

Finance and Resources Committee

10.00am, Thursday, 21 January 2021

Extension of Contract – Consultancy Services for Edinburgh Tram York Place to Newhaven Project

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 This report seeks approval of the Finance and Resources Committee to:
- 1.1.1 permit an increase to the value of the contract with Atkins Limited by £600,000 and extend it to the end of the construction phase of the project; and
 - 1.1.2 approve an increase in the contract with JAB Services UK by £55,000 through a waiver of the Contract Standing Order for independent technical advice services to the Tram Extension project Board and extend it to the end of the project.

Paul Lawrence

Executive Director of Place

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Extension of Contract – Consultancy Services for Edinburgh Tram York Place to Newhaven Project

2. Executive Summary

- 2.1 This report seeks approval of the Finance and Resources Committee for consultancy support to deliver the construction phase of the Edinburgh Tram York Place to Newhaven project to the completion of the project in 2023. The contract awards which are recommended for appointment are:
- 2.1.1 Atkins Limited for an increase of £600,000 to the existing contract, to a total cost of £1,795,000.
- 2.1.2 JAB Services UK for an increase of £55,000 to the existing contract, to a total cost of £105,000.

3. Background

- 3.1 At its meeting of [10 October 2019](#), the Finance and Resources Committee approved the appointment of consultancy support for the Edinburgh Tram York Place to Newhaven Project (the Project).
- 3.2 It is still deemed to be in the best interests of the Council to continue with the existing consultants who have been working on the Project since the strategy stage, through the Early Contractor Involvement (ECI) stage and for the commencement of the construction phase. This is because these consultants have significant knowledge and experience of the Project, their continued appointment would maintain continuity of Professional Indemnity and also ensure the continuation of the positive relationships which have been built with the Project Board and connected Council services as well as the Project management team, Infrastructure and Systems Contractor, Swept Path Contractor and key stakeholders.
- 3.3 The project budget approved by [Council](#) of £207.3m, included assumptions for:
- the requirement of independent technical advice support to the Board throughout the construction phase;
 - additional client design work required for changes at detailed design stage; and
 - the technical review of detail design produced by the contractor.

4. Main report

4.1 This report seeks the approval of Finance and Resources Committee to extend the existing consultancy appointments for the Edinburgh Tram York Place to Newhaven Project. These appointments are for Atkins Limited and JAB Services UK.

Atkins Limited

4.2 Atkins were appointed through a Direct Award utilising the SXL Framework, which was compliant with all local, national and EU Procurement Legislation.

4.3 It is considered in the Council's best interest to continue to contract with Atkins Limited due to their inherent knowledge of the Project and experience of working within the Project team to date.

4.4 The existing contract allows for additions to the time and scope of the services, in accordance with a schedule of agreed rates. However, the extent of the changes which the Project require exceed the scope permitted for approval by the Executive Director under paragraph 10 of the Council's Contract Standing Orders.

4.5 In addition to the extension of the period of the contract to the end of the Project construction phase, the additional scope of services is:

- to provide additional design services as requested by the client;
- to provide a review of contractor detailed design as requested by the client.

4.6 The Project Board has considered the individual elements of additional time and scope required to complete that project and have approved or earmarked funding necessary from the Project contingency.

JAB Services UK

4.7 Due to the extensive knowledge of the Project and a wide range of knowledge and expertise of similar light rail projects across the United Kingdom (UK), it is considered to be in the Council's best interests to continue the award of the Independent Technical Advisor support to JAB Services UK through waiver under Standing Order 9 of the Contract Standing Orders.

4.8 The previous contract award for £50,000 had been made by waiver of Standing Order 9 of the Contract Standing Orders under delegated authority of the Executive Director of Place. The extension of the contract, to the end of the Project, is in excess of this level of delegation and approval is therefore sought from the Finance and Resources Committee.

4.9 JAB Services UK have been working on the Project through the development of the business cases, ECI stage and the initial period of construction, providing independent review, challenge and assurance to the Project Board, and elected members at Transport and Environment Committee.

- 4.10 Budget provision for specialist independent technical advice to the end of the Project was included within the Client miscellaneous costs. No drawdown from the Project contingency is required to fund this contract.

5. Next Steps

- 5.1 Subject to Committee approval, extensions to the contracts will be put in place with Atkins Limited and JAB Services UK.
- 5.2 The Council successfully executes implementation of the programming methodology and progression of the works programmes.

6. Financial impact

- 6.1 The total value of the extensions and scope of the contracts is £655,000. These costs are accommodated within the Edinburgh Tram York Place to Newhaven Project Budget.

7. Stakeholder/Community Impact

- 7.1 Community Benefits will be delivered will be delivered by contractors on the project and aligned to the community benefits system developed for City Development, with a points value applied to each contract which will be monitored and reported on an annual basis. The outcomes will include Employment and skills opportunities and community engagement activities.

8. Background reading/external references

- 8.1 [Edinburgh Tram – York Place to Newhaven Final Business Case](#) – 14 March 2019
- 8.2 [Award of Contract Consultancy Services for Edinburgh Tram York Place to Newhaven](#) – Finance and Resources, 10 October 2019

9. Appendices

- 9.1 None.