

CONNECT A50 DBFO ROAD

Introduction

Balfour Beatty has acted as co-promoter/developer of and 100% investor in Connect, the Concessionaire awarded the 30-year Design, Build, Finance and Operate (“DBFO”) Contract by the UK Secretary of State for Transport to construct the A50/A564 Stoke to Derby Road (the “Project”). The Project reached Financial Close in May 1996 and the Certificate of Completion was awarded in March 1998.

The initial objectives of the Project, to increase the traffic capacity of the road to cater for predicted traffic growth, to improve road safety and enhance the environment of Doveridge, in Derbyshire, by removing through traffic from the village, have been achieved.

Project Description

Connect has constructed and now maintains an 8km long bypass around the village of Doveridge in addition to maintaining the remainder of the route between Blythe Bridge near Stoke-on-Trent and the Sawley Interchange near Derby. The total length of the Project is 57km of dual 2 or 3 lane highway. It provides a strategic west-east connection between the M6 and M1 motorways and, for longer distance traffic, forms an alternative to the congested M6 motorway through Birmingham.

On behalf of Connect, a construction joint venture (CJV), in which Balfour Beatty has a 50% interest, completed the construction work and did so ahead of programme. Connect is now responsible for operating and maintaining the road.



Contractual Arrangements

The DBFO Contract between Connect and the Secretary of State is the principal Project Agreement and sets out the obligations of both parties in relation to the Project. Under a Construction CJV Contract between Connect and the CJV, the CJV assumed all design and construction related obligations contained within the DBFO Contract and was responsible for the management and obligations of construction sub-contractors. There is also a Loan Facilities Agreement with three arranging banks.

Under the terms of the DBFO Contract, Connect is responsible for the major life cycle maintenance of the Project including full replacement of worn out elements. These responsibilities are co-ordinated by an Operations and Maintenance Unit within Connect.