

## **CABINET – 24 MAY 2011**

### **DIDCOT PARKWAY STATION INTERCHANGE**

#### **Report by Deputy Director (Highways & Transport)**

#### **Introduction**

1. This report:
  - (a) provides background to the Didcot Parkway Station Interchange project and summarises recent progress with the project; and
  - (b) seeks approval of the detailed financial appraisal shown in Annex 3, in accordance with the Council's Financial Procedure Rules. This updates the preliminary project appraisal approved by Cabinet on 20<sup>th</sup> January 2009 (agenda item CA10); and
  - (c) outlines the approach to procurement and seeks approval to award a contract to the contractor submitting the most economically advantageous tender on the basis of quality, cost and project delivery; and
  - (d) seeks the retention of Jacobs Engineering UK Limited as the Designer for the duration of the project.

#### **Background**

2. The population of Didcot will increase to over 35,000 residents by 2016, and it is one of two New Growth Points in Oxfordshire. Didcot will be the location of 11,500 new homes by 2030, with the first of those at Great Western Park now being built. A further 9,360 new homes are proposed within the catchment of the station, around Grove and Wantage. In total, 8,000 new houses are due to be completed before 2016.
3. Didcot Parkway is the gateway to Science Vale UK. Milton Park is the largest business park in Oxfordshire, employing 6,500 people, and the Harwell Science & Innovation Campus employs 4,500. Most new jobs will be at these two locations, with an expectation that up 11,500 jobs will be created by 2026.
4. Strategic transport infrastructure is essential to the delivery of new housing and employment and is needed to ensure that Didcot and Science Vale is a sustainable and thriving community where people want to live and work.
5. The Didcot Parkway Station Interchange project was a recommendation from the Didcot Area Integrated Transport Strategy in 2004, and is identified in the

Local Transport Plan recently adopted by the Council. It has been identified as a priority in the Oxfordshire Local Investment Plan to 2030, produced by the Spatial Planning & Infrastructure Partnership.

6. The layout of the existing forecourt creates conflict and confusion between the different modes of transport using the forecourt as all users share the same space outside the building. This causes congestion and gridlock on a daily basis because the forecourt is not designed for the number of people now using the station.
7. This project will transform the layout to create a welcoming gateway to Didcot and Science Vale, provide additional space to accommodate new bus services and more cycles, improve safety and make travel by train more attractive for those living and working in the area. See Annexes 1 and 2 for a layout plan and visualisations of the new interchange.
8. The project has been the subject of extensive public dialogue over the past five years, with exhibitions and presentations held for stakeholders, station users, general public and local groups, such as the Didcot Community Forum. The feedback has been very positive and the work is eagerly awaited.

### **Programme and Progress**

9. Good progress has been made since the last report on this project to Cabinet in January 2009. The design has progressed through preliminary and detailed stages, and was finalised last October. Officers have worked closely with a number of specialist suppliers on specific design issues.
10. There was a delay in 2010 due to contractual issues with Network Rail which arose when the asset protection agreement came up for renewal but these are now resolved. During the delay, the opportunity was taken to bring forward detailed design work which has had the advantage of giving greater cost certainty to the project, and ensured the time was used effectively to progress the project.
11. It is currently expected that construction will get underway in September 2011 and will last for up to 18 months, but this assumes there are no delays in obtaining consents as the work will be carried out in several phases to ensure the station remains operational throughout.

### **Planning Consent**

12. A planning application was prepared and submitted to Oxfordshire County Council by Atkins in March 2009, and consent was given by the Planning & Regulation Committee on the 20<sup>th</sup> July 2009, subject to a number of conditions.
13. These planning conditions relate to various detailed design aspects that had not, at the time of the application, been fully finalised, including landscaping, ecology, drainage and waste management.

14. The Environment Agency lodged an objection as the detail they needed was not available but Jacobs have worked with them to meet their requirements for sustainable drainage and they withdrew the objection in March 2011. Officers are currently in the process of discharging the remaining conditions in conjunction with the Deputy Director.

#### Rail Industry Approvals

15. The project obtained *Station Change* approval in October 2010 following industry-wide consultation and was subsequently submitted to the Department for Transport for their consent under the Network Modification (Closures), *Minor Modification* process required by Sections 34 and 35 of the Railways Act 2005. Their approval notice was issued in February 2011.
16. Technical approvals for the whole project and the drainage, electrical supply upgrade and CCTV works will be submitted to Network Rail this summer, and work package plans will then be submitted for each delivery phase during the construction period.

#### Enabling Works

17. Dismantling of redundant buildings on the site will commence in May 2011, and a separate contract was awarded during 2010 to carry out these works. Officers have worked closely with the Great Western Society (Didcot Railway Centre) to identify items of historic importance, and these will be salvaged so they can be re-used in the expansion of this popular local attraction.
18. Work is also due to take place in May to provide some additional car parking spaces to absorb some of the spaces that will be lost during the construction period. Work will also be carried out to relocate a Network Rail trackside access gate within a new small compound.

### **Selection of the Project Contractor**

19. The construction contract is being awarded under the EU Restricted Tender Procedure and was advertised in the Official Journal of the European Union (OJEU) on 19<sup>th</sup> March 2010. Expressions of Interest were received from 44 applicants and a pre-qualification questionnaire was issued to each of them.
20. Completed pre-qualification questionnaires were received from 27 contractors by the return date of 5<sup>th</sup> May 2010. These ensured the applicants met the core requirements for County Council procurement and assessed their technical competence, relevant experience of similar projects, health & safety record, integrity and responsibility. References were taken up for all the contractors.
21. Each submission was also assessed by a panel comprising representatives from the County Council, Jacobs, Network Rail and First Great Western. A shortlist of six contractors was then identified who were invited to submit a tender for the project.

22. The works will be carried out under the NEC Engineering and Construction Contract, Third Edition, using Option C Target Contract with Activity Schedule. Invitations to Tender were issued on 7<sup>th</sup> February 2011 and contractors were required to submit their tender by 21<sup>st</sup> March 2011.
23. Each contractor was asked to make a 'quality submission' concentrating on their approach to delivering this particular project, including organisation and site management, programme, site health & safety and communication, and a "financial submission" based on a priced activity schedule for stage 1 (early contractor involvement) and stage 2 (construction) along with fee percentages.
24. The quality and financial submissions have been assessed independently by three representatives from the County Council and Jacobs before the scores were aggregated and weighted to provide an overall ranking. The contract award will be made on a combination of 30% quality and 70% price, with incentivisation to encourage the contractor to deliver the project on time and within budget. They will share any cost saving but are penalised for any cost increase.
25. This report seeks approval to award a contract to the contractor submitting the most economically advantageous tender on the basis of quality, execution and cost.

### **Supervision during the Works**

26. Supervision of the construction of the project will be carried out by staff from the Highways & Transport Service. Jacobs Engineering UK Limited will be retained in the Designer role.
27. The biggest challenge during construction will be the need to keep the station open throughout, and pedestrian and traffic management will need careful planning and require phasing of the works over an extended 15-18 month period. The planning will need to take into consideration major railway engineering closures, such as those planned for December 2011.
28. Early contractor involvement during the summer will ensure that a robust but achievable programme of work is agreed to the satisfaction of all our partners, which balances the need to minimise disruption whilst achieving the quickest construction time.

### **Retention of Project Designer**

29. Since taking over the initial design from Atkins in January 2009, Jacobs Engineering UK Limited has led the design development of the project through both preliminary and detailed stages, initially from their office in Haddenham and latterly from Coventry. Because of their in-depth knowledge of the project, and to avoid loss of continuity over all design aspects which would have occurred had the design been moved to a different design team, they were

retained after the highways term contract transferred from Jacobs to Atkins in June 2010.

30. Jacobs submitted a fee proposal that has seen them involved in the project to the point of contract award (i.e. now). Under the NEC contract roles and responsibilities Jacobs are identified as the Designer, and will be required to liaise with the contractor throughout the construction of the project on any design issues.
31. A new commission is therefore required in order to retain the services of Jacobs until the completion of the project. The cost of continued involvement has been included in the project appraisal in Annex 3 of this report.

### **Environmental Implications**

32. One of the main aims of the project is to encourage the use of public transport by providing modern high quality interchange facilities at the railway station. This will have a positive effect on the environment and lead to a reduction in private car journeys to the station. There will be more spaces for buses and cyclists and electric vehicle charging points will be installed.

#### Recycling

33. The County Council is about to enter into a short term tenancy for a works compound in Station Road, Didcot from South Oxfordshire District Council for the duration of the project. This will provide staff welfare facilities and allow material to be taken off-site and stored so it can be re-used later in the project. This will reduce the amount of waste material removed from the site and avoid the cost and environmental impact of bringing in new materials by road.

#### Landscaping

34. The station is a major gateway to Science Vale UK and public realm is a key consideration for the project. Paving has been carefully selected for appearance and easy maintenance and the new pedestrian piazza will provide space for pedestrians and special events outside the station building, with new areas of landscaping being provided.
35. Some mature trees will be removed from the front of the station, but none are of sufficient quality to merit retention. They will be replaced by a greater number of semi-mature trees and shrubs. The tree species have been carefully selected for their appearance and longevity, and to meet the specification of Network Rail.

#### Drainage

36. The station forecourt and subway are prone to flooding because the foul water and surface water flow into the same sewer which has inadequate capacity during heavy rain. As part of the project, a surface water drainage system will be installed, with sub-surface storage tanks to allow controlled discharge of water to a local watercourse, and the design/capacity has been agreed by the Environment Agency.

### **Financial Implications**

37. The total cost of the project is £6.690m which is set out in the detailed financial appraisal in Annex 3. Expenditure of £1,581m has been incurred on developing the project since its inception.
38. Funding has been allocated in the Capital Programme and comprises Supported Capital Expenditure and index-linked Developer Funding. On 20<sup>th</sup> July 2010 the Cabinet recommended that funding for this project was 'released' from the capital funding review and this was endorsed by the Council on 27<sup>th</sup> July 2010.
39. Under the Government's 'Partnership for Growth' initiative, South Oxfordshire District Council gained New Growth Point status for Didcot and successfully bid for funding towards this project. This funding has been used towards developing the project.
40. The District Council is also providing its own capital funding and this was approved by their Executive on 4<sup>th</sup> November 2010. A Funding Agreement is currently being prepared setting out this obligation and the schedule of payments.

### **RECOMMENDATION**

41. **The Cabinet is RECOMMENDED to:**
- (a) approve implementation of the project shown on the layout plan and visualisations in Annex 1 and 2 of this report, with a target construction start in September 2011; and
  - (b) approve the detailed financial appraisal in Annex 3 of this report; and
  - (c) approve the retention of Jacobs Engineering UK Limited as the Project Designer for the duration of the project; and
  - (d) authorise the Deputy Director (Highways & Transport), in consultation with the Cabinet Member for Transport, to appoint the contractor based on the Project Sponsor's recommendation, and to award the contract before the OJEU 90-day deadline of Friday 17<sup>th</sup> June 2011.

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Background papers: Nil

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