date is achievable. The main risks to not meeting this completion date are to do with severe weather delaying work, unexpected risks from underground works and any other unexpected event which might impact on the site and stop the works from being carried out (e.g. serious accident, National Grid Pylon etc.)
- 5.2 The WEFO funding criteria mean that all funding has to be claimed by the end of June 2015. There is a risk that the project expenditure will not be sufficient to claim all the funding from WEFO (£9.5m) as this funding is paid on a percentage of the project expenditure (48%). At the moment there is no possibility of extending the final claim date. The Project Team are fully aware of this and are doing everything possible to ensure that all WEFO funding is claimed by the end of June 2015.
- 5.3 It is no secret that Hochtief provided a low price for the project. As a result of this, and the events which have delayed the work, the contractors are trying to recoup costs by claiming more money. There are around 40 claims to date with a total of approximately £6m.
- 5.4 The project team had made sure that the contract is such that the majority of the risk has been transferred to the contractor. The site team therefore firmly believe that there is no substantiation to the majority of these claims. Expert legal advice has been commissioned to assess the main claims, and the advice which has been received agrees with the site team, that there is no basis to these claims.
- 5.5 The other aspect to consider is that the amounts which are being put forward by the contractors in connection with these claims are extremely high, and that even if some of the claims are allowed in principle, the sums are not based on actual figures.

6. COMMUNICATION

- 6.1 The information that the completion of the bridge had been delayed until June was circulated to the general public, who were clearly extremely disappointed that the date had been put back. Many opinions have been expressed, including requests for the temporary road decking to be reinstated or a temporary bridge to be provided.
- 6.2 The temporary road decking would have been located on a section of both the rail and road deck, with part of the permanent construction being installed at a later date. When the decision was made to omit this, the contractors changed their design and the programming of the permanent works, which means that it is not now physically practicable to install a temporary deck. The contractors' response to the installation of a temporary bailey bridge at this stage notes amongst other problematic aspects that the period for obtaining the required consents would be extensive, there would be an impact on the completion date of the permanent bridge whilst the necessary temporary works would be carried out, and that it would be an extremely expensive operation which would require significant additional funding.
- 6.3 Comments have also been received about lack of communication from the project team. Since the start of the project two public exhibitions have been held; numerous updates have been circulated to a database of emails as well as press releases to the local media; open evenings have been hosted by the contractors; there is a web page on the council website; a facebook page has been set up which includes comments on progress, photos and a link to a timelapse camera footage; and a Liaison Group has been established with members from the local Gwynedd and Community Councillors.

7. ONGOING AUDITING OF PROJECT

- 7.1 WEFO have very strict criteria in connection with their funding payments, particularly with regards to procurement. The main contractor was invited to tender in accordance with OJEU (Official Journal of the European Union) regulations and a detailed report on the tender process was submitted to WEFO in February 2013 and the following comments was received from them - *Following a review of the submitted documents for the main works contract, it is evident that a competitive tendering exercise has been undertaken. As ever in these matters it is for the Project Sponsors to satisfy themselves that the procurement is compliant with their own Contracting Standing Orders. But as the procurement has been undertaken via an OJEU, I have no particular concerns.*
- 7.2 Applications are made quarterly to draw down the WEFO and Welsh Government funding and verification checks are carried out by WEFO on expenditure defrayment before any funding is transferred.

- 7.3 An annual audit of all expenditure in connection with the project is carried out by the Wales Audit Office in February of each year. They will also carry out the final audit following completion of the project. Detailed background information is provided to them in order to for them to assess the eligibility of all expenditure for the WEFO grant funding. Out of the £13m expenditure to date only some very minor sums amounting to a few hundred pounds have been identified by them as ineligible (and these sums are covered by match-funding from Network Rail).
- 7.4 Detailed information is also being provided to Gwynedd's internal audit team.
- 7.5 Representatives from WEFO, Welsh Government and Network Rail are members of the Project Board, which meets quarterly. All financial and programming issues are discussed in detail with them.
- 7.6 As part of the WEFO funding criteria, independent consultants are carrying out an evaluation of the project. Whilst this will concentrate mostly on the economic benefits from the investment for the new bridge, they will also look at how the project has been carried out and any lessons learnt.

8. LESSONS LEARNT

- 8.1 The project team have already identified that lessons could be learnt about communication with the public during major projects such as Pont Briwet in the future – their expectations, the most effective and efficient forms to communicate with the public and how communication generally can be managed. One suggestion could be that a full/part time Public Liaison role is included in any funding proposals to ensure that this aspect is given sufficient resources.
- 8.2 Future consideration should perhaps be given with regard to tenders for large infrastructure projects in the future. The Pont Briwet tender was let on the basis of a 40% Quality 60% Commercial split. Whilst Hochtief did also score highly on the quality side, it was their price which actually influenced the award of tender. Perhaps more consideration needs to be given to quality matters, although that might mean that budgets would need to be increased if the lowest price was not therefore accepted.
- 8.3 All the statutory processes which had to be undertaken in connection with Pont Briwet took considerably longer than anticipated - planning 14 months, compulsory purchase of the land 18 months - which had a direct impact on other aspects of the project including the procurement of the main contractors. Consideration should be given to building in additional contingency time into all future projects, in order to ensure that any delays which are beyond our control, are not seen by the public as our failure.