Mott Macdonald Bentley would like to respond to the CMA – Elsham Scheme Working Paper.

Mott MacDonald Bentley are part of a Strategic Pipeline Alliance (SPA), procured by Anglian Water following best practice 'Project 13' principles for infrastructure delivery developed by the Institution of Civil Engineers and other industry leaders. This Alliance is fully mobilised and delivering the AMP7 inter-connector programme.

There are many technical and commercial challenges in delivering this programme that require significant investment of time in the project development stage. Engaging with third party stakeholders and obtaining necessary approvals, such as Network Rail's Basic Asset Protection Agreement (BAPA) process is just one example. This project development stage could commence more quickly if the transfer and storage elements of the Elsham scheme were delivered through SPA than if they were delivered through a DPC route because of the lengthy procurement timescales attached to DPC. We understand there could be up to 6 rail crossings which may be required as part of the pipeline route and in our experience the BAPA process can take anywhere between 9 months and 3 years which would increase the programme risk significantly if this process would have to commence after going through the DPC procurement.

DPC is new to the market and presents new challenges to capable delivery organisations like Mott MacDonald Bentley, as well as to our clients. The potential onerous terms and conditions that may be passed down and the bid costs, requirements and timescales of participating in the process are a concern.

If we were to engage with the DPC process we would do so in the expectation that Anglian Water's procurement timescales might over-run. Removing the transfer and storage elements at a pre-described control point mid-way through the DPC process would also likely introduce scheme delay compared to delivery through SPA. In conclusion, removing these elements from DPC provides a delivery route with the greatest time allowances for scheme development and delivery and therefore appears to reduce the water resource risk to customers by the greatest amount.

The uncertainty surrounding the scope of the DPC, (a public matter that cannot be 'undone', and particularly bearing in mind the industry leading alternative procurement route of SPA), would be a significant factor in our decision to engage or not with the DPC scheme. From a contractor's perspective, DPC procurement will be novel, complex and expensive and any doubt that the procurement might not run its full course (or be partially descoped half-way through) would be a strong reason for not engaging from the outset. If the DPC scope includes all the transfer and storage elements as well as the treatment works, the bid risk and cost vs potential reward, especially given the programme and scope constraints, makes it unappealing as a stand-alone DPC opportunity.

Regards,

Sally Russell MMB Business Development Excellence & Digital



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