

CEO DECISION – CD 173

Title: Newbridge Advisors- Western Lands Business Case

Executive summary

This decision seeks approval for additional expenditure to extend the existing contract with Newbridge Advisors LLP for their continued support with OPDC's Western Lands Strategic Outline Business Case (SOC).

The consultancy commission will build on Newbridge's existing input in developing the Business Case. Newbridge Advisors will support OPDC's development team providing project management resource and expertise in regeneration, property development, funding and development viability. The SOC is required to make the case to Government stakeholders for a fully co-ordinated, single-agency approach to the regeneration of Old Oak including the necessary control of government land and access to funding. Following detailed feedback from stakeholders, further work is required to refine and develop the commercial and management cases. This additional resource will allow OPDC to respond to that feedback and deliver the SOC in line with our programme requirements.

OPDC procured the services of Newbridge Advisors LLP via TfL's property consultancy framework in 2020 (as approved in CD144) and a variation is proposed to this existing contract.

The requested spend of £30,000 is in addition to £75,000 of expenditure in 2020/21 under the contract, bringing total approved expenditure on the commission with Newbridge to £105,000. This approval is being made under a delegation to officers granted by OPDC's Board at its March 2021 meeting.

Decision

That the Chief Executive Officer approves:

- i. expenditure of up to £30,000 in 2021/22 for the services of Newbridge Advisors to support the development of the Business Case for the Western Lands via the extension of an existing contract.

This will bring the cumulative approved expenditure to date on the SOC under the March 2021 Board Delegation to £248,500. It will also take expenditure with Newbridge under the existing contract to £105,000.

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: 17 December 2021

PART 1: NON-CONFIDENTIAL FACTS AND ADVICE

1. Background and context

- 1.1 In January 2020, the Board approved OPDC's revised delivery approach, which included the following the key elements:
 - A new focus to the regeneration of the area, taking a comprehensive view of the 'Western Lands' along Old Oak Common Lane, Old Oak Lane and Victoria Road where key sites are owned by Department for Transport (DfT) and Network Rail.
 - Developing the case for a comprehensive and coordinated approach to land, development and infrastructure to optimise the strategic opportunities that the area offers.
 - Securing the support of major partners including public sector landowners and funders.
- 1.2 Since January 2021, OPDC officers have worked directly with Homes England (HE) and engaged with other public sector stakeholders, including Network Rail, High Speed 2 (HS2) and our local boroughs, to begin the process of securing the support of these major partners to the development of the strategy for Western Lands. OPDC has also engaged with central government – via the Department for Levelling Up, Housing and Communities (DLUHC) (formerly the Ministry for Homes, Communities and Local Government (MHCLG)), DfT and the Infrastructure and Projects Authority – to discuss potential funding opportunities.
- 1.3 This engagement with government colleagues has led to a direction to produce, and jointly agree, a Strategic Outline Case (SOC) for the delivery of the Western Lands, to be developed in line with the Treasury's guidance for developing project business cases and will follow the "five case" model: Strategic, Economic, Commercial, Financial, Management.
- 1.4 Input to the SOC is being provided by both OPDC and HE officers drawing on in-house expertise, including input from the GLA Housing & Land Directorate and Transport for London (TfL) Operational Property, as well as by Savills (approved in CD154, CD161 and CD165).
- 1.5 Newbridge Advisors were appointed in 2020 to assist OPDC in developing its Western Lands proposals and formulating a Business Case in contemplation of submitting a bid to government for funding (CD144). Newbridge have worked alongside OPDC and HE officers in the development of the Western Lands strategy and the Strategic Outline Case. They have worked on the drafting of the Commercial and Management case and the extension of their appointment will enable them to develop these chapters further and conclude the drafting following feedback from government stakeholders.
- 1.6 This decision seeks approval for further expenditure of £30,000 from OPDC's Western Lands 2021/22 budget to extend Newbridge's appointment, with a variation order to the existing contract. Newbridge will provide additional project management and drafting resourcing alongside its expertise in regeneration, property development, funding and development viability, in order to provide the

necessary input into the SOC. This is in addition to the £75,000 already approved for past Newbridge input into our Western Lands and SOC work, bringing total approved expenditure for Newbridge to £105,000.

- 1.7 A summary of Western Lands approvals to date is provided below:

FY21/22	
Suppliers and procurement	Total Approval
Expenditure under prior approvals (DAR 264, CD132, CD141, CD144, CD154, May Board 2020)	£ 98,159
Gort Scott - SOC Western Lands (CD162)	£ 90,000
Savills- Business Case support (CD161)	£ 60,000
Savills- Additional Support on SOC (CD165)	£ 65,000
Quod Planning Advice (CD164)	£ 35,000
GLA Land Fund- Savills/Gort Scott (CD168)	£ 117,500
This decision- Newbridge	£ 30,000
Total	£ 495,659
Western Lands Budget 2021/2022	£ 705,000
Budget remaining	£209,341 :

- 1.8 A summary of the approvals under the March 2021 Board delegation is provided below:

Western Lands Delegation- March 2021 Board	£ 250,000
Suppliers and procurement	Total Approval
Gort Scott - SOC Western Lands (CD162)	£ 58,500
Savills- Business Case support (CD161)	£ 60,000
Savills- Additional Support on SOC (CD165)	£ 65,000
Quod (CD164)	£ 35,000
Newbridge (21/22) (This Decision)	£ 30,000
Total	£ 248,500
Budget remaining	£1,500

2. The proposal and how it will be delivered

- 2.1 Newbridge were awarded the contract in October 2020 as the highest scoring bidder on Transport for London's Property Consultancy Framework in the relevant lot.
- 2.2 The existing contract is valid until 26 April 2022. Newbridge is set to complete the deliverables under the original scope in December 2021. As the development of the business case has been subject to detailed feedback and requests for further detail in key areas it is necessary to resource this additional scope. Following the submission there are likely to be follow-up tasks relating to the submission, responding to queries and supporting meetings which will also require additional support.
- 2.3 OPDC's staff team is currently at full capacity with both the SOC and GLA Land Fund bids operating in parallel. It will also be going through some staffing changes due to maternity and other changes within the team. Newbridge's experience of the draft SOC places it in the best position to support OPDC with additional resource and excellent knowledge of the project.
- 2.4 A variation is proposed to extend Newbridge's existing call-off contract (Contract TfL93535 Task 136) to include expenditure relating to this decision. TfL Procurement have advised this variation is acceptable as it meets procurement

regulations, is in line with the OPDC's Contracts and Funding Code and meets the conditions for variation in the call-off contract. The existing call-off will be varied to cater for the additional work.

2.5 The commission will cover the following work:

To support a series of structured workshops with government stakeholders on the commercial and management options for the SOC following a request to develop these chapters further.

To complete the drafting of the SOC Commercial and Management cases following structured feedback from government stakeholders.

Support follow-up workshops with government stakeholders and any further comments on the SOC following its submission.

3. Objectives and expected outcomes

3.1 The objective of the proposal is:

Develop support for the conclusions of the commercial and management cases with key government decision makers.

3.2 The outcomes of the proposal we are seeking are:

A fully developed commercial and management case that considers all structured feedback from government stakeholders.

Initial guidance on the mobilisation, set-up and governance of the Western Lands project and necessary resourcing from OPDC and its partners, to feed into OPDC's mobilisation plan.

4. Strategic fit

4.1 This proposal supports OPDC's Western Lands strategy – the revised delivery approach, which was approved by the Board in January 2020. The work will provide expertise necessary to prepare a SOC for submission to central government and provide input to OPDC's mobilisation strategy.

5. Project governance and assurance

5.1 The Development Director will act as Senior Responsible Officer (SRO) for this procurement, and the subsequent management of the Newbridge Advisors contract.

5.2 The SRO will coordinate, control and regularly monitor Newbridge Advisor's instructions and outputs; ensuring that relevant outputs are reported internally.

Risks and issues

5.3 The following risks are associated with this proposal:

Risk description	Inherent Score	Mitigations	Target Score
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Delay in procuring consultancy support results in an unacceptable delay to the funding and financing outputs.	Likelihood: 2 Impact: 3 Total: 6	Mitigated by the direct procurement route.	Likelihood: 1 Impact: 3 Total: 3
Outputs are poor quality and/or lack relevance.	Likelihood: 3 Impact: 5 Total: 10	Mitigated by organised and focussed client-side project/day to day management, regular briefings and clear instructions for each deliverable.	Likelihood: 2 Impact: 4 Total: 8
The SOC does not gain clear approval and decisions required from Central Government are either not supportive or not timely	Likelihood: 3 Impact: 3 Total: 6	OPDC has been guided by government to develop a jointly agreed business case in time for the spending review process. OPDC will also feed into the Mayor's Spending Review submission. Development of the case is being managed in close coordination with government	Likelihood: 2 Impact: 3 Total: 5

5.4 There are no extant issues that require management or mitigation.

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.¹
- 6.2 The outputs from the Newbridge Advisor's consultancy commission, where material to future corporate plans, strategies, policy development, communications, investment/funding requests and delivery plans, which will be subject to equalities assessments at the appropriate time. This will inform how OPDC, the Mayor and

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.

other stakeholders can ensure that the investment in HS2 and other public sector assets can be leveraged locally to maximise regenerative impacts and opportunities for local communities.

7. Other considerations

- 7.1 There are no other considerations that need to be noted in the taking of his decision.

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 The expenditure approval being requested in this paper to support the Western Lands project is contained within the existing 2021/22 Western Lands programme budget of £0.705m.
- 9.2 Cumulative approvals in 2021/22 under the Board delegation on the Western Lands Project totals £0.249m.
- 9.3 Further expenditure and contract variations are subject the Corporation's decision-making process.

10. Legal comments

- 10.1 The report above indicates that the decision requested of the Chief Executive falls with the OPDC's object 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 between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic 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 Procurement officers have confirmed that the services required are a compliant variation to a call-off contract already procured under Transport for London's Property Consultancy Framework and is in accordance with the OPDC's Contracts and Funding Code. Officers must ensure that variation documentation is put in place and executed by Newbridge Advisors and OPDC before the commencement of the additional services.

11. Summary timeline

Activity	Date
Delivery start date	December 2021
Final draft Commercial & Mgmt Case issued to stakeholders	December 2021
Feedback sessions and structured workshops	Jan-Feb 2022
Final draft of the SOC	Feb 2022
Input for mobilisation strategy	March 2022

Other supporting papers

- [30 January 2020- Board Paper](#)
- [04 March 2021- Board Paper](#)
- [CD144- Procurement of Newbridge Advisors for Western Lands Financial Consultancy Support](#)

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**

The deferral is until: n/a

This is because: n/a

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: Kate Richards 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: N/A

SMT review: This Decision was circulated to the **Senior Management Team** for review on Friday 10 December 2021

Chief Finance Officer

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

Signature: 

Date: 17 December 2021

Development Director

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: 13/12/2021