

REQUEST FOR DIRECTOR DECISION – DD2273

Title: Project Management - Royal Docks Place Improvements Phase 1 works

Executive Summary:

MD2338 approved expenditure of up to £212.5m for the Royal Docks Enterprise Zone (EZ) Delivery Plan to deliver an integrated and catalytic package of projects that are identified under the five strategic objectives of Place, Connectivity, Economy, Activation and Promotion.

This Director's Decision provides more detail for projects under the Place strategic objective of the Delivery Plan and requests approval of the detailed expenditure proposals, at director-level, amounting to up to £400,000 (within the envelope approved under MD2338). The expenditure will provide a Project Management led multi-disciplinary consultancy team that can manage the detailed preparation and delivery of the first phase of public realm improvements in three key areas in the Royal Docks. The specific projects referenced in MD2338 that this expenditure will support and facilitate the preparation of are:

1. ABP Development Supporting Works: This project is primarily focused on facilitating and supporting the ABP development between Building 1000 and the University of East London.
2. Silvertown Quays Development Supporting Works: This project is primarily focused on facilitating and supporting the Silvertown development and maximising the opportunity of Custom House Elizabeth line station.
3. Royal Victoria Dock: This project is primarily focused on improving the connectivity and place-making around Royal Victoria Dock to Connaught Bridge.

The PM consultants will facilitate and manage all aspects of the above projects that are referred to as the Royal Docks Place Improvements Phase 1 works.

Decision:

That the Executive Director of Housing and Land approves:

Up to £400,000 of revenue expenditure over the years 2018/19 and 2019/20 on Project Management consultancy services to prepare and provide support to the delivery of improvement of the public realm in three key areas in the Royal Docks.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: David Lunts

Position: Executive Director Housing and Land

Signature:



Date:

03/10/18

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 MD2338 approved expenditure of up to £212.5m for the Royal Docks EZ Delivery Plan to deliver an integrated and catalytic package of transport infrastructure, connectivity, economic development, placemaking, estate management and creative programming projects that will deliver the cohesive transformation of the Royal Docks and accelerate the delivery of EZ commercial space. This consists of a £155m capital and £57.5m revenue split to fund projects for the five-year delivery period from 2018/19 to 2022/23.
- 1.2 A spatial framework underpins the Delivery Plan strategy and ensures the Delivery Team concentrates investment in the areas that will deliver maximum long-term value for the EZ and wider area. This includes:
- 1.3 *Unlocking Development:* A priority for the Delivery Team will be to enable the successful delivery of the key development sites across the EZ. The sites at Royal Albert Dock, Albert Island and Silvertown Quays represent considerable private sector investment in the Royal Docks (delivering investment of £5bn through 7m square feet of commercial floor space) and will need to be supported by a co-ordinated and comprehensive package of public investment in promotion, place-making, transport infrastructure and activation to help bring them to life.
- 1.4 *Maximising Key Gateways:* Another priority for the Delivery Team will be to capitalise on the unique circumstances and assets that we have in the Royal Docks to drive transformation. Three strategically important locations at Custom House Interchange (Elizabeth Line), London City Airport and Royal Victoria Dock have been identified as important gateways to the Royal Docks. These will be a priority for intervention within the Delivery Plan period with investment focussed on enhancing the overall environment, offer and user experience.
- 1.5 *Connecting Corridors and Communities:* Whilst the Royal Docks is well served in terms of transport infrastructure with excellent road, rail and air links - the public realm offers very poor permeability (in terms of walking and cycling) across the different sites in the Royal Docks. Significant investment is required to ensure proper linkages and safe and attractive routes between these areas as well as enabling effective integration between existing and emerging communities. Three priority corridors have been identified for investment and improvement within the Delivery Plan period. These are Custom House to North Woolwich Road, Northern Dock Edge and North Woolwich Road to Canning Town.
- 1.6 In addition to the spatial framework, five cross-cutting strategic objectives have been identified, to help drive and deliver the Royal Docks cohesive transformation and ensure it remains a place delivering long-term economic and social value. Outlined below are the key interventions that will be delivered through the five-year Delivery Plan:
 - **Place:** Transforming the Royal Docks into a modern 'Great Estate' for London; by creating a platform for growth, investment and activation. Investing in spaces for people and improving the public realm in a way that reflects the area's unique landscape and heritage;
 - **Connectivity:** Boosting capacity and connectivity to support movement to and through the Royal Docks, making it one of the most accessible places in London to do business and get around as well as providing improved digital connectivity.
 - **Economy:** Supporting the growth of a fully diverse and competitive economy and strengthening the area's reputation as an international centre for innovation, enterprise and trade;

- Activation: Establishing the Royal Docks as an outstanding place to live, work and visit; by nurturing local creative talent; enhancing cultural facilities and curating a world-class programme of events and activations to help put the area on the map; and
- Promotion: Helping to re-establish the Royal Docks as a globally significant London centre – utilising distinctive marketing campaigns and inward investment to draw businesses, people and visitors into the area.

- 1.7 The approved indicative budget set for the Place strategic objective in MD2338 is £15,828,375 with a £1,385,000 revenue and £14,443,375 capital split. The request for expenditure on Project Management consultancy services of £400,000 revenue, the subject of this approval, will come out of the Place budget as set in the MD. This expenditure will be incurred £150,000 in 2018/19 and £250,000 in 2019/20 financial years.
- 1.8 The objective of the Project Management consultants is to prepare and facilitate a Capital works programme to the three key areas highlighted in MD2338. These are the ABP Development Supporting Works, Silvertown Quays Development Supporting Works and Royal Victoria Dock Supporting Works.
- 1.9 The Project Management consultants will undertake the following summarised work;
- 1.9.1 Undertake Condition & Audit Surveys
 - 1.9.2 Review existing studies and progress to tenderable documents, subject to state aid and legal risk assessments,
 - 1.9.3 Landscape architect design work
 - 1.9.4 Advising on and facilitating stakeholder engagement
 - 1.9.5 Working with TFL legal and relevant GLA teams to ensure that proposed works are state aid compliant
 - 1.9.6 Preparing and submitting the relevant Planning applications
 - 1.9.7 Obtaining all necessary consents and permits to facilitate the works
 - 1.9.8 Producing asset life cycle costs and management plans for proposed improvements and works
 - 1.9.9 Prepare and produce the Works Specification for sign off by the Royal Docks team
 - 1.9.10 Negotiate the contract with the London Highways Alliance contractor
 - 1.9.11 Contract Administration and management
 - 1.9.12 Acting as Principal Designer and provision of CDM services/advisor
 - 1.9.13 Project manage the LOHAC contractor
 - 1.9.14 Design quality monitoring
 - 1.9.15 Maintain the Project Health and Safety file
 - 1.9.16 Sign off invoices for works carried out by the contractor

1.9.17 Attend regular progress meetings with the client and support teams (legal and procurement)

1.9.18 Attend stakeholder meetings where necessary

1.9.19 Provide a programme for the scope of works

1.10 Following this approval, the Delivery Team will commence procurement and full due diligence for the proposed project to ensure that services are properly procured, comply with the GLA's equality policy, State Aid rules and represent value for money. This will be done in conjunction with TfL Procurement and TfL Legal.

1.11 A further approval will be sought for the works to be taken forward after preparation by the Project Manager. The approval will set out the intended procurement route for the works and highlight any legal risks associated with doing so, including state aid.

1.12 A high-level Project Initiation Document (PID) attached to this paper (Appendix 1) summarises the key aspects of project delivery and will form the basis for its management and the assessment of overall success. The PID sets out the project scope, outputs, programme, risks, requirements for resources, budget, stakeholder engagement, governance and procurement options.

1.13 An Invitation to Tender for Project Management consultants (Appendix 2) has been drafted with the support of TfL Procurement and will be issued to the Project & Programme Management and Commercial Services framework (lots A & B). The framework provides access to suppliers capable of providing relevantly skilled and proven Project management teams able to audit existing infrastructure, work up and cost the scope of works, undertake design elements and negotiate the contract with the London Highways Alliance (LOHAC) contractor. They will then manage and oversee the physical Capital works to completion.

1.14 Resourcing will be met by the appointment of the Project Management consultants. The existing Delivery Team structure is sufficient and suitable for the client-side management of this.

1.15 The requested amount of up to £400,000 revenue is broken down into spend profile as follows (subject to confirmation from finance):

Project Activities	2018-2019	2019-2020	Total (£)
Project management	£150,000	£250,000	£400,000

1.16 Note the above allocations are indicative and there may be some movement of budget and expenditure between the two financial years. Some of the budget may be used to fund up to £40k of works to prepare Silvertown Quays for the LBN firework display.

1.17 A biennial review will be carried out of the Delivery Plan with the first one taking place in Autumn 2020. This will form part of the mid-point evaluation of the Delivery Plan projects. There will be an option for the EZ Programme Board to recommend the deferral or reduction of certain project expenditure based on an assessment of legal risks and financial assessment of income forecasts, development progress and impacts achieved. A recommended deferral or reduction by the Board of project expenditure under any of the strategic objectives would trigger a revised MD to approve it.

2. Objectives and expected outcomes

2.1 The objectives of the commission(s) are to:

- 2.2 Provide PM, quantity surveyor, landscape design and other relevant technical skills to bring forward early investment in upgrading the public realm in the Royal Docks.

3. Equality comments

- 3.1 Under Section 149 of the Equality Act 2010, as a public authority, the GLA must have 'due regard' of the need to:

- eliminate unlawful discrimination, harassment and victimisation; and
- advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.

- 3.2 The Delivery Plan projects are aimed at implementing a number of the Mayor's policies such as the London Plan, A City for All Londoners, Healthy Streets Approach, draft Culture Strategy, London Housing Strategy, Transport Strategy and is aligned with the Mayor's Equalities Framework to consider the requirements of relevant equalities groups.

- 3.3 Equalities considerations will be taken into account by the GLA in connection with all of the work procured. Quality impact assessments will be undertaken to ensure the relevant characteristics of the Equality Act 2010 are considered by the GLA.

- 3.4 Impact assessments will determine whether any persons with those characteristics will be unduly impacted by the activities described in this DD, and the course of action in order to mitigate any impacts.

- 3.5 Relevant areas of the London Plan and Healthy Streets Approach will be followed in all areas of public realm improvement decisions made by the Project Management consultants. To include;

- Additional benches to assist less mobile people to use the streets more easily and encourage the use of public space.
- LED street light upgrades to provide brighter lighting to assist those with visual impairments.
- Drinking fountains that are accessible to a range of heights.
- Works will ensure that all meanwhile spaces are fully inclusive and accessible and compliant with statutory obligations.
- Improved wayfinding to support increased physical activity for local users and visitors.

4. Other considerations

Links to Mayoral strategies and priorities include:

- 4.1 The placemaking and public realm projects in the Delivery Plan fit with the Mayor's Healthy Streets approach and the London Plan.
- 4.2 The environment for pedestrian and cyclists is presently poor – reflecting the industrial uses still in existence in the area. There is a significant opportunity to rectify this through well designed streetscape and public realm improvements that encourages walking, cycling and better public

spaces for people to interact. Focused investment in the three key areas will improve the local environment and user experience across the Royal Docks.

Key risks that could impact on the project are identified as:

- 4.3 Management and oversight of the PM consultants – a detailed project plan will be produced outlining deadlines and Key Performance Indicators.
- 4.4 Delays in the programme may occur. To mitigate these risks, a detailed project plan, outlining timescales will be created. Contingency time will be incorporated into the project plan to manage over-runs.
- 4.5 Overspend may occur. To mitigate these risks, a detailed project plan with budgets will be created. A 10% contingency fund will be included in the project budget.
- 4.6 Risks will be continually reviewed via a programme risk register.
- 4.7 Legal risks associated with the delivery of the proposed works will be undertaken throughout the preparation of the work undertaken by the Project Manager, including state aid review.

5. Financial comments

- 5.1 This decision requests approval of expenditure of up to £400,000 for Project Management consultancy services to support the delivery or improvement of the public realm in three key areas in the Royal Docks
- 5.2 The expenditure is to be funded from the Royal Docks EZ Delivery Plan Budget (MD2338) and will be incurred £150,000 in 2018/19 and £250,000 in 2019/20 financial years.

6. Legal comments

- 6.1 This report requests approval of expenditure already authorised via MD2338. The foregoing sections of this report indicate that the decisions requested of the Executive Director concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment, in Greater London.
- 6.2 In implementing the proposals in respect of which a decision is sought, officers should comply with the GLA's related statutory duties to:
 - pay due regard to the principle that there should be equality of opportunity for all people;
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.
- 6.3 In taking the decisions requested, the Executive Director must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010, namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, to advance equality of opportunity between persons who share a relevant protected characteristic

(age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation) and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. To this end, the Executive Director should have particular regard to section 3 (above) of this report.

- 6.4 Section 1 of this report indicates that the GLA intends to procure services. Section 9 of the GLA Contracts & Funding Code requires the GLA to engage with TfL Procurement, develop a procurement strategy with TfL Commercial and seek a call-off from a suitable framework where possible or, if not, undertake a formal tender process to procure such services in relation to all contracts for services with a value above £150,000 before the commencement of the services.

7. Planned delivery approach and next steps

Activity	Timeline
DD Approved	Sept 2018
Invitation to Tender issued	Sept 2018
PM appointment	Oct 2018
Royal Docks Place Improvements Phase 1 works commence	Dec 2018
Delivery Start date	Sept 2018
Delivery End date	March 2020

Appendices and supporting papers:

- Appendix 1 – Project Initiation Document
- Appendix 2 – Invitation to Tender

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason:

We need to defer publication until after the services are procured so prospective consultants cannot know what the maximum financial limit is, as this may influence tender returns.

Until what date: (8th October 2018)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form –NO

ORIGINATING OFFICER DECLARATION:

Drafting officer
to confirm the
following (✓)

Drafting officer:

Jon Tighe has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Simon Powell has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 1 October 2018.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date 01.10.18

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE