

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Bram Kainth, Executive Director of Place in consultation with Councillor Florian Chevoppe-Verdier, Cabinet Member for Public Realm

Date: 13/08/2025

Subject: Procurement Strategy and Contract Award for Olympia S106 Highway Works

Report author: John McCormick, Lead Engineer

SUMMARY

The London Borough of Hammersmith and Fulham Council (the “Council”) has secured Section 106 funding to deliver highway improvement works around the site of the Olympia Exhibition Centre which is undergoing redevelopment. The S106 works detailed in this report combine highway works contributions from the Olympia Exhibition Centre development (Planning Application ref: 2018/03100/FUL). The development is within the site bounded by Hammersmith Road, Lyons Walk, Blythe Road, Beaconsfield Terrace Road, Maclise Road and Olympia Way.

These works are to be carried out to facilitate the opening of various premises within the Olympia site and satisfy the conditions of the Section 106 Agreement. The area is subject to future co-produced permanent public realm improvements, so the proposals are mainly like-for-like re-instatements at this stage.

RECOMMENDATIONS

1. Appendix 1 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
 2. To approve a contract award to Preferred Supplier (Works) for the works element of the requirement included at Appendix 1 (the “Preferred Supplier (Works)”), using the existing Highways term contract for the Contract Award Value (Works) for the works element of the requirement included at Appendix 1 (the “Contract Award Value (Works)”).
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Wards Affected: Brook Green

Our Values	Summary of how this report aligns to the H&F Corporate Plan and the H&F Values
Building shared prosperity	The proposed scheme will improve the streets around the Olympia and encourage active travel, a key means of improving public health. It will also form the entry to the newly redeveloped Olympia.
Creating a compassionate and inclusive council	The proposed layout will provide improvements for all pedestrians, particularly more vulnerable users with visual and/or physical impairments.
Doing things with local residents, not to them	The proposals comprise minor improvements, as such no consultation has been carried out. The C9 scheme will bring about far more extensive changes, at which time local residents will be engaged with.
Being ruthlessly financially efficient	It is recommended that the works element of the requirement will be delivered using the existing highways term contract. The scheme is fully funded from secured Section 106 funding, so it can be delivered at no cost to the Council.
Taking pride in H&F	The completed scheme will provide an improvement over the existing streets, providing functional and aesthetic improvements for all road users. It will also form an improved gateway to the redeveloped Olympia site – a major destination in London Borough of Hammersmith and Fulham (LBHF).
Rising to the challenge of the climate and ecological emergency	New planting will be provided as part of the improvements, and the design team will seek to implement sustainable drainage measures (such as rain gardens) wherever possible.

Financial Impact

The total project cost including the proposed contract awards is included in Exempt Appendix 1. This will be fully funded from secured external funding (developer contributions).

Kellie Gooch, Head of Finance (Place), 11th August 2025

Verified by James Newman, Assistant Director of Finance (Deputy S.151 Officer), 12th August 2025

Legal Implications

The Council is empowered to undertake these works as part of its functions as a Highway Authority under the Highways Act 1980. The works are fully funded from receipts payable under the Section 106 agreement.

The works can be awarded as a works order under the term contract held by the Council's Preferred Supplier (Works) to undertake highways works. This is in accordance with a call-off agreement which the Council entered into under a framework agreement set up for the Council, the Royal Borough of Kensington and Chelsea and the City of Westminster. The framework agreement was awarded in accordance with the Public Contracts Regulations 2015 (PCR).

The award of the works is a key decision under the Council's constitution and needs to be included in the key decision list on the Council's website.

The award of this contract is in compliance with the CSOs.

Joginder Bola, Senior Solicitor (Contracts & Procurement), 11th August 2025

Procurement Comments

Use of an existing contract which has been compliantly procured by the Council is a compliant route to award the works. Based on details contained within this report, both contract awards satisfy CSO 19.4. at Section D – High Value Contracts – Over the Services Threshold of the Council's CSOs.

Chris Everett, Category Lead – Procurement and Commercial, 31st July 2025

Background Papers Used in Preparing This Report

None.

DETAILED ANALYSIS

Background

1. The site is situated around the Olympia: on Hammersmith Road to the south; Lyons Walk, Blythe Road and Beaconsfield Terrace Road to the west; and Maclise Road to the north. Olympia Way, to the east of the site, is not publicly maintainable highway and the developer of the Olympia Exhibition Centre is proposing to implement improvement works there. As such, Olympia Way is not included within the extents of these works. The extent of the works is shown on drawings no. 1000009856-5-0100-00 to 06, included at Appendix 2.
2. The redevelopment of the Olympia Exhibition Centre (Planning Application ref: 2018/03100/FUL) is ongoing and is due to complete in the second half of 2025 (phased delivery).

3. As part of the planning permission, the owner entered into a Section 106 agreement on 25th October 2019, for the “Highway Works” to be carried out by the Council.
4. The Section 106 Highway Works include:
 - Footway and kerb line re-instatement repaving;
 - Renewed pedestrian crossing points;
 - New street lighting;
 - New vehicle crossovers;
 - Reinstatement of signalised pedestrian crossings on Hammersmith Road (which were previously removed or stopped up due to the Olympia development works);
 - A new taxi rank;
 - Reinstatement of the Kensington Olympia Station (eastbound) bus stop (which was removed due to Olympia development works);
 - New cycle lanes on Blythe Road/Beaconsfield Terrace Road;
 - Improvements to the crossing facilities at the junction of Blythe Road and Beaconsfield Terrace Road; and
 - Replacement/removal of any redundant street furniture.
5. The Council is satisfied that the Section 106 highways works are of benefit to the public.

Reasons for Decision

6. The Council has a duty to discharge its obligations of the Section 106 agreement by undertaking the works for which this funding was secured. These works can therefore be undertaken at no cost to the Council.
7. The Council wants to make it easier for people to access the Olympia site, particularly those travelling via sustainable means. The works form part of the Mayor of London's plan for Healthy Streets, a long-term vision to encourage more Londoners to walk and cycle by making London's streets healthier, safer and more welcoming.

Contract Specifications Summary

8. The works to be delivered under the contracts are for the construction of the proposed scheme.

Procurement Route Analysis of Options

9. The works have been identified as falling within the scope of the following Common Procurement Vocabulary (CPV) codes:
71311220 : Highways engineering services
71322000 : Engineering design services for the construction of civil engineering works
and the Contract Award Value (Works), assuming that any options to extend will be taken, means the procurement falls in-scope of the Procurement Act 2023, Procurement Regulations 2024 and the Councils CSOs.

Option 1: Do nothing or decommission the service or requirement – Not recommended

10. The service and works must be delivered to satisfy the Council's obligations set out in the planning application for the Olympia development. Further, the works (including full construction costs) are being delivered at no cost to the Council.

Option 2: Deliver the supplies, services, and/or works in-house (make/buy decision) – Not recommended

11. The Council does not have in-house resources available to deliver the works. The works are a major undertaking as the scheme area is large, multiple parties are involved and there is significant pressure to deliver to a specified timescale.

Option 3: Use an existing contract, established by the Council, to provide the supplies, services, and/or works – Recommended

12. Options exist to use existing contracts which have been compliantly procured, to deliver both the works elements required. For the works, use of the Council's existing Highways term service contract is proposed to enable contract award to the Preferred Supplier (Works). Details of the Preferred Suppliers are included in Exempt Appendix 1.

Option 4: Undertake a fully regulated competitive and compliant procurement process, advertised to the market – Not recommended

13. It is recognised that a full regulated procurement process, advertised to the market would typically attract the widest competition and achieve the best value for money for the Council. The disadvantage to this approach is the time it takes to procure. Competitive procurement can take between 10 and 16 months. An alternative compliant route to award the works contract already exists, which will enable contract award in the shortest time, whilst also having already been compliantly procured, therefore representing value for money in line with the Council's priority to be ruthlessly financially efficient.

Option 5: Procure using a compliant framework, Dynamic Purchasing System (DPS), or Dynamic Market – Not recommended

14. Similar to the full regulated procurement process, advertised to the market, competition via a framework, DPS or dynamic market would attract competition to achieve value for money for the Council. The disadvantage to this approach is the time it takes to procure. A mini competition for these requirements is estimated to take between 6 and 12 months. An alternative compliant route to award the works contract already exists, which will enable contract award in the shortest time, whilst also having already been compliantly procured, therefore representing value for money in line with the Council's priority to be ruthlessly financially efficient.

Market Analysis and Engagement

15. Preliminary Market Engagement (PME) was not undertaken for this requirement, as the Council has already undertaken procurement activities when enable compliant award of the works contract.

Conflicts of Interest

16. All officers and decision makers, including elected members (where appropriate), have been required to complete a Conflict of Interest Declaration form to record any actual, potential, and/or perceived conflicts, along with appropriate mitigations (as appropriate), on the Conflicts Assessment.
17. Approval of this Contract Award by the Strategic Leadership Team (SLT) member and elected member (as applicable) constitutes their declaration that they do not have any actual, potential, and/or perceived conflicts, relevant to this procurement, except where a specific Conflict of Interest Declaration form has been completed and provided, advising differently.
18. The Conflicts Assessment will be kept under review and updated throughout the life of the project (from project inception to contract termination).

Local Economy and Social/Added Value

19. The contract for the works are within the Council's existing Highways term service contract for the construction works. As such, this is a known market, and the terms of engagement are as per the conditions of that contract.
20. The Commissioning Officer and Social Value Officer work will continue to work with the supplier to ensure that any Social Value generated from this award is additional to the core requirements of the contract, proportionate to the value and duration of the project and that delivery is measured and recorded. This includes encouraging the use of local suppliers wherever practicable.

Lot Considerations

21. The contracts are not being split into lots, as the contract awards are proposed to be awarded using established contracts.

Duty to Consider Small and Medium-sized Enterprises (SMEs) and Voluntary, Community, and Social Enterprises (VCSEs)

22. The contract awards do not provide further opportunities for SMEs or VCSEs, as it proposed they are awarded using established contracts.

People Based Considerations

23. The Transfer of Undertakings (Protection of Employment) Regulation 2006 (UKSI 2006/246) (TUPE) is not applicable to this contract.

Risk Assessment and Proposed Mitigations

24. The table below includes the key risks and proposed mitigations identified as being relevant to this requirement

Identified Risk	Proposed Mitigations
1. Failure to complete works on time	Council Officers will work closely with the preferred suppliers and the developer to deliver the works on time.
2. Failure to complete works to the required standard	Council Officers will work closely with the preferred suppliers to ensure quality control

Contract Duration Considerations

25. The works contract will run for a maximum of 9 months.

Timetable

26. Please include an estimated timetable of the competition process through to contact commencing.

Action	Date
1. Key Decision Entry (Strategy and Award)	Wednesday, 30 July 2025
2. Contracts Assurance Board (Strategy and Award)	Wednesday, 13 August 2025
3. SLT and Cabinet Member Sign off (Strategy and Award)	Wednesday, 20 August 2025
4. Contract Start Date (Works)	Friday, 29 August 2025

Contract Management

27. The existing Highways term contract with the Preferred Supplier (Works) is managed by Senior Officers, including a monthly progress meeting. Project Officers assigned to the scheme via regular meetings and progress updates. The works will be managed will be managed by the Council's Project Officers assigned to the scheme, via progress meetings and site visits.

Equality and Inclusion Implications

28. An Equality Impact Assessment (EIA) was undertaken for the Olympia S106 Highway Works and is included at Appendix 3. The assessment identifies a range of positive impacts for protected groups, particularly older adults, disabled people, pregnant individuals, and those with visual impairments. Improvements

such as footway repaving, new crossing points, and enhanced lighting contribute to safer, more accessible public spaces.

29. The EIA also considers indirect and intersectional impacts, including gender-based safety concerns and the needs of cyclists from underrepresented groups. While the current works are like-for-like reinstatements, future public realm improvements should incorporate inclusive design principles and engage with diverse communities to ensure equitable outcomes.

Yvonne Okiyo, Strategic Lead Equity, Diversity and Inclusion 12th August 2025

Risk Management Implications

30. In addition to the risks defined above, there is a financial risk that the improvements will incur additional cost due to inaccurate estimates, inflation, scope creep, or poor delivery from the Preferred Suppliers. This risk must be reduced. This recommendation should also be applied to the risks defined above in *Risk Assessment and Proposed Mitigations*. It is recommended that a robust project management and governance structure is established that should include change control, financial review, quality assurance, delivery management, and regular review cycles.
31. There is an environmental risk that the works have a wider impact that is foreseen. It is recommended that regular reviews of noise pollution, air pollution and impact to residents, local shop and premises holders is carried out. Any impact could in turn lead to reputational damage to the Council.
32. There is an operational and tied environmental risk that the works do not, on completion, deliver the expected improvements. It is recommended that pre-completion delivery and acceptance reviews are conducted that include approval from all stakeholders including local premises holders, resident's representatives, and Olympia management. Fixes and resolutions that are part of the contract should be completed prior to final sign off and payments.

Jules Binney, Risk and Assurance Manager, 8th August 2025

Climate and Ecological Emergency Implications

33. The works will deliver improved footways, crossing facilities and a new cycle lane. As such the proposals will contribute to the Council's Climate Emergency goals and its route to net zero emissions in the borough by 2030 by encouraging more people to walk and cycle to and from the Olympia site and in the local area generally.
34. New planting will be provided as part of the improvements, and the design team will seek to implement sustainable drainage measures (such as rain gardens) wherever possible to adapt to a changing climate and increase biodiversity.

Ben Kennedy, Senior Service Manager (Climate & Transport), 8th August 2025

Local Economy and Social Value Implications

33. As this award report is proposing to utilise existing Council contracts, it is recommended that the Commissioning Officer and Social Value Officer work with the supplier to ensure that any Social Value generated from this award is additional to the core requirements of the contract, proportionate to the value and duration of the project and that delivery is measured and recorded.

Harry Buck, Social Value Officer (Procurement), 11th August 2025

Digital Services and Information Management Implications

35. **IT Implications:** There are no IT implications resulting from this report.
36. **Information Management Implications:** The contents of this proposal do not refer to any personal data being held therefore there are no implications under the requirements of the UK General Data Protection Regulation (GDPR).

Vincen Arivannoor, Strategic Relationship Manager, Digital Services, 8th August 2025

Consultation

37. Consultation was carried out during the planning application stage (Planning Application ref: 2018/03100/FUL. No further consultation has been carried out since that stage as the proposals are mostly like-for-like improvements.

LIST OF APPENDICES

Exempt Appendix 1 – Project Financial Details
Appendix 2 – General Arrangement Drawings
Appendix 3 – Equalities Impact Assessment (EIA)