

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD443

Title: Olympic Park Visitor Attraction Preliminary Design Development

Executive Summary:

To commission the Preliminary Design Development Stage for the Olympic Park Visitor Attraction

Decision:

To confirm his decision that the proposals from [REDACTED] and [REDACTED] ("the Designers") should proceed to the next stage and that the remaining artists should be informed that their proposals are not being taken forward;

To approve entering into contracts with the Designers to carry out Preliminary Design Development for the Olympic Park Visitor Attraction;

To approve entering into a negotiated contract with the Olympic Delivery Authority ("ODA") to project manage the process and review the engineering and construction feasibility and cost estimates of the Designers proposals as further developed in the Preliminary Design Development stage

To approve the extension of the appointment of the Project Consultant up to the end of October 2009 to facilitate management of the Preliminary Design Development Stage;

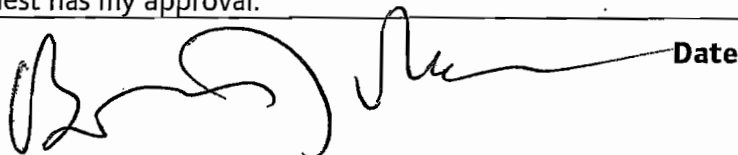
To approve payment of £9,360 from the Olympic Park Visitor Attraction budget (DO4E-0050) for the above-described extension of the appointment of the Project Consultant; and

To identify and approve virement and payment of up to £156,000 from the GLA Contingency budget to meet the costs of the Preliminary Design Development Stage insofar as private funds are not found to meet these costs.

Mayor of London

The above request has my approval.

Signature



Date

24/8/09

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 As joint chair of the Olympic Board, a signatory to the Host City Contract and part-funder of the Olympic Delivery Authority (ODA), the Mayor has direct responsibility for delivering a successful Olympic Games in 2012 and for a lasting legacy of social, physical and economic regeneration in the Lower Lea Valley and across London. The Mayor's draft Economic Regeneration Strategy identifies this as the Mayor's top regeneration priority in London.
- 1.2 The focus of the 2012 Games will be the Olympic Park, which will house the new sport venues, including the Olympic Stadium, the aquatics centre and velodrome. After the Games the area will be transformed into the largest urban park created in Europe for more than 150 years
- 1.3 It would contribute greatly to the Olympic Park as a significant visitor destination beyond 2012 for it to contain a world class attraction (the "Visitor Attraction") that will inspire people to visit the park when the games finish. The aim of the attraction would be to create an iconic image for the park which will say something powerful about our age and draw significant numbers of visitors. Provision of such an attraction was one of the main suggestions made by the Olympic host Boroughs in their response to the consultation on the Olympic Legacy Masterplan Framework.
- 1.4 In order to ensure the highest standards of design for the Visitor Attraction and to ensure its feasibility and in accordance with MD340 over 50 high calibre, international artists/designers/architects and engineers were invited to submit concept proposals for the attraction. A deadline was set for the 3rd July (around a month after the invitation) and all artists were invited on a tour of the Olympic site. 26 submissions were eventually received and each is eligible for a fee of £1,000 for their work.
- 1.5 To manage this process, liaise with design teams/Advisory Panel and co-ordinate meetings, the GLA appointed a Project Consultant for a fixed period based on hours worked following a competitive tender process in accordance with GLA rules and procedures.
- 1.6 Submissions were considered on 13th July by an expert Advisory Panel with experience and knowledge of the arts and design sector, made up of Nick Serota (Tate), Julia Peyton-Jones (Serpentine Gallery), Hans Ulrich-Obrist (Serpentine Gallery), Sarah Weir (ODA), Stuart Lipton (Chelsfield), Anita Zabłudowicz (176 Zabłudowicz collection), Michael Morris and James Lingwood (ArtAngel) and Munira Mirza (Mayoral Advisor on Arts and Culture).
- 1.7 The panel were tasked with ensuring designs were carefully scrutinised before recommending a short list to the Mayor and Minister for the Olympics. The panel were given 'Points for Consideration' to assist the recommendation process, which set out the key elements each design should pay attention to. Further to the points of consideration panel members were also provided with the design brief.
- 1.8 Following discussion the panel advised the Mayor and the Minister for the Olympics to take forward five proposals/teams to the next stage. These were [REDACTED]
[REDACTED]
[REDACTED]
- 1.9 The five selected teams received formal letters from the Mayor stating that they had reached the next stage and invited them to attend two evaluation sessions to give the London 2012 Authorities, the Mayor and Minister for the Olympics, the opportunity to understand the proposals in more depth. The ODA agreed to work with the Olympic Park Legacy Company (OPLC) to provide technical input and advice on construction and programme logistics. The ODA, in liaison with the GLA, employed

consultants Burro Happold to help with this exercise by advising on engineering, cost and long-term business planning and by producing a technical report on each submission.

- 1) Shortlisted candidates met with the Mayor and Minister for the Olympics to present their proposals and had a technical meeting with the Olympic Delivery Authority (ODA), London Organising Committee for the Olympic and Paralympic Games (LOCOG) and Olympic Park Legacy Company (OPLC). The purpose of this meeting was for artists to explain their proposals in more detail and for the London 2012 Authorities to assess how well the proposals fitted with the design of the Olympic Park and the ambitions for its post-Games use as well as technical issues.

- 1.10 A joint technical report from the ODA/LOCOG/OPLC was produced for each artist following this meeting on 5th August.
- 1.11 Burro Happold provided an independent engineering assessment on each of the five submitted proposals and produced their technical assessment on 5th August. Burro Happold were issued with the five initial submission documents and invited to attend the technical meeting with each of the five shortlisted teams as part of the broader technical assessment panel that included representatives from GLA, ODA, LOCOG and the OPLC.
- 1.12 On the basis of these technical reports and further discussions with the shortlisted the Mayor in consultation with the Minister decided that the three designs, by [REDACTED] and [REDACTED] should be taken forward to the Preliminary Design Development Stage. It was therefore decided that submissions from [REDACTED] and [REDACTED] should not be taken forward.
- 1.13 The Preliminary Design Development Stage is anticipated to cover a period of around 6 weeks (completed by 5th October) and will require the artists to produce a number of key deliverables including: developing proposals to RIBA Stage B, including work on optimum location, site constraints, scale, buildability, engineering drawings, planning/risk issues; further development and validation of budget for project; further development of information regarding construction method and programme; further development of options for Games time and Legacy uses including interactivity during Games; visuals and presentation.
- 1.14 The GLA proposes to contract the three remaining teams [REDACTED] to deliver this work and will pay them each an amount of up to £20,000. We will expect them to work with all relevant parties including ODA/LOCOG/GLA/OPLC in the process. The artists will also be required to attend relevant meetings with stakeholders during this 6 week period and may be required to make further presentations to a panel of advisers and to decision makers following this period to facilitate decision making before the end of October.
- 1.15 Given the fact that an extensive shortlisting process has already taken place, and the unique expertise and knowledge the Designers have in developing their own work, it is inappropriate for the GLA to undertake a competitive procurement process for the Preliminary Design Development Stage.
- 1.16 The GLA proposes to contract with the ODA to provide project management service, including advice and review of the engineering and construction feasibility and cost estimates of the Designers proposals as further developed in the Preliminary Design Development stage
- 1.17 Given the ODA's unique position in having responsibility for all other construction work in the Olympic Park it is considered inappropriate in terms of time and cost to conduct a competitive procurement process.. The contract will be negotiated to ensure best value.

1.18 The GLA is also seeking to extend the contract for the Project Consultant (who was appointed after a competitive tender process) using existing savings in the Olympic Park Visitor Attraction to maintain essential continuity in support for the remaining design teams, work effectively with the project management support provided by the ODA and ensure joined up working, co-ordinate meetings with design teams and relevant stakeholders/agencies, and assist in the transfer of the project for the construction stage.

1.19 Detailed breakdown of each of the costs is below:

- A sum of **£60,000** will be paid to the three chosen Designers (£20K each) for this preliminary design development stage to produce the deliverables set out in 1.13-1.15 in liaison with the ODA/LOCOG/OPLC and the GLA.

- A sum of up to **£96,000** will be paid to the ODA for consultancy services they contract to provide feasibility and technical development of the designs and project management.

- A sum of **£9,630** will to be allocated from savings in the existing Olympic Park Visitor Attraction budget ((DO4E-0050) to extend the existing Project Consultant's contract until the end of October 2009. This will ensure essential continuity in relationships with existing artists, provide project support for the Preliminary Design Development Stage and assist the transfer of the project to the relevant agency for the construction stage and good joint communications between the GLA and ODA/LOCOG/OPLC.

1.20 It is intended that the payment of up to £156,000 will come from private sources and the GLA has taken steps to create fundraisers for this project whose sole task is to raise private funds. The expert knowledge and experience of these fundraisers means we expect to be able to raise funds for the project but insofar as private donations are not found we are seeking approval to use the GLA Contingency budget to cover costs for the Preliminary Design Development Stage.

1.21 Subject to sufficient private funding being secured the delivery phase may be carried out by the Olympic Delivery Authority (ODA) and, given the scale of the project, an OJEU procurement process is likely to be necessary, with consideration to be given to the available options including that of undertaking a negotiated procedure, for the design/construction stage.

2. Issues for consideration

a. Links to strategies and Corporate Plan

2.1 AS set out above the Mayor's draft economic development strategy identifies the successful delivery of the Olympic regeneration legacy in the Olympic Park and surrounding areas as the Mayor's top regeneration priority.

b. Impact assessments and Consultation

2.2 Extensive non-statutory consultation has already taken place with key partners and during the selection process a number of key agencies including ODA, LOCOG and the Olympic Park Legacy Company have been consulted. In addition the Mayor has consulted with representatives from the host Olympic Boroughs.

2.3 It is expected that the delivery of the Games and their legacy and benefits according to the vision set out by the Olympic Board will contribute significantly to the regeneration of the Lower Lea Valley, one of London's most diverse and deprived areas. The smooth and effective running of the

support function is essential to the Games' delivery and will contribute materially to the achievement of those objectives.

- 2.4 It is expected that the delivery of the Games and their legacy and benefits according to the vision set out by the Olympic Board will contribute significantly to the health and sustainable development objectives of the Mayor.

c. Risk

- 2.5 The Head of Cultural Strategy, the Mayor's Adviser on Culture, the Mayor's Adviser on the Olympics and the Interim Head of Commercial and Public law will work closely with all relevant stakeholders both internal and external to ensure the mitigation of any risks both to this project and the wider Olympic programme.
- 2.6 Officers will ensure that they proactively work in securing funding for the Visitor Attraction and give due consideration to all funding opportunities.
- 2.7 Officers shall proactively prepare the way for all necessary consents for the Visitor Attraction to be developed, liaising with all relevant bodies including the LDA, ODA, OPLC, including all relevant planning authorities.

3. Decisions

- 3.1 To confirm his decision that the proposals from [REDACTED] and [REDACTED] ("the Designers") should proceed to the next stage and that the remaining artists should be informed that their proposals are not being taken forward;
- 3.2 To approve entering into contracts with the Designers to carry out Preliminary Design Development for the Olympic Park Visitor Attraction;
- 3.3 To approve entering into a negotiated contract with the Olympic Delivery Authority ("ODA") to project manage the process and review the engineering and construction feasibility and cost estimates of the Designers proposals as further developed in the Preliminary Design Development stage
- 3.4 To approve the extension of the appointment of the Project Consultant up to the end of October 2009 to facilitate management of the Preliminary Design Development Stage;
- 3.5 To approve payment of £9,360 from the Olympic Park Visitor Attraction budget (DO4E-0050) for the above-described extension of the appointment of the Project Consultant; and
- 3.6 To identify and approve payment and payment of up to £156,000 from the GLA Contingency budget to meet the costs of the Preliminary Design Development Stage insofar as private funds are not found to meet these costs.

3. Financial Comments

The costs for the commissioning of the Preliminary Design Development Stage for the Olympic Park Visitor Attraction are set out below:

	Cost
Preliminary Design Development	60,000
Project Management	96,000
Extension of the appointment of the Project Consultant	9,360
	<hr/>
	165,360

In year savings from D04E-0050 (arising from income and expenditure as noted in MD 340) will fund the extension of the appointment of the Project Consultant (£9,360).

The remaining £156,000 costs can be contained via the GLA Contingency Budget, following a virement to the London 2012 Directorate should there be any shortfall in funding from external parties.

All necessary budget adjustments will be made.

The London 2012 team within the London 2012 Directorate will monitor the project.

5. Legal Comments

Power under the Act

- 5.1 Under section 378 of the Greater London Authority Act (as amended) (the "Act") the Authority, acting by the Mayor, has the duty to encourage people to visit Greater London, to encourage people from outside of the UK to visit the UK by way of Greater London and to encourage the provision and improvement of tourist amenities and facilities in Greater London. The decisions requested of the Mayor above all contribute to realisation of the design and build of the Visitor Attraction, as described above and in ante ceding MD 340, which in turn falls under the discharge of the Authority's duty to encourage people to visit Greater London.
- 5.2 Section 378 provides the Authority with the power to do anything, including raise funds, for the purpose of discharging the above-described duty and to do anything that is incidental to or conducive to the discharge of this duty.
- 5.3 In discharging its duty under section 378 the Authority shall have regard to the desirability of undertaking appropriate consultation with and co-operating with the Secretary of State, the tourist board, any other persons who, or organisations which, have knowledge of, or are interested in, matters affecting the discharge of the duty.

Procurement

- 5.4 As described above, to carry out the Preliminary Design and Development Stage contracts will be required between the GLA and each of the three Designers. Development of the Designers work may only be undertaken by the 'owners' of the designs (the designers) in conjunction with their technical experts and as such the Mayor may consider that an exemption from section 7 of the GLA Contracts Code requiring competitive tender of the contracts (here, each with a value of £20,000, this would involve seeking three written quotes) is fully justifiable.
- 5.5 As described above, it is proposed that the ODA project manage the Preliminary Design and Development Stage. It is also proposed that this be formalised through single tender action, under the GLA Contracts Code requiring an exemption from section 7 of the Code (with a contract value of £96,000, section 7 requires an advertised tender process to be carried out). Considering the nature of the ODA, its powers, rights and responsibilities in relation to the Olympic Park, the ODA is best placed to efficiently and effectively project manage this design stage, the delivery of which is time critical. Therefore the Mayor may consider it reasonable that an exemption from the Code is justified on the grounds of the ODA being sole suitable supplier of these project management services.

5.6 The preliminary terms upon which it is proposed the GLA and ODA will contract including the contract price (fixed at a maximum of £96,000) have been negotiated to ensure best value. Any further work required to deliver the next phases of the project, including construction will be undertaken in accordance with the Public Contracts Regulations 2006 and the option of using the negotiated procedure will be assessed.

Contracts with Designers, ODA

5.7 The Commercial and Public law team will provide all necessary advice and documentation in relation to the project.

Contract with Project Consultant

5.8 Pursuant to clause 4.2 of the agreement with the Project Consultant, the GLA and the Project Consultant may extend the consultancy by written agreement. Any letter of extension should be reviewed by a Legal Adviser before being entered into by the GLA.

6. Background/supporting papers

None

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOI Act) and other legislation. Part 1 of this form will be made available on the Greater London Authority website within 1 working day of approval. Any facts and advice that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this approval to be deferred? YES/

If yes, for what reason:

The outcome of the competition to shortlist 3 preferred designs prior to choosing a winner is confidential at this stage.

Until what date: 19.10.09

Is there a part 2 form - NO

OFFICER APPROVAL:

Tick to indicate approval

✓

Sponsoring Director:

Jeff Jacobs has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Advisor:

Mupira Mirza has been consulted about the proposal and agrees the recommendations.

✓

Head of Law:

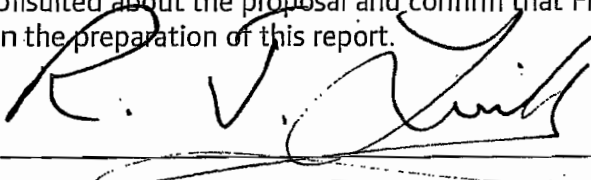
The Head of Law has commented on this proposal.

✓

Executive Director, Resources

PP I have been consulted about the proposal and confirm that Financial and Legal advice have been taken into account in the preparation of this report.

Signature



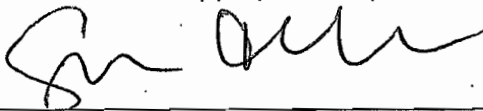
Date

21/08/09

Deputy Mayor, Policy and Planning

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature



Date

24/08/09