
Meeting	Cabinet Resources Committee
Date	16 January 2014
Subject	Brent Cross Cricklewood Regeneration
Report of	Leader of the Council
Summary of Report	The report seeks consent to approve the amended terms to the Brent Cross Principal Development Agreement and the terms of the Co-operation Agreement and to authorise the Chief Executive in consultation with the Leader to agree the detail of the Brent Cross Principal Development Agreement and Co-operation Agreement. This report also seeks approval to commence market testing to inform the delivery strategy for Brent Cross Cricklewood South; enter into negotiations with landowners to acquire land in advance of any CPO; and to continue the design and development work in respect of the Thameslink Station.

Officer Contributors	Cath Shaw, Enterprise and Regeneration Lead Commissioner, London Borough of Barnet Stephen McDonald, Director For Place - Regional Enterprise (Re) Karen Mercer, Regeneration Manager - Re
Status (public or exempt)	Public with separate exempt report - information relating to finance and business affairs para. 3 of Schedule 12A to the Local Government Act 1972 (as amended)
Wards Affected	Childs Hill, Golders Green and West Hendon
Key Decision	Yes
Reason for urgency / exemption from call-in	N/A
Function of	Executive
Enclosures	Appendix 1 – Brent Cross Cricklewood Masterplan Appendix 2 – Proposed BX South Phase 1
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1. RECOMMENDATION

1.1 That Cabinet Resources Committee

- a) approve the changes to the terms of the Brent Cross Principal Development Agreement (as considered and approved by CRC in October 2010) as set out in Section 9 of this report;
- b) approve the terms for the Co-operation Agreement as set out in Section 9 of this report;
- c) authorises the Chief Executive in consultation with the Leader of the Council to agree the detail of the Brent Cross Principal Development Agreement and Co-operation Agreement;
- d) approve commencement of market testing through the issue of a Prior Information Notice to inform the delivery strategy for the Brent Cross Cricklewood South area;
- e) approve that the Council enter into negotiations with landowners to acquire land required in advance of any Compulsory Purchase Order, subject to approval of the bid for capital funding by Cabinet on 25 February 2014;
- f) approve that the Council continue the design and development work to develop the business case and funding strategy for delivery of the Thameslink Station, subject to approval of the capital funding bid by Cabinet on 25 February 2014;
- g) delegate authority to the Strategic Director for Growth and Environment to procure the necessary advice and consultants to progress the Brent Cross project workstreams and deal with the related contractual issues and arrangements.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet, 26 April 2004 (Decision Item 8) – approved the adoption of the Cricklewood, Brent Cross and West Hendon Development Framework as Supplementary Planning Guidance.
- 2.2 Cabinet, 29 March 2005 (Decision Item 6) – agreed to enter into a Collaboration Agreement with the development partnership (Cricklewood Regeneration Limited, Hammerson and Standard Life).
- 2.3 Cabinet, 5 December 2005 (Decision Item 7) – approved, amongst other matters, that
 - (i) the Eastern Lands Addendum be adopted as Supplementary Planning Guidance; and

- 2.4 Cabinet Resources Committee, 25 March 2008 (Decision Item 16) – approved the outline terms so far agreed with the Brent Cross partners and Cricklewood Redevelopment Limited, including the proposals for the finalisation of the financial terms, be approved in principle subject to the outcome of Counsel's advice on procurement issues, and that the finally agreed terms for the Development Framework Agreement and the Principal Development Agreements be reported to a future meeting of the Cabinet for approval.
- 2.5 Cabinet, 21 October 2009 (Decision Item 7) – approved the terms and conditions of entering into the Development Framework Agreement and the Principal Development Agreements, subject to approval of the Brookfield Europe and Hammerson Guarantor companies by the Director of Finance and the Leader of the Council, and the approval of the appropriate land transaction and financial arrangements by the Secretary of State. The approval was also subject to agreement of the plans, the historic costs and the form of the legal documents.
- 2.6 Cabinet Resources Committee, 19 October 2010 (Decision Item 5) – approved the changes to the terms and conditions of the Development Framework Agreement and the two Principal Development Agreements regarding Brent Cross Cricklewood (as considered and approved by Cabinet in October 2009)
- 2.7 Cabinet Resources Committee, 18 April 2013 (Decision Item 14) - noted that the Brent Cross Cricklewood Development Partners wished to modify the existing planning consent to allow re-phasing; approved that the Director for Place begin preparations to enable the Council to procure a development partner to deliver the regeneration of the southern parts of Brent Cross Cricklewood Regeneration Area and confirmed the continued appointment of the external advisors for the Brent Cross Cricklewood Regeneration project, and the procurement of appropriate additional advice, and to delegate authority to the Director for Place to deal with necessary contractual issues or arrangements.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The regeneration of Brent Cross Cricklewood supports the Corporate Plan 2013-2016 priority to '*promote growth development and success across the borough*' and contributes to the corporate plan outcome '*To maintain the right environment for a strong diverse local economy*'.
- 3.2 The 2012 Growth Strategy for Barnet recognised that regeneration and growth are vital for ensuring the future prosperity of the Borough and maintaining Barnet as a successful London suburb. The scheme to transform Brent Cross Cricklewood will play a major role in delivering this prosperity, doubling the size of the shopping centre and linking seamlessly to a new town centre for Barnet and North London across the North Circular Road. Brent Cross Cricklewood is one of Barnet's priority regeneration areas, and will provide approximately 7,500 new homes over the next 20 years. It is a key part of the wider revitalisation of the A5 corridor linking Brent Cross Cricklewood with developments at West Hendon, Colindale and Edgware and improvements to Cricklewood Town Centre, to create a series of high quality modern suburbs.

- 3.3 The first phases of the Brent Cross Cricklewood project includes the redevelopment of the shopping centre, creation of major new infrastructure, improved links to the existing tube station, and delivery of around 2,461 new homes over the next 8-10 years. This will create an estimated 3,000 construction jobs, and 4,000 permanent jobs.
- 3.4 As well as meeting the housing and employment needs of residents, growth can play a role in the longer term sustainability of Council services. The first phase of development at Brent Cross Cricklewood is expected to generate approximately an additional 91,500 sqm of net retail and commercial floorspace, equating to a potential business rate growth for the Borough of up to £12.9m per annum. The 2,461 new homes delivered over the next ten years are expected to generate around £21.5m in New Homes Bonus payments and around £3.5m per annum in Council Tax when developed out.

4. RISK MANAGEMENT ISSUES

- 4.1 The key risks can be summarised as follows:
- 4.2 The main risk to the project is financial viability. The Council is seeking to mitigate this risk through the following measures:

(1) Delivery of the Thameslink Station

The delivery of the station will help drive land values, thereby enabling the regeneration of the Brent Cross Cricklewood area. The Council together with public sector partners (Greater London Authority, Network Rail and Transport For London) are exploring strategies to bring forward the station. This includes continuing design work in respect of the station itself, including a review of the station output, functional specification and technical due diligence work to provide a detailed cost estimate. Funding options and strategy will be developed throughout 2014. The results of this work will be reported to Cabinet Resources Committee in late 2014. A bid for capital funding is being considered by Cabinet on 25 February 2014 to fund this work. Should the station go ahead, this funding will form part of the overall project cost and will be recouped by the Council as a development cost. However, this funding will not be recouped should the station not go ahead as proposed. Consequently, the budget and programme will be managed throughout 2014 to ensure that only the necessary work is undertaken in advance of securing a funding strategy.

(2) Development of a viable first phase proposition.

This has involved undertaking detailed financial modelling and a detailed review of all technical existing due diligence to provide an updated cost plan. Ground investigations are about to commence and will be completed in the spring. Should this survey work indicate that remediation costs could exceed the current estimate, this risk would be mitigated through scheme design and working co-operatively with the Development Partners in accordance with the provisions set out in the Co-operation Agreement. As detailed in Section 9 of this report, GVA has undertaken a detailed review of the existing scheme and consider that there is a viable first phase proposition.

(3) Market Testing

To further test the market proposition, Cabinet Resources Committee approval is now sought to formally issue a Prior Information Notice to enable the Council to discuss this opportunity directly with the market. This process will confirm viability and inform the delivery strategy for the south side proposals. This strategy will be reported to Cabinet Resources Committee in summer this year.

- 4.3 There is also the risk that any procurement of a partner could be subject to challenge. To mitigate this risk, the procurement process will be subject to the relevant European Union procurement procedures, including if required, submitting a contract notice to the Official Journal of the European Union (OJEU). The Council has retained specialist legal advice on the scheme as a means of ensuring that all actions taken by the Council accord with the provisions of relevant national and international laws, regulations and directives.
- 4.4 There is the risk that Hammerson and Standard Life (the Development Partners) do not progress the shopping centre scheme or deliver part of the scheme but fail to deliver the critical infrastructure needed to facilitate the comprehensive regeneration of the area. In this regard, the commercial agreements with the Development Partners when unconditional require the delivery (bonded or otherwise suitably secured) of critical infrastructure to enable the Brent Cross Cricklewood South development to come forward in advance of the shopping development, if necessary. This will ensure that the regeneration of the southern land is progressed.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The public sector equality duty under section 149 of the Equality Act 2010 (“PSED”) requires the Council 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; and (ii) the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. ‘Protected characteristics’ are: gender, race and disability, sexual orientation, age, religion or belief, pregnancy and maternity and gender reassignment.
- 5.2 The Council is committed to improving the quality of life for all and wider participation in the economic, educational, cultural, social and community life in the Borough.
- 5.3 The development proposals for the Brent Cross Cricklewood scheme will make a significant contribution to the provision of additional, high quality affordable housing units in the Borough as well as providing employment through the creation of a new town centre with leisure, health and educational facilities. The delivery of the Thameslink Station will enhance public transport provision and improve accessibility and provide greater choice for all. It should be emphasised that a fully integrated and accessible town centre will be created as part of these proposals.

- 5.4 Extensive consultation has and will continue to be undertaken with the community to ensure that the scheme reflects local needs including the needs of those with protected characteristics, as well as securing the future of North London's only regional shopping centre. This has included specific consultation in respect of the Whitefield Estate Residents and the occupiers of the Rosa Freeman Care Centre. The approach aims to secure the delivery of a cohesive and successful suburban environment which will help to address the deprivation which is concentrated in parts of the Borough.
- 5.5 In this regard, the Council and the Development Partners have appointed an Independent Residents Advisor to work with the residents on the Whitefield Estate within the regeneration area, and have established the Whitefield Estate Steering Group. The Council meets with the Steering Group on a regular basis. The Council and the Development Partners met with the Steering Group on 14 November 2013 and 7 January 2014 and intend to hold an open meeting with all residents in March 2014 to provide an update on the residential relocations and new delivery approach outlined in this report.
- 5.6 It is important to note that all relevant equalities and diversity issues were considered as part of the original planning application, which was approved in October 2010.
- 5.7 The equalities implications will be regularly reviewed and updated during the life of the project.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 Under the terms of the existing Collaboration Agreement signed by the Council and the Development Partners, Hammerson/Cricklewood Regeneration Limited and Standard Life are obliged to pay the Council's costs in connection with this project.
- 6.2 The Council and the Development Partners agreed a budget of £1.187m for 2013. This has been monitored on a monthly basis and the Council is working within the agreed budget.
- 6.3 The Council has submitted a draft budget for 2014 to the Development Partners for agreement by the end of Jan 2014.
- 6.4 The Brent Cross Principal Development Agreement (which will supersede the Collaboration Agreement) re-confirms that the Development Partners are obliged to pay the Council's (and its consultants) costs in connection with this project. This includes the Compulsory Purchase Order (CPO) costs associated with the acquisition of land required for the shopping centre and infrastructure works. A CPO Indemnity Agreement has been drafted and will be annexed to the Brent Cross Principal Development Agreement. This will be entered into prior to any CPO Order to ensure that the Council's costs are covered in respect of the land required by for the Brent Cross Shopping Centre extension. In relation to the land required to deliver the first phase development on Brent Cross Cricklewood South, a bid for capital funding is being reported to the Cabinet on 25 February 2014 for approval. This funding will be later recouped from the Brent Cross Cricklewood South development.

- 6.5 The Development Partners will provide the required funding to enable the Council to procure a delivery strategy and partners as set out in the Co-operation Agreement to be entered into.
- 6.6 In relation to the continuing design and development work for the Thameslink station, capital funding of £4m will be considered for inclusion in the capital programme for 2014/15 onwards, which is due to be approved by Cabinet on the 25 February, funded from the infrastructure reserve. This funding should be recouped by the Council at a later date as it would form part of the overall Station development project cost. The budget and programme will be managed throughout 2014 to ensure minimal spend until a funding strategy has been developed and approvals given.
- 6.7 In respect of future planning and transport work, including discharge of conditions and reserved matters applications associated with this project, Planning Performance Agreements will be entered into to ensure that all Council's costs are recoverable.

7. LEGAL ISSUES

- 7.1 The Council has a general power of competence under Section 1 of Chapter 1 of the Localism Act 2011 and this empowers the Council to enter into joint venture arrangements for the development of the south side of the Brent Cross Cricklewood regeneration scheme. Section 1 of the Localism Act 2011 provides local authorities with a broad power to do anything that individuals can do subject to any specific restrictions contained in legislation.
- 7.2 The Council has power to acquire and dispose of land in accordance with Sections 120 to 123A and subject to obtaining appropriate consents and approvals Sections 128 to 131 of the Local Government Act to ensure value for money is secured.
- 7.3 The procurement of a partner and other advisers for the south side of the scheme will be carried out in accordance with the relevant European Union procurement regulations and public sector procurement principles.
- 7.4 The Public Services (Social Value) Act 2012 requires the Council to consider whether it can achieve an improvement to the economic, social and environmental well-being of an area as part of the procurement of these services. If so, the social value objectives identified must be written into the procurement process. All of this must be achieved with regard to value for money and in a way that is compliant with existing public procurement law. "Social value" objectives can include the creation of employment, apprenticeship and training opportunities for local people, trading opportunities for local businesses and the third sector and the promotion of equality and diversity through contract delivery.
- 7.5 Section 111 of the Local Government Act 1972 provides that a local authority has power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of its functions.

- 7.6 The public sector equality duty referred to in Section 5 also required consultation to ensure the Council complies with its duties under the Equality Act 2011.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)

- 8.1 The Council's Constitution, Responsibility for Functions, states in paragraph 4.6 the functions delegated to the Cabinet Resources Committee, including to agree externalisation contracts, and all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

9. BACKGROUND INFORMATION

Background

- 9.1 Brent Cross Cricklewood is one of London's major regeneration schemes and among the most significant planned new developments in Europe. It extends to 151 hectares. The Regeneration Scheme is being driven by a partnership comprising the Cricklewood Brent Cross Development Partners (Hammerson and Standard Life Investments – The Development Partners) and the London Borough of Barnet. Cricklewood Regeneration Limited is wholly owned subsidiary of Hammerson and is their delivery vehicle for the southern masterplan.
- 9.2 As the Committee is aware, the Brent Cross Cricklewood area represents a significantly under used area of brownfield land comprising industrial uses, former railway land and Brent Cross Shopping Centre and Brent Cross South Retail Park surrounded by large areas of surface level car parking. The area is dominated and constrained by the existing road network and rail infrastructure. Nevertheless, given its location at the connection between the M1 and the A406, the regeneration area comprises underused gateway sites into London. The potential of the area is reinforced by its connection with the A5 and A41, and its close proximity to the Northern Line at Brent Cross station, the Midland mainline and Brent Cross bus station.
- 9.3 The development of this strategic gateway site will create a new town centre and residential quarter, uniting the areas north and south of the A406, providing an attractive and vibrant place to live and work. It will also contribute to the future prosperity of the Borough. The first phase alone is expected to create an additional 3,000 construction jobs, and 4,000 permanent jobs over the next 5-7 years and will generate approximately an additional 91,500 sqm of net retail and commercial floorspace, equating to a total potential business rate growth of up to £43.4m.
- 9.4 Outline planning permission for the comprehensive regeneration of the Brent Cross Cricklewood area was granted on 28 October 2010.

Progress Update

- 9.5 On 11 October 2013, the Development Partners submitted a planning application to modify the outline permission to reflect the evolution in scheme

design and the revised strategy for delivery. This would still enable a start on site by 2017. The revised masterplan is attached at appendix 1.

9.6 The specific changes can be summarised as follows:

- Creation of a footbridge named Living Bridge over the North Circular to improve pedestrian connectivity across the site and provide better integration between the northern and southern components of the development.
- Alterations to the layout of development within the Brent Cross East Zone (i.e. around the remodelled Brent Cross Shopping Centre) including the interface with the Living Bridge, as well as consequential amendments to the alignment of the River Brent. This includes the reconfiguration of Brent Cross Square and Market Square to integrate into the Living Bridge.
- Alterations to the phasing of the development to enable the shopping centre within the Brent Cross East Zone to be developed in full in the first phase (rather than over two phases). This includes the new bus station and early delivery of critical transport infrastructure including M1 and Staples Corner.

9.7 This application is scheduled to be considered by the Planning and Environment Committee on 30 January 2014.

9.8 The application has been subject to extensive public consultation and a public exhibition was held on 12 – 13 November 2013 at Hendon Leisure Centre.

Commercial Agreements

9.9 In 2010 the Cabinet Resources Committee approved the changes to the terms and conditions of the Development Framework Agreement and the two Principal Development Agreements regarding Brent Cross Cricklewood (as considered and approved by Cabinet in October 2009). These Agreements have not been entered into.

9.10 The April 2013 Cabinet Resources Committee report explained that the Development Partners now wish to focus solely on the delivery of the shopping centre at Brent Cross and the significant infrastructure required to support the Brent Cross Cricklewood comprehensive regeneration proposals. It is now proposed that the Council will take the lead on the south side to deliver the southern parts of the Brent Cross Cricklewood Regeneration masterplan. Paragraphs 9.17 – 9.22 of this report explains the delivery strategy developed to date.

9.11 As a result of this new delivery approach, it has been necessary for the Council and the Development Partners to review the commercial agreements previously approved by Cabinet Resources Committee in 2010. The Council is being advised by Eversheds on legal matters and by property specialists, CBRE on the Brent Cross Principal Development Agreement and GVA in respect of the Cooperation Agreement for Brent Cross Cricklewood South.

Brent Cross Principal Development Agreement

9.12 The Brent Cross Principal Development Agreement as reported to Cabinet Resources Committee in 2010 remains largely as agreed. However amendments are proposed in relation to the following:

- Ground Rent
- Overage Calculation
- Lease Extension

9.13 Relevant financial details are set out in the Exempt report as appropriate.

9.14 As previously reported, the Council's ground rent will now be based upon total rental income derived from the Centre (including car parking, advertising rights and any other commercial income derived from the shopping centre) not merely from the shop units. Also, as previously agreed, the Minimum Ground Rent will be reviewable periodically.

Co-operation Agreement

9.15 As a result of the new approach, the previously agreed Cricklewood Regeneration Limited Principal Development Agreement and overarching Development Framework Agreement are no longer required. However, an agreement is required to:

- 1) enable the Council to take over Cricklewood Regeneration Limited's role to deliver the comprehensive development of the southern Brent Cross Cricklewood regeneration area ("Brent Cross Cricklewood South").
- 2) reflect the Development Partners' delivery role. Whilst the Development Partners will no longer have a direct role in the delivery of the south side, the Partners are facilitating the delivery of Brent Cross Cricklewood South through the provision of the critical infrastructure works.

9.16 The key terms are set out below. The relevant financial details are set out in the Exempt report as appropriate.

- On reaching unconditionality (currently estimated to be 2016), the Development Partners will provide the critical infrastructure required to facilitate development on Brent Cross Cricklewood South (to a programme to be agreed with the Council and Transport for London). This includes significant highway works, for example the improvements to the M1 and Staples Corner alongside the new Living Bridge; social infrastructure works including the upgrade to Clitterhouse Playing Fields; and the diversion of major utility services, undertaking utility reinforcements and providing utilities directly to the first phase south side development adjacent to the Living Bridge. The critical infrastructure will be bonded or otherwise suitably secured.

- The Development Partners will be fully responsible for the cost of acquiring 29 leasehold / freehold units on the Whitefield Estate required for the implementation of the critical infrastructure. All resident leasehold/ freeholders will have the right to relocate within the scheme.
- The Development Partners will be fully responsible for relocating 31 existing council tenants to new residential units within the scheme at their own cost. The Development Partners will also construct up to 40 assisted living units (subject to the bedroom size) for the Council (i.e. Rosa Freedman relocation).
- The Development Partners will grant the Council options to acquire the freehold land interests within its ownership required for Phase A and the Midland Mainline Bridge across the Thameslink railway line. This includes all land acquired via negotiation / CPO which is not required for infrastructure works.
- The Development Partners will grant the Council an option to acquire the freehold land interests within its current ownership outside Phase A but required for future Phases.
- The Council to make any of their land required for highway improvements available to the Development Partners with the Council retaining ownership.
- The Council to make land available for the relocation of part of the Whitefield Estate.
- The Development Partners will grant the Council an option to acquire the share capital of Cricklewood Regeneration Limited with satisfactory guarantees / indemnities from Hammerson Plc. The reasoning for this corporate acquisition is that Cricklewood Regeneration Limited has an option to acquire circa 50 acres of Network Rail land, which cannot be assigned. Therefore the Council needs to acquire Cricklewood Regeneration to gain control of this option.
- The Development Partners will make a financial contribution to enable the Council to secure a delivery strategy/partner to deliver the South scheme.
- The Development Partners will make available all technical due diligence, copyright and intellectual property undertaken to date that they hold on Brent Cross Cricklewood South, and provide fully assignable warranties from all the professional consultants or otherwise provide a suitable indemnity to the Council in respect of this work. The Development Partners will commission and pay for new ground investigation work within the proposed Phase A and provide the fully assignable warranties. This work will be completed to inform the delivery strategy.

Brent Cross Cricklewood South Delivery Strategy

- 9.17 In 18 April 2013, Cabinet Resources Committee approved that the Director for Place begin preparations to deliver the regeneration of Brent Cross Cricklewood South.
- 9.18 The Council instructed GVA to provide strategic property development advice on the delivery of Brent Cross Cricklewood South, focussing on reviewing the southern area and undertaking a detailed technical due diligence review of the overall infrastructure and development costs to inform scheme viability.
- 9.19 This process has identified a first phase scheme (referred to as Phase A), as shown at appendix 2. This phase could bring forward circa 2,421 residential units, plus 190,000 sq ft of retail accommodation to provide the new high street linking into the Living Bridge and Brent Cross Shopping Centre thus creating the new town centre, over an 8-10 year period.
- 9.20 On the basis of their market review alongside the provisions set out in the Brent Cross Cricklewood Principal Development Agreement and the Co-operation agreement, namely the delivery of the critical infrastructure and the provision of services to specific development plots within the first phase, GVA consider that there is a viable first phase market proposition. This assumes that the Council invests their land with a payment at a later date.
- 9.21 Consequently, Cabinet Resources Committee approval is sought to commence discussions with the market through the publication of a Prior Information Notice in spring this year. This is to enable the Council to speak directly to potential partners to inform the delivery strategy to bring forward the regeneration proposals on the south as part of the overall comprehensive regeneration of the Brent Cross Cricklewood area.
- 9.22 Following this exercise, the project will be reported back to Cabinet Resources Committee in summer with a clear delivery strategy for Brent Cross Cricklewood South and to secure the comprehensive development of the regeneration area.

CPO Update

- 9.23 As explained in earlier Cabinet Resources Committee reports, delivery of the Brent Cross Cricklewood proposals may require the Council to use its compulsory purchase powers and there may be several Compulsory Purchase Orders (CPO's) over the lifetime of the project.
- 9.24 The Development Partners and the Council are currently preparing the strategy to progress the first CPO based on delivering a first phase development north and south of the North Circular Road. It is likely that the Development Partners will make a formal request to the Council to use its CPO powers in summer 2014, with the view to asking Cabinet Resources Committee to resolve to make the CPO in September 2014. The target date for a CPO Inquiry, if required, is mid 2015.
- 9.25 In order to support the CPO process, the Development Partners and the Council will need to demonstrate that both parties have sought to acquire the

required land by private treaty in advance of the CPO. Preparations for that CPO process will need to commence for any CPO that may be required and this will include a land referencing exercise to identify all those with an interest in the land and negotiations with these parties to seek to acquire their interest by private treaty.

- 9.26 As detailed in the Resources section of this report, a draft CPO Indemnity Agreement has been prepared and will be annexed to the Brent Cross Principal Development Agreement. The Development Partners have agreed in principle to bear all CPO costs associated with the land that is required to deliver the shopping centre and residential development north of the A406 as well as associated critical infrastructure.
- 9.27 It is currently envisaged that the Council will need to bear the CPO costs for land required for the Brent Cross Cricklewood South proposals. It is also envisaged that these acquisition costs will be recoverable from the Brent Cross Cricklewood South development in due course.
- 9.28 Therefore, Cabinet Resources Committee approval is sought to acquire properties required for the Brent Cross Cricklewood South development in advance of any CPO. This is subject to the capital funding bid being approved by Cabinet on 25 February 2014.

Thameslink Station

- 9.29 The Thameslink Station is important to the success of the regeneration scheme in both place-making as well as viability terms. However, at present the scheme does not benefit from the delivery of the station until the later phases.
- 9.30 Bringing the station forward in the delivery programme will increase the attractiveness of Brent Cross Cricklewood area as a place to live, shop and work and thereby improve the viability of Brent Cross Cricklewood South. The station will increase land values within the Brent Cross Cricklewood area. Bringing the station forward in the delivery programme will enable the Council and its partners to benefit from the uplift in values to create a viable scheme that delivers the comprehensive regeneration of the area. Early delivery will also increase the pace of delivery of new homes. Residential development could begin concurrently in two locations on land around the station as well as adjacent to the landing of the living bridge and the overall scheme being delivered in 21 years rather than 25.
- 9.31 The delivery of the Thameslink Station can only be achieved through the support of all key stakeholders, including HM Government, the Greater London Authority, Transport For London and Network Rail alongside the Development Partners. There is considerable support amongst all stakeholders, particularly the GLA as part of the growth agenda, to deliver the station early to help lift land values and ensure the delivery of 7,500 new homes and creation of circa 25,000 jobs. In this regard, the GLA and the Council have established the Brent Cross Cricklewood Strategic Forum to bring key stakeholders together to drive this important regeneration project forward.

- 9.32 The April 2013 report explained that further work is being undertaken to explore potential funding strategies that could be used by public sector partners to bring forward the Thameslink Station. This feasibility work with public sector partners is on-going. The work undertaken to date is based on 2008 design and cost estimates. Further work is required to continue the design and development of the station, in particular a review of the existing functional specification alongside site due diligence and the detailed design of the station to provide an updated cost plan and develop a funding strategy.
- 9.33 Cabinet Resources Committee approval is therefore sought to continue the station development work needed to develop a funding package to deliver the station. This work is estimated to be £4m and is intended to be recouped into the overall project cost of the Thameslink Station.

10. LIST OF BACKGROUND PAPERS

- 10.1 Cabinet Report, 21 October 2009 (Decision Item 7)
- 10.2 Cabinet Resources Committee Report, 19 October 2010 (Decision Item 5)
- 10.3 Cabinet Resources Committee Report, 18 April 2013 (Decision Item 14)

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