



Report for:	Commercial Board (CB)
Date of meeting:	28 November 2024

Title of report:	Commercial Board
Author	Nathalie Bateman
Purpose of report:	In order to comply with Dacorum procurement processes for extended contracts beyond £75k.
Recommendations:	To endorse a Framework Agreement with ESPO to issue a Direct Award to Aecom to carry out a North Hemel Transport Study and Wider Transport Activities to support Dacorum's Local Plan.
CB decision required (give short explanation)	To decide if a direct award via a Framework Agreement complies with procurement processes.
Are there any commissioning or procurement implications?	This would be a direct award commission on the ESPO Framework 664_21 – Lot 5, this is compliant with procurement legislation PCR2015.
Are there any digital implications?	No, the award provides consultancy services.
Head of Digital comments if relevant	Not relevant.
Are there any financial implications?	The scope has been shared with finance department.
Accountant comments & signature	This charge has been captured within the HGC financial tracker. There is sufficient funds for 24/25. Darren Flanagan, Accountant for People & Place.
Head of Commercial Development comments if relevant	
Are there any legal implications?	
Who has been consulted so far	Lyndsey Evans (Commercial Manager), Sue Foster (Procurement Manager), Darren Flanagan (Accountant)

Background papers	AECOM North Hemel Transport Study and Wider Activities Proposal
Appendices	

1. Background

Hemel Hempstead was awarded Garden Town status and Government funding in 2019 to develop “Hemel Garden Communities” (HGC) a development proposal and long-term programme to transform Hemel Hempstead and the wider area. The focus of development will create attractive and sustainable new neighbourhoods and communities within Growth Areas to the north and east of the town as well as proposed strategic sites within the town.

The HGC Programme Area covers the town of Hemel Hempstead, within the borough of Dacorum, as well as proposed growth areas straddling both Dacorum and St Albans districts to the north and east of the town and wider movement routes beyond. This includes over 11,000 homes, 10,000 jobs and the Herts IQ. The partnership is working to develop a strategic approach to ensure the homes, employment opportunities and new infrastructure is transformative to the whole town of Hemel Hempstead and the wider area.

AECOM recently completed a commission for Dacorum Borough Council to develop a Hemel Hempstead Transport Study (HHTS). The study forms part of the council’s pre-submission Local Plan and Regulation 19 consultation which were approved by the Full Council on the 15th October 2024, with consultation scheduled to run from the 4th November to the 17th December 2024.

The HHTS considers the transport infrastructure requirements up to 2041 and used a methodology of assessing desire line routes from all the known proposed development sites put forward in and around Hemel Hempstead to key trip attractors which include schools, shops, GP Surgeries and employment. An assessment of transport provision along routes informed the identification of potential interventions.

The Commission

Additional transport strategy and evidence is needed to support the Dacorum and St Alban’s Local Plans. The detailed work for North Hemel spanning land between the Leighton Buzzard Road and Redbourn Road will provide greater delivery certainty for site allocations for the authorities and HGC programme. In particular, the local and strategic functionality of the proposed Sustainable Transport Corridor through the North Hemel development area, land ownership implications, corridor and active travel connections. The support will also develop a set of deliverables for wider activities including priorities for the Key Transport Network across the town, 2041-2050 additional interventions across the town and for north Hemel, bus connections and linkages to LCWIP proposals.

Aecom’s work has been split into two Phases:

- Phase 1 starting in November, as a direct ward, which has an expected cost of £24,989.85, and
- Phase 2 is expected to start in January and Finish in February with a cost of £55,000.

Developers have been asked to contribute to the work associated with North Hemel, however the HGC programme has got sufficient budget to commission both phases of work.

Wider considerations

A strong Infrastructure Delivery Plan (IDP) is a fundamental consideration of a Local Plan examination. The outputs of Aecom's commissions (Phases 1 and 2) will inform Dacorum and St Alban's IDPs - this work is being undertaken by Arup and is expected to be complete by April 2025. The Local Plans have been expedited to meet the National Planning Performance Framework transition arrangements, which has brought forward the requirements for the Transport and IDP work.

2. Issues/Proposals

Issues

1. Local Plan considerations - The outputs of the Aecom Transport Study and Arup IDP commissions are both needed to support the Local Plan examination process, and delivery strategy for North Hemel.
2. Joint working considerations - Strong joint working across the authorities and landowners is required to ensure smooth transition for Aecom into Phase 2 and strong programme management required to ensure the IDP commission is delivered by April 2025.

Proposals

Governance - Aecom will develop outputs and deliverables, which will be governed through a HCC, DBC and SADC working group, a Transport Sub Group which includes landowners and wider HGC stakeholder and separate partner only meetings that occur regularly. The work will inform the Dacorum and St Albans IDPs, which is also governed through a similar working group and has wider liaison with landowner/developers through the HGC Developer Forum - a programme of meetings has been set up.

The proposal is to award Phase 2 using the ESPO direct award Framework Agreement.

The Aecom commissions costs will be funded from HGC budgets for **Phase 1 and Phase 2** with a maximum of £80,000. Developers have been asked to contribute to the costs associated with North Hemel Transport Study, which has a maximum of £60,000 attributed to it, however the HGC programme has got sufficient budget to commission both phases of work.

3. Options and Timescales

The options provided below demonstrate the difference in timescales between a Direct Award to Aecom via ESPO and a Further Competition via ESPO for the Study.

Option 1 – Framework Direct Award via ESPO

Procurement Stages	Indicative Timescales
Direct Award process start date	December 2024
Direct Award process finish date	January 2025

Work Stages	Indicative Timescales
Appointment & Inception	January 2025
Consultancy Support	January – February 2025

Option 2 - Further Competition via ESPO

Procurement Stages	Indicative Timescales
Competition process start date	December 2024
Competition process finish date	April 2025

Work Stages	Indicative Timescales
Appointment & Inception	May 2025
Consultancy Support	May – June 2025

The elongated timescales for option 2, would not align with the Local Plan examinations expected hearing dates from April for St Albans Local Plan.

A further competition via ESPO would extend the project timescales beyond April 2025. In addition, a further competition process could identify an alternative supplier for Phase 2 of the study with possible duplication of works already carried out by Aecom and causing further delays.

4. Risks

The main benefits for choosing a direct award through a Framework with ESPO:

- A direct award procurement process will secure the seamless continuation of works with Aecom.
- The HGC budget is funded by the HGC Partner Authorities (Dacorum, St Albans, and Hertfordshire County Council) where DBC supports the management of HGC finances and therefore has oversight of budgets.

The main risks with not taking forward a direct award and going to further competition with ESPO:

- There is a risk that the Local Plans could be found unsound without the transport and IDP evidence.
- The work will also inform the SADC Planning Performance Agreement for Land East of Hemel Hempstead, which has started and will provide timely deliverables to ensure the right priorities are delivered by the landowner/developer.

5. Conclusions & Recommendation

A decision is required from Commercial Board in order to comply with procurement processes and approval is sought to commission a Framework Agreement with ESPO to issue a Direct Award to Aecom to carry out the North Hemel Transport Study and Wider Activities.

6. Authorisation that will be sought following Board agreement e.g. ODRS, Cabinet, etc

Authorisation will be sought from James Doe, Place Director or an officer acting in James' place via an Officer Decision Record Sheet following Commercial Board agreement.

7. Next Steps

To commission a Framework Agreement with ESPO to issue a Direct Award to Aecom to carry out the North Hemel Transport Study and Wider Activities.