

<u>MEETING</u> HOUSING AND GROWTH COMMITTEE
<u>DATE AND TIME</u> MONDAY 6TH JULY, 2020 AT 7.00 PM
<u>VENUE</u> VIRTUAL MEETING

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
1.	BRENT CROSS CRICKLEWOOD UPDATE REPORT	3 - 8
2.	EXEMPT REPORT - BRENT CROSS CRICKLEWOOD UPDATE	9 - 18

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Please note that this will be held as a virtual meeting. An audio and video live stream of the meeting can be accessed using the link below

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Housing and Growth Committee

6 July 2020

Title	Brent Cross Cricklewood Report – ADDENDUM
Report of	Councillor Richard Cornelius
Wards	Childs Hill, Golders Green and West Hendon
Status	Public with accompanying Exempt report (Not for publication by virtue of paragraphs 1, 3 and 5 of Schedule 12A of the Local Government Act 1972 as amended as this relates to information relating to individuals, information of a financial nature and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings)
Urgent	No
Key	No
Enclosures	None
	<p>Cath Shaw, Deputy Chief Executive cath.shaw@barnet.gov.uk</p> <p>Stephen McDonald, Director of Growth Stephen.McDonald@Barnet.gov.uk</p> <p>Karen Mercer, Programme Director Karen.Mercer@barnet.gov.uk</p>

Summary

This report confirms the revised delivery arrangements for the BXT Project Delivery team and seeks approval for the preferred bidder to provide a new home for the BXT Project Delivery team and to provide project management services and support the Council in the delivery of the rail construction elements of the BXT programme.

Officers Recommendations

That the Committee:

- 1) Confirm that that Mace (Bidder 3) be appointed as the preferred bidder to provide a new home for the project management team and to provide project management services and support the council in the delivery of the rail construction elements of the BXT programme. The council will issue the required Standstill Letters on 7 July 2020 and move to make the Contract Award on 20 July 2020.
- 2) Note that a Change Notice to the Brent Cross Thameslink Special Project Agreement (SPA) between the Authority and the Service Provider (Re/Capita) dated 3 March 2020 is being agreed, and will have effect from 1 July 2020 until the end of the SPA.
- 3) Note that Currie & Brown, Arnmore Limited and Amos Ellis Consulting (the “Sub-Consultants”) have been appointed directly to the council to continue to provide commercial support and town planning services to the BXT programme.
- 4) Confirm that the Deputy Chief Executive issue the required Termination Notice to Re/Capita to bring the Brent Cross Thameslink Special Project Agreement SPA to an end on 9 August 2020; and be authorised in consultation with the Chairman of the Committee to agree the final settlement of the SPA and the Change Notice and any other non-material changes.

1. WHY THIS REPORT IS NEEDED

- 1.1 This Addendum Report confirms the revised delivery arrangements for the council’s Brent Cross Thameslink delivery team and to confirm that Mace be appointed as the preferred partner to provide a new home for the project management team and to provide project management services and support the Council in the delivery of the rail construction elements of the BXT programme.

2. REASONS FOR RECOMMENDATIONS

- 2.1 As set out in the main report, the council and Re have mutually agreed to progress a revised delivery arrangement for the BXT project. This reflects the transition of the project from the business planning and preconstruction and design stage now into construction delivery and based on site.
- 2.2 Following the Committee’s approval in March, council officers have been working with Re and the council’s legal advisers, GWLG, to agree and implement a Transition Plan. This includes identifying a new home for the BXT Project team as well as the exit arrangements

with Re/Capita and ensuring clear arrangements are in place for transfer of staff and document control.

- 2.3 In accordance with the approval of this Committee, council officers have reviewed the options for an alternative relationship for the delivery project management function arrangement in accordance with the Council's project management toolkit (which follows the Treasury's 'Five Case Business Model Approach') as set out in report to the Committee on 16 March 2020.
- 2.4 This reconfirmed Option C as the preferred option for the council to appoint an experienced consultant with experience in both the construction and railway sectors (including the provision of advisory and assurance services within the rail construction sector) to provide a new home for the project management team and to provide project management services and support the Council in the delivery of the rail construction elements of the BXT programme. Option C is considered to be most aligned with the council's strategic objectives to provide strategic oversight of the programme and ensure integration across the wider Brent Cross programme whilst ensuring that the project is delivered by experienced rail professionals with access to wider rail specialist resources.
- 2.5 To secure and deliver the economic efficiencies required to alleviate the cost pressures on the BXT budget, the council concluded that a competitive procurement process should be followed through an appropriate OJEU compliant framework.
- 2.6 The council and its legal advisor considered the most appropriate procurement route to be through the Transport for London Professional Services Framework 2: Project & Programme Management Services (Ref: PSFW2 94201) Lot 1 (Programme & Portfolio Management). This framework was established on 8 June 2020, representing an OJEU compliant procurement route with up to date commercial arrangements and documentation in place.
- 2.7 This Framework provided the opportunity to test the market to secure the aforementioned required efficiencies and value for money and facilitated a short procurement to minimise the uncertainty and impact on the BXT project team and programme. In this regard, it was essential through this process not only to ensure that the bidder has the necessary rail experience and access to specialist rail resources but would also be able to offer a new home for the existing project team to quickly make them feel welcome and be part of the bidder's wider family.
- 2.8 Through the TFL Professional Services Framework 2, the council invited consultants to bid in a mini-competition. Three strong competitive bids were received on 24 June 2020. The commercial and technical sections of the bids were evaluated independently. Following an initial review of the bids, the Technical Panel met with the bidders on 30 June to test and seek further clarity on some of the responses to questions raised in the tender documents.
- 2.9 The evaluation process is now complete and the final marks are summarised in the table below.

Overall Scores		
	Total %	Rank
Bidder 1	81.44	3
Bidder 2	83.93	2
Mace	85.50	1

- 2.10 On the basis of that scoring, it is recommended that Mace (Bidder 3) be appointed as the preferred partner to provide a new home for the project management team and to provide project management services and support the Council in the delivery of the rail construction elements of the BXT programme.
- 2.11 The Evaluation Panel considers Mace as being the most economically advantageous tender and represents a proposal that most closely aligns with the Council's objectives and requirements, and is made by a team with the appropriate experience, capacity and resources to delivery it.
- 2.12 The contract start date with the preferred bidder is planned for 10 August 2020, subject to the usual Standstill arrangements.
- 2.13 In parallel to procurement, council officers have been liaising with Re/Capita to agree the exit route and transitional arrangements in the form of a Change Notice to the Brent Cross Thameslink Special Project Agreement (SPA) until the end of the SPA.
- 2.14 This Change Notice will document the agreement of certain changes to the SPA with effect from 1 July 2020 until the SPA terminates. This includes:
- a. the scope of work to be performed and associated fees;
 - b. confirmation that Re/Capita will not be responsible for the services performed by Currie & Brown and Amos Ellis Consulting ("AEC") and Armore Ltd (the "Sub-Consultants"). These sub consultants are now directly employed by the council;
 - c. the ending of the SPA no later than 31 August 2020, with an earlier date upon 30 days written notice;
 - d. the TUPE arrangements, where applicable.
- 2.15 This document is now nearing completion with the finalisation of the TUPE arrangements and any termination costs due under the SPA. Currie & Brown, Armore and AEC (the "Sub-Consultants") have now been appointed directly by the council. Currie & Brown is appointed under the TFL Framework and the Armore and AEC contracts are below the financial threshold of £189,300 above which public procurements rules would impact and so can be directly appointed.
- 2.16 Following approval of the preferred bidder, the Committee is also requested to confirm that the Deputy Chief Executive serve the required termination notice to Re/Capita in accordance with the SPA and be authorised in consultation with the Chairman of this Committee to agree the Change Notice. The end date for the SPA is planned to be 9 August 2020.
- 2.17 Re/Capita and the council have agreed the transition plan so that the project transfers to the preferred bidder, minimising any impact to the project team and the programme. This will be implemented by Re/Capita on receipt of the Termination Notice.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 As set out in the main report.
- 3.2 There is no alternative option. Re and the council have mutually agreed to terminate the existing Special Project Agreement in respect of the BXT project.

4. POST DECISION IMPLEMENTATION

- 4.1 The council officers will serve the required termination notice to Re/Capita. The council and Re/Capita will then commence the transition plan, working with the BXT team and the preferred bidder to ensure that the transition proceeds as smoothly as possible.
- 4.2 The decision will be communicated to bidders and standstill letters issued on Tuesday 7 July 2020. This is also to be the start of the standstill period.
- 4.3 Contract documents based on the TFL framework will be prepared in anticipation of contract award taking place on Monday 20 July 2020, subject to completion of the standstill period.

5. IMPLICATIONS OF DECISION

5.1 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.1.1 As set out in the main report. The BXT project remains funded by the HMG Grant Agreement

Social Value

- 5.1.2 As set out in the main report.

5.2 Legal and Constitutional References

- 5.2.1 As set out in the main report.

5.3 Risk Management

- 5.3.1 As set out in the main report.

5.3.2 Programme Impact.

- 5.3.3 As reported to the Committee in March, an alternative arrangement should not impact on the programme provided:

- a. The transfer is well planned with all logistical arrangements and resources in place at the transfer date.
- b. Risks have been identified and mitigation plans put in place.
- c. Re/Capita are supportive of the transfer.

- 5.3.4 Re/Capita are supportive of the transfer and has worked with council officers to put in place the required mitigation measures to ensure that the transition does not impact the programme. Transfer of data to the council's Asite document control system is now well advanced. Re/Capita HR departments are also working together on the transitional arrangements for the existing staff.

- 5.3.5 It is however unrealistic to assume that everything will drop into place without any issues, nor that the change will not cause distraction for staff and contractors. It is therefore necessary to assume that there will be some programme disruption, and it is logical to consider and plan for this eventuality. Therefore, as part of the implementation process, the

council and Re/Capita will work with the delivery contractors to keep them informed, and to allow them to highlight their areas of concern, particularly around any support needed to maintain key dates such as possessions etc.

5.4 Equalities and Diversity

5.4.1 As set out in the main report.

5.5 Corporate Parenting

5.5.1 As set out in the main report.

5.6 Consultation and Engagement

5.6.1 As set out in the main report.

6 BACKGROUND PAPERS

6.1 As set out in the main report.

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

AGENDA ITEM 16

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