

Finance and Resources Committee

10.00am, Thursday 10 October 2019

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

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 This reports seeks approval of the Finance and Resources Committee to:
- 1.1.1 approve an award of Contract for a value of £776,337 through a waiver of the Contract Standing Order to Anturas Limited for Project Director, Community Consultation, and Project Assurance Services for the Edinburgh Tram York Place to Newhaven Project;
 - 1.1.2 approve an award of Contract, utilising Scotland Excel Technical Engineering, and Consultancy Services to Turner and Townsend Limited for £6,799,000. for Project and Commercial Management Services for the Edinburgh Tram York Place to Newhaven Project; and
 - 1.1.3 approve an award of Contract, utilising Scotland Excel Technical Engineering, and Consultancy Services to Atkins Limited for £1,195,000 for Technical Advisory and Design Services for the Edinburgh Tram York Place to Newhaven Project.

Paul Lawrence

Executive Director of Place

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Finances and Resources Committee

Award 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 from November 2019 to March 2023 following successful completion of the Early Contractor Involvement phase. The contract awards which are recommended for appointment are:
- 2.1.1 Turner and Townsend Limited for a total cost of £6,799,000
 - 2.1.2 Atkins Limited for a total cost of £1,195,000
 - 2.1.3 Anturas Limited for a total cost of £776,337
 - 2.1.4 Scottish Water for a total cost of £2,656,348

3. Background

- 3.1 Following approval at Full Council to proceed with the Edinburgh Tram York Place to Newhaven Project (the Project), the Council commenced an Early Contractor Involvement (ECI) period with successfully appointed contractors Sacyr Farrans Neopul Joint Venture (SFN JV) and Morrison Utility Services (MUS).
- 3.2 The ECI period will be complete in October 2019. Providing the ECI period confirms the Final Business Case (FBC) continues to be viable, works will commence in November 2019.
- 3.3 The Council will require consultancy support to deliver the construction phase of the Project from November 2019 to March 2023. It is deemed to be in the Council's best interest to continue with the existing consultants who have been working on the Project through the strategy stage to the closure of the ECI stage. This is because these consultants have significant knowledge and experience of the Project, maintaining continuity of Professional Indemnity and to ensure the positive relationships which have been built with SFN, MUS, the local community and key stakeholders is not disrupted.

4. Main report

4.1 This reports seeks the approval of Finances and Resources Committee to extend the existing consultancy appointments for the Edinburgh Tram York Place to Newhaven Project. These appointments are for Anturas Limited, Atkins Limited and Turner and Townsend Limited.

Turner and Townsend Limited

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

4.3 Turner and Townsend Limited Limited were appointed to provide Project Management and Commercial Management Services for the Project at its inception following a mini competition on the Scotland Excel (SXL) Technical Engineering and Consultancy Framework.

4.4 The original Framework which they were appointed under has expired, and a new Framework tendered by SXL. This Contract would be awarded through a Direct Award utilising the new Framework. Direct Award is permissible under the terms of the SXL Framework and is compliant with all local, national and EU Procurement Legislation.

4.5 The scope of services is:

4.5.1 Project Management services;

4.5.2 Contract management and delivery;

4.5.3 Process and protocols associated with interface with utility companies;

4.5.4 Provision of Project Management Office;

4.5.5 Assurance around Construction Design and Management Regulations and Building Information Management; and

4.5.6 Design and stakeholder project management to ensure that these workstreams are delivered in tandem with other project activities.

4.6 The costs associated with the construction and commissioning phase of the Project are £6,799,000.

Atkins Limited

4.7 Atkins Limited were appointed to provide Technical Advisor and Design Services for the Project in July 2017 following a mini competition on the Scotland Excel (SXL) Technical Engineering and Consultancy Framework.

4.8 The original Framework which they were appointed under has expired, and a new Framework tendered by SXL. This Contract would be awarded through a Direct Award utilising the new Framework. Direct Award is permissible under the terms of the SXL Framework and is compliant with all local, national and EU Procurement Legislation.

- 4.9 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.
- 4.10 The scope of services is:
- 4.10.1 to provide engineering management support to the Project;
 - 4.10.2 to provide specialist technical support to the Project;
 - 4.10.3 to review the design development; and
 - 4.10.4 to undertake a design audit.
- 4.11 The costs associated with the construction and commissioning phase of the Project are £1,195,000.

Anturas Limited

- 4.12 Due to the extensive knowledge of the Project, the Council's process and procedures and a wide range of knowledge and expertise of similar light rail projects across the UK, it is considered to be in the Council's best interests to award the Project Director, Assurance Services and ad hoc stakeholder and communications management support to Anturas Limited through waiver under Standing Order 9 of the Contract Standing Orders.
- 4.13 Anturas Limited have been working on the Project since 2015 through a range of direct appointments and latterly a sub-consultancy agreement with Turner and Townsend Limited. To date they have provided support on each element of the Scope of Services, though the stakeholder and communications management requirement has been reduced through the appointment of an internal stakeholder and communications manager.
- 4.14 The scope of services is:
- 4.14.1 Provision of Project Director;
 - 4.14.2 Assurance management required under the Railways and Other Guided Transport Systems (Safety) Regulations 2006; and
 - 4.14.3 Support to stakeholder and communications management as required.
- 4.15 The costs associated with the construction and commissioning phase of the Project are £776,337.

Scottish Water

- 4.16 Input to the project from Scottish Water is required to review, comment on and sign off design of diversionary routes, and to allow them to monitor the works as they progress to protect their assets and so that they can adopt them at completion. Where diversionary works are required during the construction phase, there will be resource from Scottish Water to enable access to their assets as well as managing potential service shut-offs. Their estimate for this support is £2,656,348.
- 4.17 The above estimate is inclusive of £820,000 risk allocation which Scottish Water will hold for the duration of the project, drawing down on this sum of money as required

in agreement with the Project Manager. It should be noted that, in the scenario where the risk allocation and/or the full resource estimate is not required to deliver the project, the balance will be returned to the Council on completion of the project.

- 4.18 The Contract Standing Orders require approval of committee to let a works contract in a sum in excess of £2million.
- 4.19 There are no procurement implications for this appointment as Scottish Water have exclusive use of the network, are a statutory utility and are exempt from procurement regulations.

5. Next Steps

- 5.1 Subject to Committee approval, Contracts will be put in place with Anturas Limited, Atkins Ltd and Turner and Townsend for ongoing support to delivery of the Project.
- 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 contracts is £8,770,337. 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 by contractors on the project and aligned to the community benefits system developed for City Deal, 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. Referral from Transport and Environment Committee to [Full Council](#), 14 March 2019

9. Appendices

- 9.1 None.