

## Cabinet Member for Enterprise, Development and Regeneration

Cabinet - 21 July 2016

### FPR7 AMENDMENT – WESTWAY ENHANCEMENT PROJECT, SWANSEA CITY CENTRE

<b>Purpose:</b>	To approve the scheme and include the budget within the Capital Programme
<b>Policy Framework:</b>	City Centre Strategic Framework.
<b>Reason for Decision:</b>	To comply with Financial Procedure Rule No.7 (Capital Programming and Appraisals) - to commit and authorise schemes as per the Capital Programme or to include new schemes in the Capital Programme.
<b>Consultation:</b>	Legal, Finance, Access to Services
<b>Recommendation(s):</b>	It is recommended that Cabinet agree to:  1. increase the budget for the Westway Enhancement Project from £1m to £1.592m;
<b>Report Author:</b>	Gareth Hughes
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officers:</b>	Debbie Smith
<b>Procurement Officer:</b>	Chris Williams
<b>Access to Services Officer:</b>	Phil Couch

#### 1.0 Background

- 1.1 On 19<sup>th</sup> November, 2015 Cabinet approved a scheme to improve the Westway subject to consultation. Consultation gave rise to minor scheme changes which are within the original budget agreed at the same Cabinet meeting (Minute 111 refers), that is the sum of £1m. £1m funding was allocated from Welsh Government's (WG) Vibrant and Viable Places (VVP) programme (Essential Enabling Infrastructure).
- 1.2 This sits within a wider VVP programme value of £8.394m which was awarded to support a schedule of projects submitted to WG on behalf of the Swansea Economic Regeneration Partnership in March 2014

- 1.3 Works commenced on site in March 2016 following the appointment of the Council's Framework Contractor 'Swansea Highway Partnership' (SHP) for the value of £975k to deliver the agreed scheme, which falls within the £1m threshold for contract award. For the purposes of clarity in this report, the agreed scheme will be referred as Contract 1 from herein.
- 1.4 Subsequent to Cabinet approval to add the £1m to the capital programme, Highways & Transportation identified a further £292k to contribute towards fees and supervision enabling the entire £1m to be committed to capital works, thereby adding value to the project. This report seeks to add that sum to the £1m approval, together with an additional £300k also secured from Council's contingency funds to widen the scope of the project (explained in section 2 of this report) and increase the budget value to £1.592m.
- 1.5 The additional funding enables an opportunity to deliver additional improvements on the Westway out of scope of Contract 1 as outlined in this report. Within that context, this report seeks approval to:
  - increase the budget for the Westway Enhancement Project from £1m to £1.592m.
- 1.5 The remainder of the additional £300k (circa £35k) is required to contribute towards design and supervision fees, and other in-house works costs.

## **2.0 Essential Enabling Infrastructure – Highways Improvement**

- 2.1 The Westway Enhancement Project is an enabling project to accommodate any planned changes on The Kingsway as reported to Cabinet in November, 2015. The original scope for Contract 1 sought to remove the dedicated bus lane and to enable buses to join general traffic lanes north of Clarence Terrace through the introduction of a landscaped gyratory island adjacent the bus station, simplifying the general layout and improving pedestrian crossing facilities.
- 2.2 Contract 1 included permanent changes within this immediate area, however the budget only enabled essential enabling temporary or 'interim' works to the upper section of Westway and Dillwyn Street, in preparation for any final scheme of works emerging as part of The Kingsway regeneration proposals.
- 2.3 Since Contract 1 was approved, CCS has received specialist consultancy advice on The Kingsway street-design by notable urban designers/movement specialists who are renowned in their field for progressive thinking on accessible environments. Both Ben Hamilton-Baillie Consultancy and The Urbanists advocate the creation of 'low-speed environments' which favours pedestrians and cyclists with wide footways.

- 2.4 In light of aspirations for The Kingsway, there is an opportunity to implement more permanent works north of the bus station along into Dillwyn Street which will link in with potential improvements to The Kingsway at a later date, through the creation of a low-speed environment with wider footways and road treatments to visually narrow the road (which has been shown to slow down vehicles). A proposals plan is contained within Appendix A of this report.
- 2.5 As referenced above, it was not possible to extend Contract 1 as works on this Framework are restricted to £1m. Therefore a new and separate contract (Contract 2) was awarded to SHP under delegated powers to the Director for Place for projects under £1m in consultation with the Head of Legal, Finance and Procurement for the area north of Singleton Street as highlighted in the plan in Appendix A of this report. Contract 1 & 2 are direct awards to SHP via a single supplier framework. Framework contractors were appointed in 2012 after a fully competitive tender procedure under OJEU Procurement Regulations was carried out by the Authority for an initial 2 year period with a 2 year extension. Whilst this extension period comes to an end at the end of August 2016, it is still compliant to award the works as the expiry date has not been met. A highly successful partnership exists with Alun Griffiths Contractors Limited, City & County of Swansea Construction Unit and Hanson that is capable of delivering the works.
- 2.6 The Swansea Highways Partnership contract contains a schedule of agreed rates and prices including those items that will form the Westway Reconfiguration works. A fixed tender price has been agreed with the framework contractor within the time frame for delivery of the scheme, in consultation with the client. The SHP has the necessary experience to deliver the works having completed similar schemes for the CCS Highways & Transportation.
- 2.7 This second contract will include works items north of Singleton Street originally included as temporary works within the first contract. The difference being that Contract 2 will now deliver a new permanent solution not envisaged prior to consultancy advice, and prior to the Contract 1 being presented to Cabinet for approval in November, 2015. The additional funding had also not been identified at that time. The permanent solution means that the 'temporary' or 'interim' works originally planned will not need to be revisited at a future date and this will tie-in with changes envisaged on The Kingsway at its junction with Dillwyn Street.

### **3.0 Financial Implications**

- 3.1 Appendix B details the financial implications. For Contract 1, the VVP budget under the Essential Enabling Infrastructure element totals £1m, with £150k already expended in 2015/6 and £850k allocated for 2016/17 with CCS match-funding this with its own resources of £292k. Contract 2 value of £265,410 (£300k including fees) will be entirely CCS funded and expended in 2016/17.
- 3.2 The VVP funding must be defrayed in the respective years allocated or the funding will be lost – this is well within the project completion programme of Autumn, 2016. There is no provision for carry forward of the grant. There are no additional revenue implications - the project has been designed in consultation with respective operational sections, including Parks and Streetscene.

### **4.0 Legal Implications**

- 4.1 The Council will need to comply with the terms and conditions attached to any grant funding. All contracts for works, goods and services necessary to deliver the projects must be procured in accordance with the Council's Contract Procedure Rules and the relevant EU Regulations as appropriate. The contractual liabilities/obligations of the Council and any appointed contractors will be covered by the individual contracts entered into.
- 4.2 All statutory consents will be the responsibility of the Economic Regeneration and Planning Department as project client, working closely with Highways and Transportation to deliver the project.

### **5.0 Equality and Engagement Implications.**

- 5.1 An initial Equalities Impact Assessment Screening has been undertaken and this indicates an Equalities Impact Assessment will be required to inform the development of scheme guidance. Consultation with access representatives took place during the design stage and prior to construction starting on Contract 1, and regular stakeholder updates continue through the life of the project with regular project e-mails at critical milestones.

**Background Papers:** None.

**Appendices:** Appendix A - Proposals Plan  
Appendix B - Financial Implications Summary

# Appendix A – Proposals Plan

Contract 2

Contract 1



## Appendix B

FPR 7					Appendix B
<b><u>FINANCIAL IMPLICATIONS : SUMMARY</u></b>					
Portfolio:	REGENERATION				
Service :	CITY CENTRE				
Scheme :	ESSENTIAL ENABLING INFRASTRUCTURE				
<b><u>1. CAPITAL COSTS</u></b>			<b>2015/16</b>	<b>2016/17</b>	<b>TOTAL</b>
			<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<u>Expenditure</u>					
Capital works:			150	1,442	1,592
Westway phase 2 highway works			150	1,442	1,592
<b>EXPENDITURE</b>			<b>150</b>	<b>1,442</b>	<b>1,592</b>
<u>Financing</u>					
WG V&VP grant			150	850	1,000
CCS funding – contract 1				292	292
CCS funding – contract 2				300	300
<b>FINANCING</b>			<b>150</b>	<b>1,442</b>	<b>1,592</b>
<b><u>2. REVENUE COSTS</u></b>			<b>2015/16</b>	<b>2016/17</b>	<b>FULL YEAR</b>
			<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<u>Service Controlled - Expenditure</u>					
					0
Employees )					0
Maintenance )					0
Equipment )					0
Administration )					0
<b>NET EXPENDITURE</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>