

## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	North Street LNRRR – Jacobs Ltd Contract Variation
<b>Decision Maker:</b>	Neil Stubbing – Strategic Director of Place
<b>Cabinet Member:</b>	Councillor Graham Williamson, Cabinet Member for Development and Regeneration
<b>SLT Lead:</b>	Neil Stubbings, Strategic Director of Place
<b>Report Author and contact details:</b>	Clare Brennan Clare.Brennan@Havering.gov.uk 01708434693
<b>Policy context:</b>	Havering Inclusive Growth Strategy 2020-2045 Havering Local Plan 2016-31
<b>Financial summary:</b>	This reports seeks authority to vary the contract sum for the Consultancy Contract that was entered into on 16.10.23 with Jacobs Ltd for the sum of £162,385.00.  The contract was varied for the first time on 26.6.24 when the contract

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	<p>sum was increased by £25,204.00 to a total contract value of £187,589.00.</p> <p>This second variation is for the sum of £26,892 and will increase the total contract value to £ 214,481.</p> <p>The increase can be covered within the existing Capital Budget (C41100) for the 2024/25 financial year which is £1,445,717</p>
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	N/A
<b>Is this decision exempt from being called-in?</b>	The decision will be exempt from call in as it is a Non key Decision

### **The subject matter of this report deals with the following Council Objectives**

People - Things that matter for residents X

Place - A great place to live, work and enjoy X

Resources - A well run Council that delivers for People and Place.

### **Part A – Report seeking decision**

#### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

1. The Strategic Director of Place is recommended to give authority to increase the existing consultancy contract sum for Jacobs Ltd by £26,892 from £187,589.00 to £214.481 from January 2025
2. The Strategic Director of Place is recommended to give authority to increase the existing contract length for Jacobs Ltd and vary the end date to 1.10.25.

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### **AUTHORITY UNDER WHICH DECISION IS MADE**

Scheme of delegations

Scheme 3.3.3 Powers common to all Strategic Directors

#### 2. Expenditure

2.1 To incur expenditure for their allocated directorate within the revenue and capital budgets as approved by the Council, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.

### **STATEMENT OF THE REASONS FOR THE DECISION**

1. A contract with Ringway Jacobs was procured in July 2018 through a mini tender process under the TFL London Highways Alliance (LoHAC) Framework. Ringway Jacobs were employed to design and deliver the construction of the Liveable Neighbourhoods Romford Ring Road Scheme (LNRRR) which was funded by TFL. Jacobs Ltd provided consultancy services for Ringway Jacobs who were to deliver the scheme.
2. The LNRRR scheme was paused in November 2021 at the end of TFL Gate 2, when TFL's financial position led them to withdraw their funding for the LNRRR scheme.
3. In October 2023, a decision was taken to deliver the scheme at North Street Roundabout which would be Phase 1 of the improvements to Romford Ring Road and the Council allocated £1,200,000.00 Community Infrastructure Levy (CIL) funding to the scheme. Further funding of £245,717.00 Capital and £157,228.00 Revenue was subsequently obtained from the UK Shared Prosperity Fund (UKSPF). The 2024/25 Capital Budget for the scheme is £1,445,717.
4. By October 2023, the LoHAC Framework had expired and it was not possible to extend the contract with Ringway Jacobs. This contract was therefore ended.
5. On 16.10.23 a contract with Jacobs Ltd was executed for the sum of £162,385.00.
6. Initial discussions with Transport for London (TFL) led to TFL identifying a requirement for an additional 6 demand led traffic models in order for them to assess whether the scheme can be approved. The additional modelling requirement is due to the extent of new development that is likely to take place within the traffic modelling catchment area applicable to North Street Roundabout.

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7. It was not possible to foresee the requirement for additional demand led modelling because it was not apparent that it would be required until access was granted to the London Highway Assignment Model (LoHAM) and initial discussions took place with TFL.
8. A contract variation of £25,204.00 was approved on 26.6.24 in order for the necessary demand led traffic modelling to be completed. This increased the total contract sum from £162,385.00 to £187,589.00.
9. The second phase of microsimulation traffic modelling has started.
10. TFL are now requiring that additional traffic surveys are undertaken at North Street roundabout because of the extent of the strategic changes that have taken place since 2019 when the TFL base model was produced.
11. Additional microsimulation modelling is required in order to analyse the results of the traffic counts and incorporate them into the model.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

- 1) Do not vary the contract

It would not be possible to complete the traffic modelling that has been started and deliver the North Street Roundabout scheme.

### **PRE-DECISION CONSULTATION**

None.

### **NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Clare Brennan

Designation: Regeneration Manager

Signature:



Date:

14/2/25

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The Council has an existing contract and is making a decision to vary the contract.

The Council has the power to vary the contract through section 111 of the Local Government Act 1972, which allows the Council to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions, or through its general power of competence in section 1 of the Localism Act 2011 to do anything that individuals generally may do. There are limitations on the general power of competence, but the limitations do not apply to this decision.

The contract value is below the applicable public procurement threshold for service contracts stipulated in the Public Contracts Regulations 2015 ("PCR") of £214 904. Therefore, it is not subject to the full PCR regime.

For these reasons, the Council can vary the contract.

### FINANCIAL IMPLICATIONS AND RISKS

Approval is sought to increase the existing contract with Jacobs Ltd by £26,892 to £214,481.

The initial increase provision of £25,804 was agreed in June 2024 to facilitate the development of a further 6 demand led traffic models in order for TFL to conclude their assessment. The second phase of microsimulation traffic modelling has now started and TFL are now requiring that additional traffic surveys are undertaken at North Street roundabout because of the extent of the strategic changes that have taken place since 2019 when the TFL base model was produced.

Additional microsimulation modelling is now required in order to analyse the results of the traffic counts and incorporate them into the model.

The funding will come from the existing capital budget of £1.45 million, underpinned by capital funding from the Community Investment Levy and the UK Shared Prosperity Fund. As such, it is not anticipated that the additional cost would have any adverse revenue implications.

#### **Financial Risks**

The costs are capitalised on the basis of delivering a new asset, the delivery of which is subject to an assessment which will be undertaken by TFL. Should the development not proceed, the costs incurred on this contract including the uplift would have to be taken to revenue.

While external funding is in place as a potential mitigation, approval would have to be sought from the provider to fund in effect abortive costs.

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### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no HR implications or risks associated with the proposed contract variation.

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

An EqHIA (Equality and Health Impact Assessment) is usually carried out and on this occasion this is/isn't required/attached.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are /are not equalities and social inclusion implications and risks associated with this decision.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

There are no direct environmental or climate change implications or risks associated with this contract variation. However, the improvements proposed to North Street Roundabout will provide surface level crossings and planting that will plant trees and is likely to improve the local environment, increase biodiversity, and improve natural drainage.

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**BACKGROUND PAPERS**

None

**APPENDICES**

None

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**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

~~Proposal NOT agreed because~~

**Details of decision maker**

Signed



Name:

Neil Stubbings

Strategic Director of Place

Date: 18.02.25

**Lodging this notice**

The signed decision notice must be delivered to Committee Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_

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