

Meeting Notes

Audit No: 15638 Garden Bridge

Attendees:

██████████, Planning (██████████)
Mark Reilly, Internal Audit (MR)

Meeting Date: 19 June 2015

Reason for Meeting

Review of invoices and commercials relating to the 2 contracts

Summary of Meeting

Introduction

MR gave an overview of the audit and process

Purchase Orders

3 POs have been raised in relation to the 2 contracts, they are:

Thomas Heatherwick ██████████

Arup ██████████

Arup (Specialist Services) ██████████

1st Contract

The first PO ran from March – July 2013 and was set up at £70k, but final bill was £52k.

2nd contract

The first PO covered Arup only work and related to the Arup submission
The second PO (*502) relates to the specialists services provided by Arup sub consultants. Of which Thomas Heatherwick was one. The final PO value of this was £7.0m of which £6.9m has been invoiced.

All contractual relationships with Arup stopped in April 2015. At this point the garden bridge trust took over managing them.

Management of the contract

The invoices and costs were reviewed by ██████████ prior to being approved for payment.

TfL did not receive invoices from Heatherwick after the first contract.

Action(s) to be taken

■ to provide PO and invoice information to MR

Meeting Notes

Audit No: 15638 Garden Bridge
Attendees: [REDACTED] Planning ([REDACTED]) Mark Reilly, Internal Audit (MR)
Meeting Date: 19 June 2015

Reason for Meeting

Review of the management of the procurement and the project

Summary of Meeting

Introduction

MR gave an overview of the audit and process

[REDACTED] role

[REDACTED] got involved in the project at the procurement stage of the Arup contract

This was shortly after TfL were asked to progress the engineering design

Procurement

Done through the EPMF framework, managed by [REDACTED] in Procurement
Bidders were asked not to approach Heatherwick during the process

Expression of Interest then followed by an ITT

13 bids were returned and considered

[REDACTED] and 3 others from Planning undertook the technical evaluations of the bids, and [REDACTED] lead the commercial evaluation.

There was then a round of interviews with c.5 companies, this was in May/June 2013.

Arup were appointed to undertake the design services contract.

The nature of the contract (and how little TfL knew about what was happening) meant that this was a "partnering" arrangement with Arup, to help develop.

Garden Bridge Trust

There were issues with the establishment of the trust and this led to TFL leading the project for longer than was ever envisaged.

TfL asked to take to planning, but this changed following discussions with the Mayor and TfL asked to keep the project running.

Once formed the trust becomes the Sponsor / Promoter of the scheme and TfL involvement remains but more of a light touch.

In practice TfL ran the project until April 2015.

The trust are now in full control.

Conflict of Interest

■■■■ remembers that there were discussions on who was the trustee of the garden bridge and the impact this may have on contracts (Joanna Lumley and Thomas Heatherwick)

Legal were involved with this and the best person to speak to is ■■■■ and Richard de Cani.

Procurement

The prices submitted against the scope in the ITT was used as the estimate set up.

The use of Heatherwick by Arup is something we should speak to RdC about. ■■■■ remembers Arup requested them and managed them as a sub consultant.

TfL role

The tfl role in the management of the project was never expected to be to the extent it turned out.

TfL always intended to handover to GBT asap, but there were some issues in getting them to the appropriate capability.

■■■■ worked with TfL Finance to ensure GBT was capable of managing this project, and this was part of the funding agreement.

■■■■ confirmed that project assurance was not involved in this project.

Action(s) to be taken

text

Meeting Notes

Audit No: 15638 Garden Bridge

Attendees:

██████████, Planning (██████████)

Mark Reilly, Internal Audit (MR)

Mushtaq Ali, Internal Audit (MA)

Meeting Date: 24 June 2015

Reason for Meeting

Following review of the procurement file, a meeting was held to clarify several points on the procurement of Arup in 2013

Summary of Meeting

Introduction

MR also set out the findings and the questions that IA had.

Did TfL consider Arup relationship with Heatherwick as a potential conflict?

██████████ not aware that this was seen as an issue.

Was aware there were discussions previously on the trust, but not on this.

Arup said they weren't involved with THS at the bidding stage

In the evaluation of the tenders, there are rough workings and final workings, why is this? (And the changes in the commercial scores)

██████████ doesn't what the files are we are discussing as he wasn't involved in collating the evaluation scores.

██████████ does not know why the commercial scores changed.

██████████ wasn't involved in the scores and there was a second submission.

Any questions on the commercials we should ask ██████████

Was there a second submission from Arup?

██████████ not aware of second submission on the tender

Was there contact with Arup about their commercial score?

██████████ does not remember, if it was it would be by commercial

Why has only Arup been marked up on the technical scores?

██████████ view was that Arup were clear leaders in the interviews

The reason the others went down, is "from memory" there were some questions on the way they answered the questions.

How were the interviews conducted?

The interview panel was [REDACTED] [REDACTED] [REDACTED] and [REDACTED]
[REDACTED]

Everyone scored separately and then there was a look across the scores.
Similar to the first evaluation meeting.

Who has the individual evaluation sheets prepared during the evaluation?

[REDACTED] is not sure who has them

The ones he has he thinks have been lost in office moves.

[REDACTED] cannot remember if they were put onto soft copy.

[REDACTED] remembers that [REDACTED] had a laptop with him and that he captured the scores.

Use of THS by Arup

Arup requested that THS be brought on board is how [REDACTED] remembers discussion.

With regard to the language in the Commercial Summary from Arup, [REDACTED] feels that it is open to interpretation. And disagrees with the IA view.

[REDACTED] view is that we should speak to RdC on the THS role.

Action(s) to be taken

Meeting Notes

Audit No: 15638 Garden Bridge
Attendees: [REDACTED], Planning ([REDACTED]) Mark Reilly, Internal Audit (MR)
Meeting Date: 30 June 2015

Reason for Meeting

Review of role in evaluation process for Arup contract

Summary of Meeting

Introduction

MR gave an overview of the audit and process

Role

[REDACTED] was part of TW team doing the technical evaluation

[REDACTED] was looking at engineering scores
Others at the other 4 areas being submitted

Wasn't involved in any other part of the procurement

The evaluation was split into technical and commercial and [REDACTED] never saw the commercial submissions.

Review process

7th May – team met and the process was explained. [REDACTED] circulated the submissions and scoring sheets

10th May – met for consensus meeting

From [REDACTED] memory Arup were not the best on Engineering but were on the other areas.

Arup were top overall after the technical submission

4 companies brought forward for interview

14th May 09:00 Atkins

14th May 15:00 Motts

14th May 09:00 Rambolls

16th May 09:30 Arup

There was then a meeting to review the scores.

Arup were not the overall winners at this point

■ believes that contact was made with Arup to revise their prices.
Believes RdC spoke to Arup about their prices.

■ not sure the exact date of the contact with Arup on prices

Financials were not discussed at the interviews as far as ■ can remember.

Evaluation scores

The scores were captured by ■ at the meeting.

■ can't remember what happened to the individual score papers.

Action(s) to be taken

Meeting Notes

Audit No: 15638 Garden Bridge

Attendees:

██████████ Planning (██████████)

Mark Reilly, Internal Audit (MR)

Meeting Date: 2 July 2015

Reason for Meeting

Review of role in evaluation process for Arup contract

Summary of Meeting

Introduction

MR gave an overview of the audit and process

Role

██████████ had no specific role in the project prior to the evaluation

Had advised earl on regarding potential consent routes and issues – relating to a generic crossing

Was part of the technical evaluation team – looking at the environment area mainly

Review process

Remembers that technically Arup was a well written bid, can't remember exactly how he scored it

There was a mixed bag of submissions – some did well, some poorly

There were variances in strengths and weaknesses

██████████ would have scored the bids in relation to the criteria

██████████ focus on Environmental side of the bids

Wash up meeting

Wash up was held with the technical evaluation team and the commercial

There were general discussions on the scores and a consensus was reached at this meeting

██████████ can't remember who scored highest at this meeting

Thinks Arup scored well, but can't remember

Interview selection

■ doesn't remember how this was decided
not involved in the commercial side of scoring

Memory tells him that Arup were expensive, but not really involved in that side

Interview process

The point of the interview was to pick up on uncertainties in the written submissions – where the uncertainty remains this may impact the scores

Remembers 2 in particular, Arup & Ramboll

At the interview Arup were very strong – thinks due to their involvement in the bridge development prior to the tender process

Came across very strongly – put an experienced and respected team together

Doesn't recall Ramboll giving a bad interview

On the environment side they were a little weak, Arup on this came across stronger

Didn't recall Ramboll being poor

Remember Arup and Ramboll were the strongest

There was a discipline in Ramboll that had some uncertainty, transport ■
thinks

Arup were very good

Engagement with bidders

■ had no involvement in the commercial assessment
No knowledge of any engagement with the bidders

Does not recall any pressure on the team during the process

Action(s) to be taken

Meeting Notes

Audit No: 15638 Garden Bridge

Attendees: Roy Millard, Internal Audit (RM)

Mushtaq Ali, Internal Audit (MA)

Mark Reilly, Internal Audit (MR)

Richard de Cani, TfL Planning (RdC)

Meeting Date: 7 July 2015

Reason for Meeting

Meeting with Richard to seek clarification on the issues identified during the audit.

Summary of Meeting

Introduction

RM gave an overview of the work to date and the progress made.

Procurement of Heatherwick

RdC gave an overview of the procurement and what were some of the key points.

Timing was critical

The mayor wanted to explore whether the bridge was feasible

The challenge was to get something new / innovative

There was a real time pressure to get some ideas

The 3 bidders were chosen from tfl knowledge

Heatherwick email of the 08 February 2013 – brief sent

THS had been to see the mayor

RdC was keeping them informed because of their discussions with the Mayor

Wanted to make sure they knew the process and the timescales that would be applied

The email was to do this

Clarification email 26 February

RdC not clear on this one

Remembers that it was about their rates and the people in the bid document

Joanna Lumley role in the design? What would she do?

Stuart Wood was the main contact for THS on this, not Thomas Heatherwick

THS confirmed the rates and the approach they would take

RdC not sure what documentation he has on this

Evaluation of the bids

Aware that [REDACTED] had been involved, **does not remember specific legal advice**

The evaluation was on day rates as per the ITT, not the estimated cost

Need to check with commercial on who did the day rate analysis

Scoring should always be commercial

RdC did not do the commercial scoring – cant comment on scores

With this being a small study, the approach used would have appropriate for a £60k piece of work.

Would have done a different approach with hindsight.

The approach adopted was because we had previous experience of all parties involved.

There was pressure from the mayor to get something out quickly

Now TfL has a panel in place for this type of work to address this

Context of the timing needs to be considered

THS had no view as to how this would develop

A design competition is the preferred route now

Award of Contract

RdC remembers that the THS request to be lead designer and own IP was rebutted

TfL maintained both at this point

Invoice values

RdC was asked why there was someone charged at £1875/day but this wasn't included in the evaluation

RdC not sure why

RdC view was that spend was within the scope and the output was good and appropriate.

TfL got what it wanted and within cost.

Contract with Arup

██████████ running the project for the Arup procurement

██████████ was spoken to (RdC knows the question we are going to ask)
RdC confirms that he approached Arup to reduce their price – commercial were fully aware of this move
RdC comments that this may not be approved by audit
Arup were the technically best output and TfL got them for a cheaper price – RdC view is that this action saved £1.5m

Arup originally did not want to reduce their fee, but they subsequently did

██████████ was supportive of this approach – revised fees submitted, RdC thinks to but we will need to check.

RdC can't remember exactly what we told ARUP in on this

Use of THS by Arup

A lot of legal time on this one on the role of the designer

Arup were contracted to work up the design

Arup requested that they use THS and DPA on the project

Arup wanted TfL to contract with THS and DPA directly. TfL said no and this reflects the language used in the commercial summary.

██████████ gave the legal input into the ITT.

We knew this may happen, and the audit needs to understand how and why this happened.

Recommendations

There was a discussion with RdC on his views on potential recommendations from this review.

RdC thinks that a design competition is how work like this should be done now.

Need to consider how TfL deals with the activity that goes on outside of the project (GLA, etc)

Get a longer view on where procurements may go

Capability of commercial for this type of work

Action(s) to be taken

Following the meeting RdC sent through an explanation of why the documents relating to the evaluation were no longer available.