

15 May 2013

Skanska MWH Balfour Beatty joint venture named design and build partner for Thames Water AMP6 ‘super alliance’

SMB, the joint venture between Skanska, MWH Global and Balfour Beatty, has been selected to deliver one of the largest and most varied water infrastructure improvement programmes in the UK.

The joint venture will be providing design-and-build solutions for the development and delivery of Thames Water’s £2billion to £3billion AMP6 programme in a ‘super alliance’ of industry-leading organisations.

The contract is worth in the region of £1billion to £1.5billion to the joint venture, shared equally between the three companies. It will begin in May 2013 with the 23-month Early Contractor Involvement (ECI) phase, in preparation for the start of AMP6 delivery, running from April 2015 to March 2020.

The move reflects Thames Water’s decision to confirm its partners two years before the next five year regulatory period, transforming the way it delivers capital investment. It enables a sustained period of collaboration with early involvement of SMB helping define how works are delivered and drive best use of innovation to achieve efficiency gains and reduce costs.

Peter Jones, Alliance Board representative for the joint venture and Skanska’s Managing Director, Utilities, said:

“All three of the joint venture partners bring industry-leading experience and best practice to the contract, offering balanced capabilities across the portfolio of work for Thames Water.

“In winning this contract, we have shown we not only meet all the technical requirements, but also have the collaborative team dynamic to deliver the best solutions, working alongside the rest of the alliance members and with a range of stakeholders. We have put forward a really strong team to deliver this important contract.”

The SMB joint venture has significant experience and complementary skills, including design services and construction expertise. Together the joint venture has a track record of assured delivery across multiple sectors and world class alliance experience. This includes delivery of complex projects in London where SMB is able to meet the unique challenges of working in the capital.

Colin Kelly, JV Director and Managing Director of Balfour Beatty – Gas & Water, commented:

“We’re very pleased to be an integral part of Thames Water’s AMP6 plans, especially as this is a completely new approach to its capital investment. SMB will bring great leadership, people, processes and systems to successfully deliver this important programme of work, ensuring the resilience of London’s water assets for future generations.

“SMB has the capability to work on both infrastructure and non-infrastructure water assets, across clean and waste water networks; a range of capabilities that will be vital to the alliance.”

Using its industry experience, SMB will work to develop an injury-free environment, drive out waste and promote a sustainable procurement strategy, focusing on whole-life costing. This will include making best use of the ECI phase to produce the delivery plan. The plan will optimise the benefits of standardisation and establish a method for resource scheduling that will achieve programme efficiencies while minimising energy consumption.

During the delivery phase SMB will use its award winning sustainability expertise to deliver lowest capital and operating cost solutions. The JV team will draw on the sustainability experiences of each of its partners, using BIM technology to bring whole-life costing and carbon foot-printing considerations to every project and programme option.

John Abraham, JV Director and Managing Director MWH Treatment, said:

“Culture and collaboration is key to the Alliance. We will innovate and work together with our partners and the whole supply chain to ensure that we provide affordable and sustainable solutions for the region, delivering on Thames Water’s commitment to always provide safe and reliable water and sewerage services. We are totally committed to improving service to Thames Water customers.”

The contract was signed on Tuesday 14 May by Thames Water and the SMB JV.

Ends.

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