REPORT 13 – DELIVERY CAPABILITY STATEMENT

Cornwall Strategic Economic Plan
Growth Deal Infrastructure Project Delivery

Deliverability Capability Statement

Document Ref: SEP- DCS Rev 0.3

Prepared by
Transportation Service
Environment Directorate
Cornwall Council
County Hall, Truro, Cornwall, TR1 3AY

Issue and Revision Record

<table>
<thead>
<tr>
<th>Revision</th>
<th>Date</th>
<th>Originator</th>
<th>Purpose of Issue/Nature of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>5 March 2014</td>
<td>P J Swain</td>
<td>Draft for comment</td>
</tr>
<tr>
<td>0.1</td>
<td>6 March 2014</td>
<td>P J Swain</td>
<td>Incorporate additions from J Boex, H Harris, and A Roche.</td>
</tr>
<tr>
<td>0.2</td>
<td>17 March 2014</td>
<td>P J Swain</td>
<td>Section 2 strengthened</td>
</tr>
<tr>
<td>0.3</td>
<td>24 Mar 2014</td>
<td>P J Swain</td>
<td>Updated and Appendix 1 added</td>
</tr>
</tbody>
</table>

This document has been prepared for the titled project or named part thereof and should not be relied upon or used for any other project without an independent check being carried out as to its suitability and prior written authority of Cornwall Council being obtained. Cornwall Council accepts no responsibility or liability for the consequences of this document being used for a purpose other than the purposes for which it was commissioned. Any person using or relying on the document for such other purposes agrees, and will by such use or reliance be taken to confirm his agreement to indemnify Cornwall Council for all loss or damage resulting therefrom. Cornwall Council accepts no responsibility or liability for this document to any party other than the person by whom it was commissioned.
Contents

Deliverability Capability Statement

1.0 Purpose of Document

2.0 Delivery Capability Summary

3.0 Chiverton Cross Roundabout, A30 trunk road

4.0 Camborne-Pool-Redruth Regeneration Projects

5.0 Tamar Bridge Strengthening and Widening

6.0 A30 Temple to Higher Carblake

7.0 Falmouth Branch Line Rail Passing Loop - Penryn Station

8.0 Probus to Burngullow Mainline dualling

9.0 Coosebean Greenway, Truro

10.0 Conclusion

Appendix 1 – Capabilities of CORMAC Solutions Ltd and CORMAC Contracting Ltd
1. **Purpose of Document**

1.1. This document has been developed in order to provide assurance to the Departments for Business Innovation and Skills, and Communities and Local Government, regarding the capability of the Cornwall and Isles of Scilly Local Enterprise Partnership to deliver a programme of projects under the Growth Deal Initiative through Cornwall Council.

2. **Delivery Capability Summary**

2.1. Cornwall Council has a record of delivery of a wide range of major projects working with internal and external stakeholders over many years. Under the Corporate Director of Environment, the authority has a client based commissioning unit, the Transportation Service, which takes overall responsibility for scheme delivery and leads the development of bids and partnership working with stakeholders. The unit commissions project management, preparation, design, and construction of projects through a number of providers, both in-house and external.

2.2. The Council runs an in-house Arms Length Company, Cormac Solutions, which undertakes project management roles to provide scheme preparation and development, with Project Managers reporting to Project Boards under PRINCE2 procedures and processes. Project Executive and SRO roles are held by staff from the Transportation Service, and representatives from key stakeholders hold senior user roles on Project Boards. These Governance arrangements are separately described in 'Report 14 – Project Governance'.

2.3. Cormac Solutions is in a strong position to provide project design and preparation services with an experienced team used to undertaking such work. In addition Cormac Solutions has an existing contract in place with consultant Parsons Brinckerhoff to provide assistance for the full range of transportation related project consultancy services including feasibility studies, traffic modelling, project management services, design and contract preparation, economic studies, and environmental studies. Parsons Brinckerhoff is a nationally and internationally recognised consultant with a large pool of resources that can be called upon if required. The existing term contract with Parsons Brinckerhoff was awarded in 2013 and runs to 2017.

2.4. The Council's established Democratic and Legal Services department is well acquainted with the necessary procedures to deliver legal agreements in a timely fashion to enable fast tracked projects to be delivered efficiently, and its Estates Management section undertakes valuation services to enable speedy agreement of land and compensation assessments.

2.5. Cormac Solutions Ltd is established as a 'Teckal Exempt' organisation so construction work can be passported directly to them for projects under the EU tendering Threshold. Such work is carried out under a term contract with Cormac Solutions at rates that have been competitively tendered for and market tested.

2.6. Alternatively, the Council takes schemes through full EU compliant tender processes and another council owned company, Cormac Contracting Ltd, has a strong track record in submitting competitive tenders and achieving
successful delivery through this procedure. A detailed assessment of the capabilities of Cormac Solutions Ltd and Cormac Contracting Ltd is provided at Appendix 1.

2.7. The Council has recently awarded a Framework Contract for Major Capital Projects for works up to £50m in value. Hence the Council is able to award major projects to a framework panel contractor following a mini-tender exercise which cuts down the procurement timescales and costs for such works. There is no need to go through EU PIN Notice and short listing procedures as these have already been completed in setting up the framework.

2.8. However, if necessary, the Council is also experienced in taking projects through the full OJEU contract procedures if this is deemed necessary.

2.9. The Council runs a Procurement Assurance Service staffed by independent officers, to provide assurance and guidance that proper contract procedures are followed and best value is obtained.

2.10. Cornwall Council is particularly experienced in delivering transportation projects in partnership with external stakeholders to constrained time and cost limits. Partnerships have been forged with the Highways Agency, Network Rail and First Great Western, Royal Cornwall Hospitals Trust, Sustrans, the Tamar Bridge and Torpoint Ferry Joint Committee, Newquay Cornwall Airport, and the Isles of Scilly Council to develop and deliver projects across all modes of transport – road, rail, sea, and air.

2.11. The following are some recent examples of such partnership working:

3. Chiverton Cross Roundabout, A30 trunk road

3.1. The Chiverton Cross roundabout is located on the A30 Trunk Road northwest of Truro at a junction with the A390, A3075, and B3277 county routes. It was regularly the site of extensive queues causing delays and poor journey time reliability, especially during the morning and afternoon peak periods. The junction was considered to be a constraint on economic growth and development in mid and west Cornwall, not least in the regeneration area of Camborne-Pool-Redruth where 6000 homes and 6000 new jobs were planned to address economic decline. Lack of capacity was holding up approvals for development projects.

3.2. Although this junction lies on the trunk road, in 2009 Cornwall Council took the opportunity to develop a scheme to improve the junction by working in partnership with the Highways Agency, and to seek a funding contribution from the Government’s Community Infrastructure Fund (CIF)

3.3. Cornwall Council developed the models and layouts, with the support of the Highways Agency, and was successful in a bid to the Homes and Communities Agency (HCA) of £3.85m to deliver the scheme. Part of the conditions of the CIF programme was that schemes had to be completed on the ground by the end of March 2011. Bearing in mind that the scheme
development was not commenced until 2009 this was a tight timeframe to prepare, procure, and deliver the scheme along with all the necessary third party approvals necessary.

3.4. The scheme was developed and delivered by the council’s in house design team and constructed by the Council’s in house contractor, CORMAC. Involving the addition of an additional circulatory lane, additional approach and departure lanes on the A30 legs, and the combining of two northern legs into a single access, the scheme was opened to traffic in February 2011, 4 weeks ahead of the deadline and delivered to budget.

3.5. Post opening studies have shown that the scheme has been successful in addressing the levels of congestion and bringing relief and time savings to travellers. Collision frequency, type and severity are shown to be typical of this form of junction and show that capacity improvements have been achieved without compromising safety for users.

3.6. The scheme required the Council to work very closely with the Highways Agency and the funders (through the Homes and Community Agency) as well as local residents, businesses, and travellers.

4. Camborne-Pool-Redruth Regeneration Projects

4.1. The Camborne-Pool-Redruth area of Cornwall suffers from a poor economy and widespread deprivation due to the collapse of the tin mining industry and its supply chain in the 20th century. Since 2003 a regeneration plan has been developed and partially implemented by various agencies working in partnership. Cornwall Council has worked with the regeneration partners and agencies including the Camborne-Pool-Redruth Regeneration Company, the District Council, the Highways Agency, the Regional Development Agency, and the Homes and Communities Agency, to deliver a number of important projects in the area.

4.2. This has included acting as Project Sponsor and accountable body, securing finance from central government, the European Regional Development Fund, Growth Point, and regeneration partners. Cornwall Council has managed the delivery of schemes to support the economic regeneration and enable housing and employment space development to progress. Much of this work has been achieved by making use of the Council’s internal expertise to design, procure, and build highway infrastructure projects to unlock development. In other cases the Council has employed its strategic design consultant partner, Parsons Brinckerhoff, and employed contractor Carillion on an Early Contractor Involvement (ECI) contract. Projects delivered include:

<table>
<thead>
<tr>
<th>Project</th>
<th>Value</th>
<th>Current Status</th>
<th>Key Project Partners with Cornwall Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR East West Link Road</td>
<td>£27m</td>
<td>Under Construction</td>
<td>DfT – Major Scheme Funding</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>ERDF – Convergence funding</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>CPR Regeneration Partners</td>
</tr>
<tr>
<td>Project Details</td>
<td>Cost (£m)</td>
<td>Completion Date</td>
<td>Funding Sources</td>
</tr>
<tr>
<td>----------------</td>
<td>-----------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Tolvaddon Business Park Spine Road</td>
<td>£3.8m</td>
<td>Completed 2012/13</td>
<td>ERDF – Convergence Funding, RDA – Funding partner, HCA – Development Promoter, Highways Agency - A30 junction</td>
</tr>
<tr>
<td>Trevenson Park South</td>
<td>£4.7m</td>
<td>Completed spring 2012</td>
<td>ERDF – Convergence Funding, HCA – Development Promoter, Heartlands Project - stakeholder</td>
</tr>
<tr>
<td>East Hill Junction and A30 link</td>
<td>£5.3m</td>
<td>Completed Spring 2010</td>
<td>HCA – forward funder and development promoter, Land and associated consents, Highways Agency – A30 junction interface, CPR Partners – multi-Agency approach</td>
</tr>
<tr>
<td>Barncoose Link Road</td>
<td>£3.6m</td>
<td>Completed Spring 2008</td>
<td>ERDF – Objective 1 Funding, Kerrier District Council</td>
</tr>
</tbody>
</table>

5. **Tamar Bridge Strengthening and Widening**

5.1. The Tamar Bridge is a private estuarial toll road crossing between Devon and Cornwall spanning the river Tamar. Comprising a single carriageway suspension bridge, the structure is managed by the Tamar Bridge and Torpoint Ferry Joint Committee which draws its membership from both Cornwall Council and Plymouth City Council. Cornwall Council provides the structural expertise to the Joint Committee and manages works of improvement, repair and maintenance.

5.2. In 199?? Cornwall County Council and Plymouth City Council worked together to develop and implement a scheme to widen the structure to cope with increasing traffic demand and to strengthen the structure to meet modern loading demands.

5.3. The chosen solution was to provide additional cable stays to supplement the existing suspension cables, to remove the existing concrete deck and to replace this with a composite steel deck widened to accommodate single traffic lane cantilevers on wither side of the structure.

5.4. This required the Council to commission and work with specialist bridge design consultants, and to develop and procure a contract with a specialist contractor using the NEC suite of contracts with a target cost and pain/gain
clauses.

5.5. The works were undertaken over an 18 month period whilst the bridge remained open and were completed in 2001. The project cost was £35m and funded from >>>>>>.

6. A30 Temple to Higher Carblake

6.1. The single carriageway section of the A30 trunk road at Temple, on Bodmin Moor, is a key constraint on this important route from the M5 to the south west. The Highways Agency had prepared a scheme to improve the length to dual carriageway standards, estimated to cost some £130m, but due to road programme cutbacks the scheme was removed from the Highways Agency programme in 2006.

6.2. Recognising the importance of the scheme to the Cornish economy, Cornwall Council entered into dialogue with the Highways Agency and the Government and offered to deliver the scheme on behalf of the Highways Agency and to partially fund the project. A rigorous assessment of the scheme by the Council led to an alternative alignment proposal and project scope amendment that could provide a scheme at an estimated cost of £60m. As a consequence, in 2010 the Government asked the Council to develop the proposals further. This resulted in funding contributions of £30m being allocated to the scheme by the Department for Transport with the remaining funds being raised locally by Cornwall Council, including through bids for convergence funding from the ERDF.

6.3. Cornwall Council is working in close partnership with the Department for Transport, Highways Agency, and local stakeholders to deliver the project on site in 2015. A public examination of the proposals under the National Significant Infrastructure Project procedures is underway with completion scheduled for the summer of 2014, and construction is expected to commence in spring 2015. Construction completion is programmed for late 2016.

6.4. To secure funding and deliver a scheme of this complexity, on a network managed by the Highways Agency, and achieve works start within just 5 years will be a major success story and a clear demonstration of the Council's ability to manage major, multi agency projects.

7. Falmouth Branch Line Rail Passing Loop- Penryn Station

7.1. The Truro to Falmouth branch line, the Maritime Branch, connects the Port of Falmouth with Truro, the administrative centre of Cornwall. It generally comprised a single track line which restricted the frequency of services able to use the route. Recognising this as a constraint on both the accessibility of Falmouth and also the consequential reliability on car transport between Truro and Falmouth, especially for commuters, Cornwall Council worked in partnership with Network Rail to develop a proposal for a passing loop at Penryn Station. The project benefited from the contribution of £4.67m ERDF Convergence funding support.
7.2. The completion of the passing loop at Penryn Station has enabled the frequency of trains on the Maritime Branch line to become a half hourly service. The provision of an additional carriage has also supported the rise in passenger numbers 63.4% between 2009 and 2012. Passenger numbers are now in the excess of 600,000 per year which is significantly higher than the pre-scheme figures of 260,000 per year. This scheme involved multiple-agency working between Cornwall Council, Network Rail and First Great Western resulting in the project being delivered on time and within budget. The Maritime Branch service is fully commercial and has witnessed amongst the highest rate of growth in passengers numbers across the country.

8. **Probus to Burngullow Mainline dualling**

8.1. Through the Objective One Connecting Cornwall Transport Taskforce (a partnership of private and public bodies with an interest in improving communications in Cornwall and established in 2000), improvements to the mainline railway between Truro and St Austell were identified as a priority. A £14m scheme to restore 7.5 miles of double track was developed in order to remove a single track bottleneck which caused train delays across the south west rail network and limited the frequency of services.

8.2. Without the championing of the scheme by Cornwall County Council, it is unlikely that the project would have progressed at that time. CCC led the bid to secure funding and commitments from other partners including the Strategic Rail Authority (SRA), Network Rail, the Objective One Programme for Cornwall and the Isles of Scilly, and Government Office for the South West, and train operators Wessex Trains, First Great Western and Virgin Cross Country.

8.3. The scheme was completed in late 2004. Upon completion of the scheme, David Quarmby, Chairman of the Strategic Rail Authority, said: "This project shows that when the rail industry and regional bodies get their heads together, we can find ways of making significant improvements for passengers, in a short timeframe, and within a sensible budget. This is a true success story for the West Country".

8.4. Cornwall Council was the accountable body and commissioning authority through back to back agreements with the SRA and Network Rail and delivery contractors. The project involved close co-operation and partnership working at all levels from boardroom to workplace, and with the funders Objective One and the Rail Passenger Partnership Programme.

9. **Coosebean Greenway, Truro**

9.1. The Coosebean Greenway is a cycle and pedestrian commuter link within Truro, approximately 1.3km in length and providing an off road route linking St George’s Road with Coosebean Lane, Malabar Road and Treliske Lane. It gives cyclists a safe alternative to using the busy A390 to the west of the city, and provides pedestrians with a scenic walk through the countryside behind Malabar. The path also links with Malabar Road giving nearby residents off-road access to the city centre including existing and proposed employment and retail space.
9.2. Costing around £930,000, the project received funding support from Cornwall Council’s Local Transport Plan, the European Regional Development Fund, Growth Point Funding, and the Department for Transport’s Linking Communities fund, administered by Sustrans.

9.3. The works were procured through an open tendering process and constructed by Cormac Contracting Ltd in 2012.

9.4. Project management and delivery of the project required extensive consultation and partnership working with many stakeholders, including Sustrans, Environmental consultants, local resident groups, and the Royal Cornwall Hospitals Trust Bicycle Users Group. Partnership working with the funding bodies was also paramount in achieving a successful outcome.

9.5. The project represents a significant step towards providing a better environment and safer access for cyclists and pedestrians between Truro City Centre and areas where there is high demand for access to work and education. Reducing traffic congestion along the A390 Hightown corridor is contributing to carbon reduction and improved air quality.

10. Conclusion

10.1. As has been demonstrated above, the Council has a good track record in developing fruitful relationships and working with partners to deliver projects within constrained limits – be they financial, time, or quality driven. The Council has the staff and resources to drive forward projects, and a proactive approach to ensure successful outcomes. Whether working with national agencies such as Network Rail, the Highways Agency, and Train Operating Companies, funding bodies such as the Department for Transport, ERDF (through DCLG), and the Homes and Communities Agency, or with local stakeholders, the Council is in a strong position to ensure delivery on time and to budget.
Appendix 1

Capabilities of CORMAC Solutions and CORMAC Contracting Ltd

CORMAC operate two companies which play separate roles in the delivery of highway and transportation infrastructure in Cornwall:

- **CORMAC Solutions Ltd (CSL)** is a Cornwall Council owned company which operates under the Teckal exemption and delivers services to the Council through Value for Money assessment as opposed to market competition and testing. This provides great flexibility for the council, reduces procurement lead times and reduces client and contractual risks.

- **CORMAC Contracting Ltd (CCL)** is also a Cornwall Council owned company which trades under S95 of the Local Government Act. This company was established with a commercial motive and to bid for both public and private sector contracts. CCL are currently approved on Lot 1 (<£1m projects) and Lot 2 (>£1m projects) of the Council’s Civil Engineering Capital Framework, which expires in January 2016.

**CORMAC’s Contracting Business Division** operates across both companies and a co-operation Agreement between the companies enables CSL to provide CCL with resources on a commercial basis.

Across both companies the Contracting Business Division employs in the region of 90 multi skilled operatives and 60 management/supervisory, commercial and administrative staff. Recent investment in re-establishing our directly employed workforce has been made to counter the impacts of construction industry growth on our supply chain and to enable us to play an important role in providing the transportation infrastructure to enable economic development in Cornwall. Our directly employed teams are supported by:

- a strategic partnership with Job Line recruitment agency, to recruit and provide temporary employees
- a rationalised supply chain containing the specialist suppliers and subcontractors required for the construction of highway infrastructure, including key relationships with six locally based groundworks subcontractors
- CORMAC’s surfacing teams – in 2014-15 CORMAC will be operating a fleet of 5 paving machines
- Supply of aggregates and asphalt from our quarry in west Cornwall
- Access to a further 300 operatives form within CORMAC’s Highways & Environment Business Division

The Contacting Business Division maintains a detailed projects pipeline for 2014/15 and 2015/16+, which helps us to track future opportunities for both CCL and CSL and to assist us in making informed resourcing, partnership and supply chain development decisions. We have identified the SEP as an important source of information when establishing our pipeline and have identified amongst others:

- Local Development Projects including Truro, Bodmin, Falmouth and Newquay Transport Packages including various developer funded infrastructure elements
- Rail Projects including WCTI
- Strategic Highway Projects such as A30 Temple and A30 St Erth and A38 Carkeel, and A30 Carland to Chiverton
- Infrastructure required for the development of Bus networks and services

A key business focus is for CORMAC (whether operating as CSL or CCL) is to develop a high quality Design and Construction offering for either two stage or single stage procurement. We feel this can provide our clients with added value through a contractor led design including reduced design fees and higher levels of price certainty. With the contractor taking the risk for the design contract administration can be leaner for clients who don't have designer/contractor interfaces to manage. Enablers for this includes identification/development/recruitment of suitable Project Managers, staff engagement and development of a cohesive team culture across our internal design and construction teams, identification of design partners to provide specialist service and the expectation that the Council will let more contracts on a Design and Construct basis.

In summary, the use of the in-house companies where possible has strengthened Cornwall Council's ability to deliver infrastructure projects economically and efficiently providing best value for clients and funders alike.