

**CEO DECISION – CD 186**

**Title: Good Growth Fund – Construction of public realm improvements at Harlesden Canalside**

**Executive summary**

OPDC secured £1,950,004 in capital funding through rounds 1 and 2 of the Mayor's Good Growth Fund to deliver a series of public realm improvements around Willesden Junction Station and along the Grand Union Canal that will bring improvements to the area and celebrate local identity and heritage.

Two of the three main capital projects have now been completed, Willesden Junction Station and Old Oak Lane towpath. Works to the Harlesden Canalside, which forms part of the improvements to the Grand Union Canal, has been procured with authority sought to deliver the construction phase of works. The preferred contractor will be appointed in December 2022, with construction commencing in January 2023. This approval is within the planned expenditure and existing delegation, as approved by the Board in March and September 2019, for the Good Growth Fund round 1 and 2 grants.

**Decision**

That the Chief Executive Officer approves:

- i. Expenditure of up to £846,000 for the delivery of the Harlesden Canalside Project, comprising of:
  - a) £665,000 of the initial contract sum for the construction contract;
  - b) £150,000 for professional fees for the delivery of the Harlesden Canalside. This includes design, project management, cost consultancy and contract administration costs.
  - c) £31,000 for works licences and car park suspension charges for the delivery of the construction works.
- ii. Delegation to the Development Director for the approval of expenditure of up to £42,836 of the project contingency.

**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:** 08.12.2022

## **PART 1: NON-CONFIDENTIAL FACTS AND ADVICE**

### **1. Background and context**

- 1.1 OPDC secured £1,950,004 in capital funding through the Mayor's Good Growth Fund, Round 1 and Round 2, to deliver a series of public realm improvements around Willesden Junction Station, and along the Grand Union Canal.
- 1.2 OPDC has completed the delivery of projects for the Old Oak Lane tow-path ramp and Willesden Junction station. This is the final project to be delivered. The improvements to Harlesden Canalside will include widening the existing towpath, improved facilities for boaters with a new hub, landscaped amphitheatre for community gatherings, mooring spaces to be operated by community organisations, a pontoon and new stepped access to the towpath. The scheme will deliver improvements to enable boaters, walkers, cyclists, wheelchair, and push chair users to have access to the towpath to enjoy the Grand Union Canal.
- 1.3 OPDC's Board approved receipt and expenditure of the funding in September 2019 for Round 2, which relates to Harlesden Canalside. In this case, detailed approvals were delegated to the CEO. The decisions that have been approved for the series of public realm improvements projects thus far are CD128, CD163, and CD172.
- 1.4 Consultant Project Managers and Quantity Surveyors, Mott Macdonald, were formally appointed under CD128 and CD163 and have undertaken cost plans for the Harlesden project and prepared and collated all contractor tender documents to appoint a contractor to construct the works.
- 1.5 The Harlesden Canalside project received planning permission from London Borough of Brent (LBB) in September 2022.

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

- 2.1 The expenditure will pay for the construction works for Harlesden Canalside and this will be carried out by the appointed contractor.
- 2.2 CD172 outlined the proposed procurement process used to shortlist seven contractors for OPDC's public realm works. The contractor for Willesden Junction and the tow-path ramp was selected from this shortlisted panel. As noted in CD172, OPDC has used this shortlist to tender the work for the Harlesden project.
- 2.3 OPDC's procurement plan was developed with, and endorsed by TfL for the selection of a contractor for Harlesden.
- 2.4 The ITT (Invitation to Tender) sent to shortlisted contractors included:
  - a detailed set of Works Information (Drawings and Specifications)
  - site Information
  - activity Schedule
  - technical questions, including pass/fail criteria

- pro-forma Commercial Assessment, including the initial fixed price and fee percentages for contractors to complete.
- 2.5 A preferred contractor has been selected on submission of a technically and commercially acceptable bid. Upon approval, the contractor will be appointed in December 2022 to deliver the project, starting on site in January 2023.
  - 2.6 Additional costs for professional fees, licences and car-park suspension charges are included within this request for approval.

#### Third Party Approvals

- 2.7 The Canal and Rivers Trust (CRT) is the landowner for the existing towpath and are have also contributed £50,000 to the development of the project and delivery of enhanced boaters' facilities. The London Borough of Brent (LBB) is the owner of the adjacent public open space. LBB also granted the scheme planning consent in September 2022.
- 2.8 Both parties have been involved in the project and worked closely with OPDC, as well as being party to a project MOU. Both parties will be adopting the completed works.
- 2.9 All design approvals (including planning consent) have been agreed. Licences for construction access have been approved in principle, with final approvals to be procured by OPDC's contractor on completion of method statements and provision of health and safety information.
- 2.10 OPDC is in discussions with CRT on the use of two new community mooring spaces, however this agreement is not required prior to construction starting and is part of ongoing work to programme and activate the space on completion.

#### Financial and Programme Management

- 2.11 Mott MacDonald will act as contract administrators, managing the construction contract, and Quantity Surveyors, who will be responsible for managing cost during construction and will provide regular reporting to the Development Director.
- 2.12 The NEC Option A contract is a priced contract with an activity schedule, which relates to the contractor's programme, where each activity is allocated a price and interim payments are made against the completion of each activity. This process will be managed by Mott Macdonald and all interim payments will be authorised by OPDC.
- 2.13 The construction contract includes a contract risk allowance of £39,000. This is included in the contract to fund any additional costs to which the contractor is entitled. Any proposed draw-down against the contract risk allowance will be reported to the Project Manager and authorised by the Development Director.
- 2.14 A further general contingency of £42,836 had been held within the delivery budget. Upon approval this will be managed by the Project Manager with any draw-down authorised by the Development Director.
- 2.15 Early and timely reporting on total forecast outturn cost will be made to the Development Director, with any risk of overspend to be escalated to the Chief Finance Officer and Chief Executive Officer.

- 2.16 The appointed contractor will be appointed as Principal Contractor and Principal Designer in line with the Construction Design and Management Regulations 2015, which will meet OPDC's obligations in managing health, safety, and welfare during the construction of Harlesden project. Mott Macdonald have acted as Principal Designer during the pre-construction stages.
- 2.17 Mott MacDonald will be responsible for monitoring performance against programme and reporting any potential delay issues to the Project Manager and Development Director in a timely manner. Any risk of delay will be reported to the Chief Executive Officer and project stakeholders.
- 2.18 The construction contract has been phased to allow early site investigations and intrusive ground surveys to be carried out at the earliest opportunity, allowing OPDC to respond to and mitigate any cost or delay risk arising from discoveries.

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

- 3.1 The principal objectives for 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 appointed contractor will deliver:
- improvements to the existing towpath by widening it where possible
  - boaters' facilities
  - an amphitheatre
  - stepped access to the towpath; and
  - install new planting
- 3.3 Once the scheme is completed an external consultant, Social Life, appointed through DD136 will undertake an independent assessment for all three Good Growth funded projects.

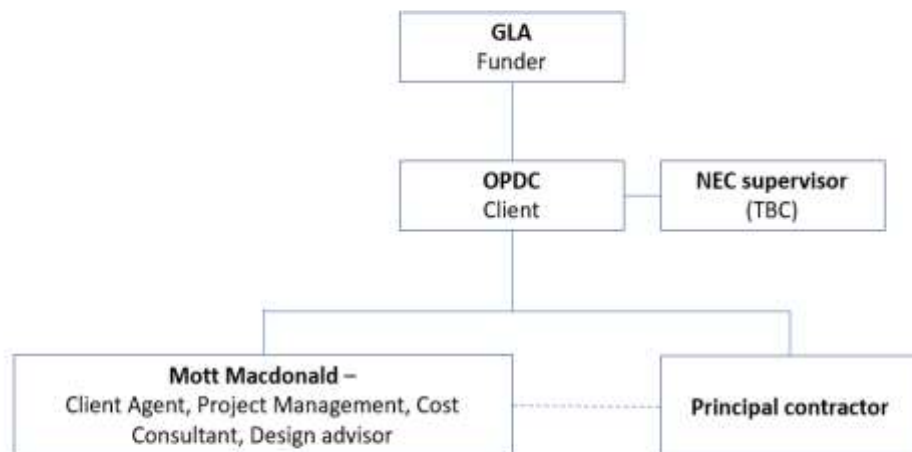
### **4. Strategic fit**

- 4.1 The Harlesden project forms part of OPDC's 'In the Making' initiative and will meet grant obligations under our two Good Growth awards.
- 4.2 The Harlesden project, alongside the Great Place Scheme, will deliver benefits to the local communities cross Old Oak and Park Royal. The In the Making capital projects form part of the OPDC's wider delivery strategy to make early positive changes in advance of organisation's longer-term regeneration plans.

- 4.3 The delivery of the Harlesden project will support OPDC's Local Plan by
- activating the Grand Union Canal through introducing moorings and canalside activities to support its role as a community asset and lively leisure and recreation destination
  - improving the towpath for pedestrians and cyclists to enable excellent connections to the east and west of Old Oak and Park Royal.
- 4.4 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

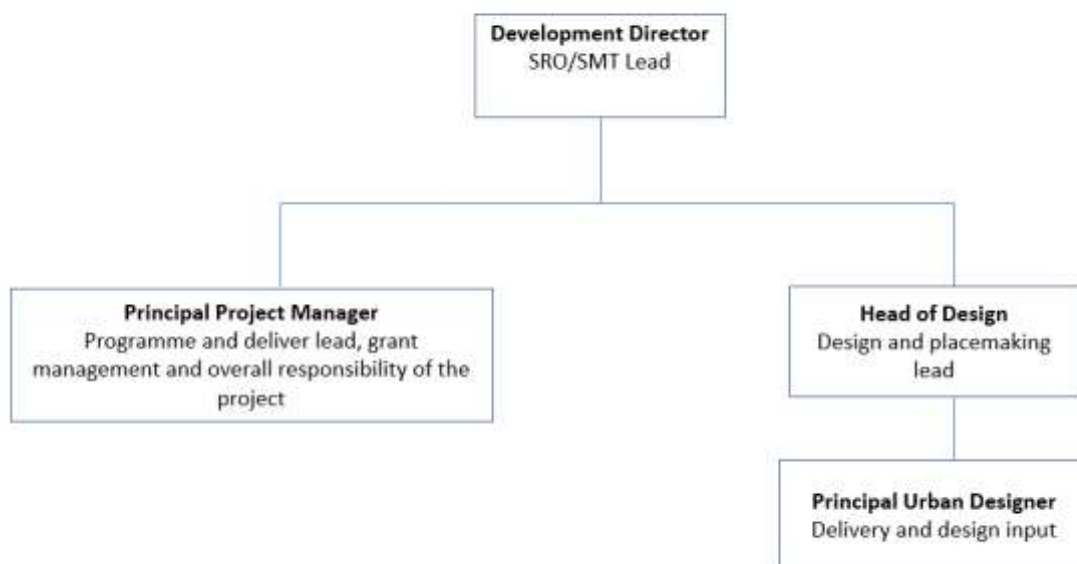
- 5.1 The chart below shows the organisational contractual structure during construction stage.
- 5.2 Mott MacDonald will provide monthly reports to OPDC outlining cost, programme, and quality.



- 5.3 Once in contract, Mott MacDonald will act as contract administrators, managing the construction contract, and Quantity Surveyors, who will be responsible for managing cost during construction.
- 5.4 The NEC Option A contract is a priced contract with an activity schedule, which relates to the contractor's programme, where each activity is allocated a price and

interim payments are made against the completion of each activity. This process will be managed by Mott Macdonald and all interim payments will be authorised by OPDC.

- 5.5 The appointed contractor will be appointed as Principal Contractor and Principal Designer in line with the Construction Design and Management Regulations 2015, which will cover the client duties in managing health, safety, and welfare during the construction of Harlesden project.
- 5.6 The team will report to the GLA through quarterly monitoring reports and meetings with GLA Senior Officer. OPDC claim grant funding in arrears quarterly from the GLA.
- 5.7 The NEC supervisor role is the 'custodian for quality' during the construction phase. They will be responsible for notifying the Client on any defects, undertaking any testing and inspections, to ensure construction is compliant with the contract and monitoring the quality of the works. This decision approves expenditure for this appointment, a budget of up to £10,000 has been allocated to this.
- 5.8 Delay damages of £2,086 per week have been estimated. This will be paid to OPDC if the contractor is delayed during construction. This has been calculated by Mott MacDonald and is based on staff time.
- 5.9 The chart below shows how the OPDC team is organised to deliver the works.



- 5.10 As landowners CRT and LBB are in discussion about the management and maintenance of the project on completion. OPDC are party to these conversations and assisting both organisations.

#### *Risks and issues*

Risk description	Inherent Score	Mitigations	Target Score
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Programme overrun – There is a risk the programme may be delayed due to agreements by landowners being delayed and project unknowns such as below the ground services and material orders.	Likelihood: 3 Impact: 4 Total: 12	Contractor to submit a phased programme. This will consider which activities can go ahead depending on the approvals that in place. Also, contractor programme to include surveys and design work ahead of starting on site.	Likelihood: 2 Impact: 3 Total: 6
Inconvenience to the public due to towpath closure to undertake construction work.	Likelihood: 4 Impact: 4 Total: 16	Planned communication to the public and key stakeholders if there is going to be disruption. Minimise the length of time the towpath is closed.	Likelihood: 3 Impact: 3 Total: 9
Cost rising – due to some unknowns the cost could rise during construction.	Likelihood: 4 Impact: 4 Total: 16	Any design changes to be approved by the client team. Robust change and risk management in place to mitigate against issues on site.	Likelihood: 3 Impact: 3 Total: 9
Delay with agreements being in place with landowners	Likelihood: 4 Impact: 4 Total: 16	OPDC team to work closely with landowners to help with approvals. Contractor programme to be phased to ensure work is only carried out in sections where approvals is in place.	Likelihood: 3 Impact: 3 Total: 9

## 6. Equality comments

- 6.1 Under Section 149 of the Equality Act 2010, as a public authority, 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>

<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

- 6.2 There is a low risk of having adverse impacts on protected groups. The Harlesden project aims to engage with, benefit and empower those with protected characteristics.
- 6.3 The Harlesden project seeks to make the space more accessible for those with diverse mobility requirements.
- 6.4 The Harlesden project promotes sustainable transport, by encouraging the use of the Canal for walking, cycling, and supporting outdoor activity, such as canoeing of the canal. It has been carefully considered to deliver the best possible outcome in terms of accessible and inclusive design, improving the connection to the Canal towpath at Steele Road, irrespective of mobility requirements or restrictions, making the site more convenient and welcoming as well as providing different accessible solutions to meet a range of needs. By providing improved connection to the canal, delivering boater facilities, and infrastructure to support canoeing and outdoor activity, this project protects and enhances the Canal and encourages its use.

## **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 3.3. This was approved under DD136.
- 7.2 The Harlesden project has undergone stakeholder consultation through the planning process and landowner consultation processes.

### *Communications and engagement*

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

### *Health in all policies*

- 7.4 The appointed contractor will act as Principal Contractor and Principal Designer under CDM Regulations 2015. A Health and Safety file and all pre-construction information has been provided during the tendering process. All (RAMs) will be signed off by the relevant third parties.

### *Sustainability*

- 7.5 For the Harlesden project best practice sustainability approaches during the design stages were considered. Contractors were also assessed on their approach to minimising environmental impact during the construction stage.

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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.



### *Data protection*

- 7.6 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 The GGF total budget was £1,950,004, against which £1,012,958 has been billed to end 2021/22, and a further £136,257 will be billed shortly for Q1/2 2022/23; this effectively leaves £800,789 available.
- 9.2 An additional £50,000 has been sourced from the Canal and River Trust specifically for boater facilities (this was billed in March 2022 and received shortly afterwards).
- 9.3 S106 income being utilised from 291 Abbey Road planning application, for which a total in excess of £38,047 has been received and its expenditure approved by the Planning Obligations Approval Group (POAG).
- 9.4 In summary, the total expenditure and income required to complete the Good Growth work streams are as follows:

### **Sources**

Remainder of GGF budget	£ 800,789
S106 receipts	£ 38,047
Canal & River Trust grant	£ 50,000
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	£ 888,836

### **Uses**

Construction budget to deliver the Harlesden project	£ 665,000
Professional fees during	£ 150,000
Third party approvals and agreements	£ 31,000
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	£ 846,000
Balance/Project Contingency	£42,836

## **10. Legal comments**

- 10.1 The foregoing sections of this report indicate that the decisions requested of the Chief Executive Officer concern the exercise of the OPDC's general powers, falling within the OPDC's statutory powers to do such things considered to further or that are facilitative of, or conducive or incidental to, the promotion of economic development and wealth creation, social development or improvement of the environment, in Greater London.
- 10.2 In implementing the proposals in respect of which a decision is sought, officers should comply with the OPDC'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
  - consult with appropriate bodies.
- 10.3 In taking the decisions requested, as noted in section 6 above, the Chief Executive Officer 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 (race, disability, gender, age, sex, sexual orientation, religion or belief, pregnancy and maternity, and gender reassignment) and persons who do not share it; and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. To this end, the Chief Executive Officer should have particular regard to section 6 (above) of this report.
- 10.4 Section 1 of this report indicates that part of the sought budget will amount to the provision of grant funding, and not payment for services. Officers must ensure that the funding is distributed fairly; transparently; in accordance with the OPDC's equality policy and subsidy control rules; and in a manner that affords value for money in accordance with the OPDC Contracts and Funding Code. Officers must ensure that an appropriate funding agreement is put in place and executed by the OPDC and the recipient before any commitment to funding is made.

## 11. Summary timeline

Activity	Date
Issue ITT	26 September 2022
ITT deadline	19 October 2022
Contract Award (indicative)	December 2022
Start on site	January 2023
Completion	May 2023

**Other supporting papers**

- Board Paper Good Growth Round 1  
<https://www.london.gov.uk/moderngovopdc/documents/g6110/Public%20reports%20pack%20Thursday%2026-Sep-2019%2016.30%20Board%20of%20the%20Old%20Oak%20and%20Park%20Royal%20Development%20Cor.pdf?T=10>
- Board Paper Good Growth Round 2  
<https://www.london.gov.uk/moderngovopdc/documents/g6110/Public%20reports%20pack%20Thursday%2026-Sep-2019%2016.30%20Board%20of%20the%20Old%20Oak%20and%20Park%20Royal%20Development%20Cor.pdf?T=10>
- GLA 82136 OPDC Procurement Strategy
- [Harlesden Canalside – Briefing Note](#)

## 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:** Smitha Sujith 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

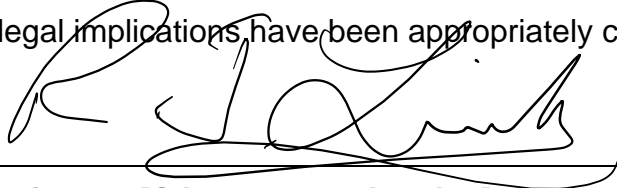
**Section 106 funding:** This use of S106 to fund the expenditure proposal was approved via a Section 106 spend proposal form on 13/10/2022

**SMT review:** This Decision was circulated to the **Senior Management Team** for review on Monday 5 December.

### Chief Finance Officer

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

**Signature:**



**Date:** 8/12/22

### Development Director [Click and add job title]

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:** B. O'Neill

**Date:** 2 December 2022