



# INTEGRATION & COLLABORATIVE WORKING

## WINNER 2014

### Bank Station Capacity Upgrade Project Team



**London Underground Ltd's (LUL) Bank Station Capacity Upgrade (Bank SCU) project team has pioneered a procurement approach known as Innovative Contractor Engagement (ICE). ICE is an 'Infrastructure UK' model approach that resolves the business need and maximises market value through innovation in the supply chain.**

ICE changes traditional procurement behaviours by enabling early collaboration and innovation within the whole supply chain – client, designer, tier 1 contractor and tier 2 suppliers. It engages the 'whole construction brain' from the outset.

ICE was designed to engage early market involvement that could produce time and cost savings and encourage innovative thinking to help design, plan and deliver the works. Four pre-qualified bidding consortia were engaged and three of them delivered bids that were better value than LUL's client designed base case. This was made possible through the establishment of a legally binding Information Agreement (IA) between bidders and LUL.

The IA ensures that: bidders' innovations are commercially protected prior to issue of the ITT – ideas can be developed confidentially with the client; contractors and their supply chain form early binding arrangements, encouraging full participation – on Bank, 50% of the early

innovations originated from the supply chain; and a framework for losing bidders to benefit from their early innovations if they fail to win – on Bank, LUL chose to buy all the losing innovations.

During ICE, the winning Dragados SA bid team engaged proactively with the client. They focused directly on the client's core challenges and listened to feedback to deliver a scheme that enhanced the business case benefit to cost ratio by 45%, outperforming the 15% target. This was achieved by focusing on benefits, engaging the tier 2 supply chain in exclusive agreements, maintaining confidentiality and working collaboratively to leverage the full intellectual property of both client team and supply chain. They concentrated on the social value of the scheme, not just the cost to build, developing what their bid director described as 'a new and unique set of behaviours during a bid'.

Customer and stakeholder benefits include a safer environment, reduced evacuation times and improved station ambience, an increase in train frequency planned as part of the Northern Line upgrade – supporting economic growth, and considerable savings for tax payers.

The shared ownership fostered with the winning bidder has translated into a practical working partnership where a cross party team, working within the alliance framework, deliver the 'Best for Bank', regardless of their parent organisation.

#### Judges' comments

**Whilst all the entrants in this category deserved an award, it was London Underground who had taken collaboration to a new level. Theirs was an impossible challenge which could not be overcome with a traditional approach.**

**All through the design and procurement stages LUL have facilitated innovations and value improvements which have substantially improved the project design and delivered greater public benefit.**



#### FINALISTS

- **Bank Station Capacity Upgrade Project Team:** London Underground Ltd
- **Heathrow Terminal 2A:** HETCo – A Ferrovial Agroman, Laing O'Rourke Joint Venture
- **KCC Basic Need Programme 2013:** Kier Construction
- **Procure 21+ Partnership Group:** Procure 21+ Partnership Group
- **Royal Mail Parcelforce Expansion Programme 2013:** Wates