

**CEO DECISION – CD 163**

**Title: Good Growth Fund – Construction Delivery Consultancy Services**

**Executive summary**

OPDC secured £1,950,004 in capital funding through the London Mayor's Good Growth Round 1 and Round 2 Fund to deliver a series of public realm improvements around Willesden Junction Station and along the Grand Union Canal. The projects are at their final stages of design and OPDC is mobilising to get these projects on site.

This decision seeks approval for expenditure of up to £135,000 from the Good Growth Round 1 and Round 2 Fund for project management, contract administration and quantity surveyor consultancy services to work across the three main capital projects. A proportion will also be allocated to design services to complete the RIBA Stage 4 design on Willesden Junction Station.

This approval is within the planned expenditure and existing delegation, as approved by Board in March and September 2019, for Good Growth 1 and 2 grants. The decisions approved that are in relation to the Good Growth projects thus far are; CD097, CD136, CD128 and CD147. A further decision(s) will be required to draw down authority for construction.

**Decision**

That the Chief Executive Officer approves:

- i. Expenditure up to £110,000 from Good Growth Round 1 and 2 budgets for consultancy services to:
  - prepare tender and financial documentation for contractor procurement, and assist with evaluation for contractor selection and appointment
  - contract administration of the construction contract, including certifying and managing contractor payments.
- ii. Expenditure of up to £25,000 from the Good Growth Round 1 budget to pay 5<sup>th</sup> Studio to:
  - prepare the RIBA Stage 4 design for the Willesden Junction Station public realm project.

This will bring the total value of the 5<sup>th</sup> Studio contract to £157,676.50.

**Chief Executive Officer**

I do not have any disclosable interest in the proposed Decision. It is consistent with OPDC's priorities and has my approval.

**Signature:**



**Date:** 22/07/2021

## PART 1: NON-CONFIDENTIAL FACTS AND ADVICE

### 1. Background and context

- 1.1 OPDC secured £1,950,004 in capital funding through the London Mayor's Good Growth Round 1 and Round 2 Fund to deliver a series of public realm improvements around Willesden Junction Station and along the Grand Union Canal. The projects are at their final stages of design and OPDC is mobilising to get these projects on site.
- 1.2 This decision relates to delivery of the three main OPDC Good Growth projects that are funded by grants from the GLA's Good Growth Funds Round 1 and 2:
  - Public realm improvements to Willesden Junction Station (Good Growth Round 1). This will involve new planting, a new noticeboard, consolidation of street furniture, wayfinding and repainting of fencing.
  - Rebuilding the Old Oak Lane towpath access, including new planting also (Good Growth Round 2).
  - Community facilities and public realm improvements at Harlesden Canalside (Good Growth Round 2). This will include providing utilities, storage, planting, shelter and hard surfacing.
- 1.3 The total budget for these projects is just under £2m in capital funding. OPDC's Board approved receipt and expenditure of the funding in March and September 2019 for Rounds 1 and 2 respectively. In both cases, detailed expenditure approvals were delegated to the CEO. The decisions that have been approved for the Good Growth projects thus far are CD097, CD136, CD128 and CD147.
- 1.4 Coordinated design work for all three projects have been progressing under existing approvals (CD097, CD136, CD128 and CD147). Design work for Willesden Junction Station and the Old Oak Lane towpath projects is now progressing through RIBA Stage 4; and Harlesden Canalside is working through an accelerated design programme.
- 1.5 Approval is now being sought for £110,000 of consultancy services spend to help bring these three projects to delivery. An additional £25,000 of expenditure is sought in respect of the Willesden Junction Station project to complete their RIBA Stage 4 design. This is further to CD136.

### 2. The proposal and how it will be delivered.

- 2.1 The chosen consultant will support OPDC in procuring a construction contractor to deliver the Good Growth projects, manage the process of getting the projects on site and thereafter ensure construction is delivered to cost, programme and a high quality. Their activities will include:

#### *Pre-contract stage*

- Advising on contractor procurement strategy
- Preparing tender documentation for contractor procurement
- Evaluating tenders

- Submitting and obtaining all third-party approvals, from landowners such as Network Rail and Canal and Rivers Trust

#### *Post-Contract*

- Administering the construction contract and certifying interim contractor payments.
- 2.2 It has been advised by Transport for London (TfL) procurement that a consultant is required to prepare the contractor procurement strategy and prepare the tender documents due to the specialist technical knowledge required for construction contracts and TfL's current capacity. TfL procurement will still be involved throughout the procurement process, ensuring that OPDC policies and standard documents are used. The consultant will be required to work with TfL procurement to publish the documents on the e-tendering portal.
  - 2.3 The consultant will be appointed through TfL's Professional Services Framework Project & Programme Management Services, and the procurement process will be managed by TfL's procurement team.
  - 2.4 The procurement strategy for the construction contractor services to deliver the three Good Growth projects is for a single contractor to be appointed through a Design and Build Contract to undertake the construction of all three schemes. It will, however, be part of the consultant's brief to review and advise on this procurement strategy, including how the works are best packaged to deliver value for money. Once the contractor procurement strategy is agreed, and OPDC has a pre-tender estimate of the value of the works, a further decision will be brought forward to approve the construction expenditure from the Good Growth Funds.
  - 2.5 The budget for the consultant's services is up to £110,000, from Good Growth Round 1 and 2 budgets.
  - 2.6 £40,000 of the fees will be apportioned to Round 1 and £70,000 will be apportioned to Round 2. This is based on the fees being allocated pro rata towards the estimated construction budget for each project. Any changes to this will be confirmed with the Grant Funder and the Chief Finance Officer.
  - 2.7 The remaining technical design for Willesden Junction Station will be completed by 5th Studio, which was appointed further to CD136. This expenditure will allow the consultants to complete RIBA Stage 4 design. The expenditure for this element will be up to £25,000 and will be expenditure from Good Growth Round 1. This further expenditure will take the total spend on the commission to £157,676.50.
  - 2.8 The £25,000 is required for services to develop the RIBA Stage 4 design to a complete level, whereas the original scope accounted for a RIBA Stage 3+ design. Overall costs have also been more than expected due to changes in the designs and delays due to Covid-19. OPDC will enter into a contract variation with 5<sup>th</sup> Studio with the support of TfL procurement and will be in line with OPDC's Contracts and Funding Code.

### **3. Objectives and expected outcomes**

- 3.1 The overarching objectives of the Good Growth projects are to:
  - Deliver everyday improvements and opportunities with and for local people that demonstrate OPDC activity in the area.

- Engage and empower communities through best practice community engagement.
- Grow initiatives which will shape successful places.
- Celebrate and promote what makes Old Oak and Park Royal special.

3.2 The appointment of a consultant and associated expenditure will support those objectives by providing technical knowledge and resource to deliver the tasks listed below and through these tasks help deliver the three projects to time, cost and quality.

- Prepare the contractor procurement strategy, based on their expertise of construction contracts, procurement routes and knowledge of the current construction market.
- Coordinate with project teams to prepare the tender documentation for contractor procurement, including the contractor pricing document.
- Undertake pre-tender estimates for all projects, ahead of going to market for a contractor.
- Evaluate tender returns to ensure OPDC makes the best selection of contractor(s).
- Assess the contractor's prices and value for money.
- Undertake contract administration during the construction phase, including managing any change.
- Process and manage all payments to the contractor.
- Prepare all contract documentation and agree terms with the contractor. TfL Legal will be engaged in the likelihood that any terms need to be negotiated.

3.3 The decision to appoint a consultant to undertake these tasks is due to OPDC's current resourcing, as well as per Royal Institute of Chartered Surveyors (RICS) guidance, outlining that it is best practice that the contract administration role should be independent as they must act impartially when making decisions. As well as this, OPDC does not currently have in house quantity surveyor expertise to prepare the pricing documents, as part of the tender documents, assess the contractors' prices or undertake inspections and manage contractor payments.

3.4 The outcomes delivered through the projects, are also as per the outcomes committed to in GLA the funding agreement are below:

### Round 1

| Qualitative measures                                        | Target                                        |
|-------------------------------------------------------------|-----------------------------------------------|
| Increased satisfaction with local area for different groups | 10%                                           |
| Increase in visitor satisfaction                            | 10%                                           |
| Quality of design                                           | Qualitative feedback from Design Review Panel |
| Quantitative measures                                       | Target                                        |
| Number of people who participate in projects                | 100                                           |

|                                                            |           |
|------------------------------------------------------------|-----------|
| Area of public realm improvements                          | 3,000 m2  |
| Area of improved green space                               | 10,000 m2 |
| Area of new green cover created                            | 140 m2    |
| Signage/noticeboard/ gateway features provided or improved | 10        |
| Heritage Assets improved                                   | 2         |
| Number of trees planted                                    | 8         |

## Round 2

| Qualitative measures                                    | Target                                        |
|---------------------------------------------------------|-----------------------------------------------|
| Quality of design                                       | Qualitative feedback from Design Review Panel |
| Perception of improvement of canal                      | 25% increase                                  |
| Perception of improvement of area for business          | 20% increase                                  |
| Quantitative measures                                   | Target                                        |
| Number of people who participate/use completed projects | 1,000 per year                                |
| Number of volunteering opportunities created            | 300                                           |
| Area of public realm improved                           | 3,000 m2                                      |
| Increase in footfall on towpath                         | 50%                                           |
| Signage/gateway features new or improved                | 5                                             |
| Workspace created                                       | 75 m2                                         |
| Number of people accessing cultural events              | 150 per year                                  |

The OPDC KPIs for this programme are as below:

|                                               |     |
|-----------------------------------------------|-----|
| Number of community engagement events         | 35  |
| Number of people who participate in a project | 150 |

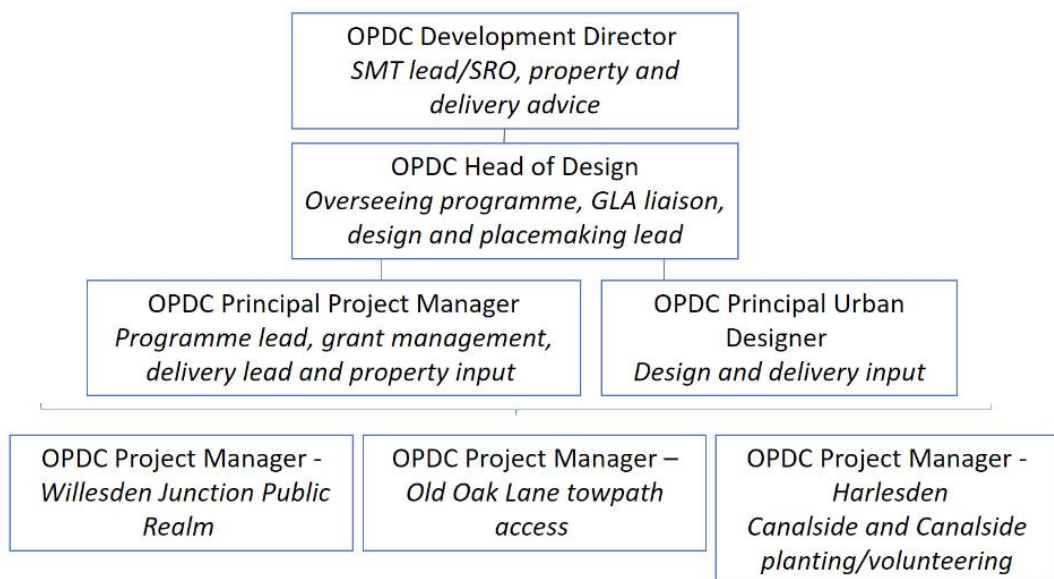
## 4. Strategic Fit

- 4.1 The projects form part of OPDC's 'In the Making' initiative and will meet grant obligations under our two Good Growth Fund awards.

- 4.2 These projects, alongside our Great Place Scheme, are delivering creative projects and activities benefiting local communities cross Old Oak and Park Royal in the next one to five years. The In the Making capital projects form part of the OPDC's wider delivery and delivery strategy to make early changes in advance of longer-term regeneration work.
- 4.3 The projects also align with London Recovery Missions, including:
- Strong Communities, through creating volunteering opportunities, creating community networks and building capacity.
  - A Green New Deal, through making the OPDC area greener.
  - Young People, through creating activities and engaging young people through the life of the projects.

## 5. Project governance and assurance

- 5.1 The chart below shows how the OPDC team is organised to deliver this programme of work. The consultant will work with the Principal Project Manager and Principal Urban Designer on a day-to-day basis. The Senior Responsible Officer is the Development Director.



- 5.2 The contract will be a call off contract through TfL's Professional Services Framework for Project & Programme Management Services. The contract will include the scope of services for the consultant and will be agreed with the consultant during the contracting period.
- 5.3 The consultant will be required to prepare a Project Execution Plan to outline how they will undertake the scope of services and outline roles and responsibilities.

## *Risks and issues*

| Risk                                                     | Mitigation                                                                                                                                                                                                                   |
|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| There is a risk that poor quality tenders are submitted. | Clear scope of services and brief compiled.<br>Using TfL's framework for pre-qualified consultants.<br><br>The three projects have been packaged as a compiled work programme to encourage more bidders to submit responses. |
| There is a risk that tender prices come in over budget.  | The projects will be costed, based on RIBA Stage 4 designs, by the quantity surveyor ahead of the ITT being submitted.<br><br>A single tender is being issued to provide for economies of scale and reduce costs.            |

## **6. Equality comments**

- 6.1 OPDC must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to the need to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.<sup>1</sup>
- 6.2 There is a low risk of having adverse impacts on protected groups. The projects aim to engage with, benefit and empower those with protected characteristics.
- 6.3 As part of the wider evaluation being undertaken by Social Life, as per DD136, data will be collected to assess the outputs outlined in 3.4. Where applicable this data will be segregated by protected characteristics.
- 6.4 The consultant will be required to ensure equality and diversity requirements are part of the contractor procurement process.
- 6.5 Equalities have been considered throughout the project design stages, and through consultation and engagement processes, with data being collected on protected characteristics by those who have engaged in the projects. Assessments will be formalised through the necessary approvals process required for each project.
- 6.6 Willesden Junction Station: an accessibility statement has been prepared as part of the RIBA design stage reports and will be finalised as part of the final RIBA Stage 4 report. This outlines how the design adheres to British Standards, Department for Transport and Transport for London accessibility guidance. A Diversity Impact

<sup>1</sup> The protected characteristics and groups are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation and marriage/ civil partnership status. Fulfilling this duty involves having due regard to: the need to remove or minimise any disadvantage suffered by those who share a protected characteristic or one that is connected to that characteristic; taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low. Compliance with the Equality Act may involve treating people with a protected characteristic more favourably than those without the characteristic. The duty must be exercised with an open mind and at the time a Decision is taken in the exercise of the OPDC's functions.

Assessment will also be submitted to Network Rail as part of the Landlord Approval process.

- 6.7 Old Oak Lane towpath ramp: A Planning Statement and Design and Access Statement was prepared as part of the planning application, which assessed accessibility and inclusion considerations in line with national and regional planning policy and the Equalities Act. The proposals were also reviewed by OPDC Place Review Group's accessibility expert to ensure people with reduced mobility needs were appropriately considered in the design.
- 6.8 Harlesden Canalside: This project is at an earlier stage. However, equalities will be considered as part of the ongoing design and approval stages.

## **7. Other considerations**

### *Consultations and impact assessments*

- 7.1 Social Life, evaluation consultants, have been appointed to undertake an impact assessment of the projects to measure the outputs outlined in 3.4. This was approved under DD136.

### *Communications and engagement*

- 7.2 Thorough consultation and community engagement has been undertaken across the projects. There will also be ongoing communication with local people, especially around planned construction activity that may cause disruption.

### *Safeguarding*

- 7.3 Any events with young people will abide by OPDC's safeguarding policies.

### *Data protection*

- 7.4 All events and activities will adhere to the GDPR regulations.

## **8. Conflicts of interest**

- 8.1 No one involved in the preparation or clearance of this Form, or its substantive proposal, has any conflict of interest.

## **9. Financial comments**

- 9.1 Expenditure of up to £135,000 will be funded from the Good Growth Fund Programme budget.
- 9.2 £40,000 of the fees will be apportioned to Round 1 and £70,000 will be apportioned to Round 2. This is based on the fees being allocated pro rata towards the estimated construction budget for each project. The Grant Funder and the Chief Finance Officer will be informed of any changes to the basis of the fee allocation between funds.
- 9.3 Further expenditure will be subject to the Corporation's decision-making process.



## **10. Legal comments**

- 10.1 The report above indicates that the decision requested of the Chief Executive falls within OPDC's objective of securing the regeneration of the Old Oak and Park Royal area and its powers to do anything it considers appropriate for the purpose of its objects or purposes incidental to those purposes, as set out in the Localism Act 2011.
- 10.2 In taking the decisions requested, the Chief Executive must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, sex, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Chief Executive should have particular regard to section 3 (above) of this report.
- 10.3 In respect of the grant funding received from Mayor for London's Good Growth Round 1 and Round 2 Funds which the OPDC proposes to use for the projects, officers must ensure they are content that the OPDC complies with any conditions to which the grant funding is subject.
- 10.4 Officers have indicated in paragraph 2.3 of this report that the framework under which it is proposed the consultancy services required are to be "called-off" was procured in accordance with the GLA's Contracts and Funding Code and relevant procurement law and the consultancy services required will be procured fully in accordance with the requirements of that framework.
- 10.5 Officers must ensure that appropriate "call-off" documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of the services.
- 10.6 Offices have indicated in paragraph 2.1 that procurement process of the construction services required will be managed by the consultant appointed in accordance with paragraph 2.3 of this report. Such procurement must be overseen by Transport for London Procurement and run in accordance with the GLA's Contracts and Funding Code and relevant procurement law.
- 10.7 Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of the construction services.
- 10.8 Officers must ensure that the 5th Studio contract is varied in accordance with the relevant provisions of the contract and all necessary variation documentation is put in place with and executed by OPDC and 5th Studio before the commencement of the additional services.

## **11. Summary timeline**

| Activity                | Date       |
|-------------------------|------------|
| Procurement of contract | 23 July 21 |
| Delivery start date     | 26 July 21 |

|                                          |             |
|------------------------------------------|-------------|
| Finalise contractor procurement strategy | 6 August 21 |
| Release Contractor ITT                   | August 21   |
| Appoint Contractor                       | October 21  |
| Mobilisation for Start on Site           | October 21  |
| Completion                               | March 22    |
| Agree final account                      | April 22    |
| Project closure                          | July 22     |

## Appendices

- None

## Other supporting papers

- [Board Paper Good Growth Round 1](#)
- [Board Paper Good Growth Round 2](#)

### PUBLIC ACCESS TO INFORMATION

Information in this Form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA). OPDC aims to publish the Form within three working day of approval.

If immediate publication risks compromising the implementation of the Decision (for example, impacting a procurement process), it can be deferred until a specific date (when it will be published). Deferral periods are kept to the shortest length strictly necessary.

#### Part 1 – Deferral

Publication of this Part 1 is to be deferred: **No**

#### Part 2 – Confidential information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in or attached to any separate Part 2 Form, together with the rationale for withholding the information at this time.

There is a separate and confidential Part 2 Form: **No**

### DECLARATIONS

**Drafting officer:** Kavita Tailor has drafted this Form in accordance with OPDC procedures, including for handling conflicts of interests, and confirm that:



**Advice:** The Finance and Legal teams have commented on the proposal.



## CONFIRMATIONS

**Section 106 funding:** This use of S106 to fund the expenditure proposal was approved via a Section 106 spend proposal form on N/A

**SMT review:** This Decision was circulated to the **Senior Management Team** for review on Tuesday 20th July 2021.

### Chief Finance Officer

Financial and legal implications have been appropriately considered in the preparation of this Form.

**Signature:**



**Date: 22.07.21**

### Development Director Ben O'Neill

I do not have any disclosable interest in the proposed Decision. It is consistent with OPDC's priorities and can be referred to the CEO for final approval.

**Signature:**



**Date: 15.07.21**