

	<p>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 11 September 2017</p>
<p style="text-align: right;">Title</p>	<p>Brent Cross Cricklewood Scheme Settlement Agreement with NLWA/London Energy</p>
<p style="text-align: right;">Report of</p>	<p>Deputy Chief Executive</p>
<p style="text-align: right;">Wards</p>	<p>Childs Hill, Golders Green and West Hendon</p>
<p style="text-align: right;">Status</p>	<p>Public with separate exempt report (Not for publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 as amended (as this relates to the financial matters and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).</p>
<p style="text-align: right;">Enclosures</p>	<p>None</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Karen Mercer BXC Programme Director Email: Karen.Mercer@barnet.gov.uk</p>

Summary

To report and authorise the Council (LBB) entering into the Settlement Agreement with North London Waste Authority (NLWA) and London Energy (previously London Waste Limited) in relation to the land which forms part of the land comprising The London Borough of Barnet (Brent Cross Cricklewood) Compulsory Purchase Order (No. 3) 2016 to secure the delivery of the Thameslink Station and continued regeneration of the Brent Cross Cricklewood. The Agreement facilitates the relocation of NLWA/London Energy from their existing Hendon Waste Transfer site to the east of the Midland Main Line to a new road based Waste Transfer Station at Geron Way. Following exchange, NLWA/London Energy will withdraw its objections to the CPO.

Decisions

1. To authorise the Council entering into the Settlement Agreement with NLWA/London Energy.

1. WHY THIS REPORT IS NEEDED

- 1.1 The regeneration of Brent Cross Cricklewood is a long-standing objective of the Council. It comprises a unique opportunity for Barnet to create a new town centre and residential quarter, uniting the areas north and south of the North Circular, providing an attractive and vibrant place to live and work. It will contribute to the future prosperity of the Borough delivering around 7,500 new homes as part of a new town centre.
- 1.2 Hammerson UK and Standard Life (the Brent Cross North Partners/HSL) will deliver the redevelopment of the shopping centre at Brent Cross and the land around it, together with the elements of the critical infrastructure that are required on and to the north of the North Circular, to support the comprehensive regeneration proposals.
- 1.3 The Council with Argent Related will deliver the southern parts of the Brent Cross Cricklewood regeneration masterplan, including the southern elements of the infrastructure and the land to be redeveloped in connection with the station improvements. The Council is leading on the delivery of the new Thameslink Station within the regeneration area, working together with public sector partners.
- 1.4 The making of a compulsory purchase order to assemble the land and new rights required to develop (1) the Thameslink station and associated infrastructure work packages and (2) the Station District that forms part of Brent Cross South was approved by the Committee on 5 September 2016 (known as CPO3). CPO3 was subsequently made on 7 September and the 28 day objection period expired on 13 October 2016. The CPO Inquiry commenced on 5 September 2017.
- 1.5 Objections have been received from those with a property interest in the area as well as from those within the local community. The Council and its advisor GL Hearn are continuing to address these objections and are seeking to negotiate by private treaty to acquire the land and interests required to deliver the Thameslink Station and Station District.
- 1.6 In this regard, the Assets, Regeneration and Growth Committee authorised on 5 September 2016 that appropriate Chief Officers enter into agreements and make undertakings, contracts and transfers on behalf of the Council with third parties having an interest in the CPO or for the creation of new rights or with parties otherwise affected by the CPO to facilitate the development
- 1.7 An update on the negotiations was provided to the Committee on 24 July 2017, noting that the Deputy Chief Executive will be approving the entering into by the Council of agreements and undertakings with third parties (including DB

Cargo, North London Waste Authority and Network Rail) who have an interest in the CPO3 Order Land which needs to be acquired and/or over which new rights need to be created.

- 1.8 The CPO Development includes the delivery of a new Waste Transfer Station being provided on the western side of the BXC development at Geron Way. The Council has a call option to acquire this site from Hammerson UK under the terms of the Co-Operation Agreement dated 11 July 2016. This new facility is intended to be a replacement facility for that currently operated by NLWA and London Energy (previously LWL).
- 1.9 The Council and its advisors have also been working collaboratively with the NLWA and London Energy (previously LWL) over the last 18 months to agree a scheme that provides a bulking and transfer station capable of handling at least 144,000 tonnes of residual waste per annum under current Environment Agency (EA) guidelines to meet NLWA's requirements.
- 1.10 This will be a modern long term facility to ensure that NLWA can provide for the waste needs of the North London Boroughs, particularly Barnet and Camden. In comparison to the current facility, the new facility will create an improved environment for the local population due to the modern air filtration systems and waste disposal technology that will be utilised at the new site. The approval in principle design has now been completed and a planning application for the new waste facility is being finalised for submission later this week.
- 1.11 Contractual arrangements between the Council and NLWA/London Energy to facilitate the replacement facilities have been negotiated in parallel. This includes a Settlement Agreement to provide the new facility as well as the draft lease for the new facility between LBB and NLWA/London Energy and also a licence to enable ground investigations on their existing site to inform the Station and Station District development.
- 1.12 In respect of the CPO3 Development, NLWA submitted an objection to CPO3, primarily to preserve their position whilst the design of the new facility was being prepared and conclusion of the contractual negotiations. NLWA also submitted a Statement of Evidence to the Inquiry and are due to attend later this week if contractual negotiations are not exchanged.
- 1.13 The Settlement Agreement is now been agreed and both parties wish to exchange as soon as possible. Once the legal agreements are exchanged, NLWA/London Energy will withdraw their objection to the CPO3 Development.

2. REASONS FOR DECISIONS

- 2.1 The comprehensive regeneration of Brent Cross Cricklewood is a long-standing objective of the council and a key regeneration priority of the Mayor of London. The details of the CPO3 scheme are set out in Assets, Regeneration and Growth Committee report dated 5 September 2016 in

respect of making the CPO3 Order and 24 July 2017 update report to the Committee, which can be accessed on the following links:

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=8639&Ver=4#>

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9337&Ver=4>

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3.1 Not completing the agreement and instead pursuing the proposed compulsory acquisition of the property for the Council to deliver the Thameslink Works and Station District. .
- 3.2 This option was rejected on the basis that the use of CPO powers should be a measure of last resort and it would not be appropriate for the Council to acquire the land compulsorily in circumstances where an agreement can be completed which will secure the delivery of the Council's objectives for Brent Cross Cricklewood through alternative means. Furthermore, the waste facility at BXC is predominantly used to transfer waste from within the western areas of the Borough and it is important that these operations are maintained in the long term.

4. POST DECISION IMPLEMENTATION

- 4.1 To enter into and exchange of the Settlement Agreement with all parties as soon as possible and submit the planning application for the waste transfer facility. The Council also intends to progress the detailed design of the new facility and procurement strategy for approval.

5. IMPLICATIONS OF DECISION

Corporate Priorities and Performance

- 5.1 As set out in the Assets, Regeneration and Growth Committee Reports dated on 5 September 2016 and 24 July 2017.

6. Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 6.1 As set out in the Assets, Regeneration and Growth Committee Reports dated on 5 September 2016 and 24 July 2017.
- 6.2 The current total approved Capital Budget for Thameslink is £41.64m. This includes £27.4m as approved by the Policy and Resources Committee on 27 June 2017, leaving £33.3m available at the start of 2017/18. The delivery of the Thameslink works, including land acquisitions, will be funded initially from

the existing council capital budgets, further borrowing and also £97m DCLG grant funding, which is specifically for Thameslink. The DCLG Grant Agreement and GLA Funding Letter (agreeing to the ring-fencing of business rates) have now been signed and the first DCLG grant payment of £6m has now been received.

- 6.3 In terms of the costs of pursuing the CPO, this will require input from internal and external resource covering various disciplines, including senior officers, legal input, surveying and valuation expertise, planning input, input from the preferred developer when selected, technical input from engineers and consultants, and the cost of witnesses at the public inquiry. There will also be costs associated with the organisation and holding of the public inquiry. This is being met by the existing Thameslink Station and land acquisitions budget. Ultimately, the CPO3 acquisition costs will be funded from either JVLP, if appropriate, or the £97m grant referred to above.

7. Legal and Constitutional References

- 7.1 As set out in the Assets, Regeneration and Growth Committee Reports dated on 5 September 2016 and 24 July 2017.
- 7.2 Assets Regeneration and Growth Committee of 5th September 2016 approved the making of CPO 3 and the acquisition of interests within the CPO area and delegated authority to the appropriate Chief Officers to enter into agreements and make undertakings, contracts and transfers on behalf of the Council with third parties having an interest in the CPO land in order to facilitate the development.

8. Risk Management

- 8.1 As set out in the Assets, Regeneration and Growth Committee Reports dated on 5 September 2016 and 24 July 2017.

9. Equalities and Diversity

- 9.1 As set out in the Assets, Regeneration and Growth Committee Reports dated on 5 September 2016 and 24 July 2017.

1. Consultation and Engagement

- 9.2 As set out in the Assets, Regeneration and Growth Committee Reports dated on 5 September 2016 and 24 July 2017.

10. BACKGROUND PAPERS

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CIId=696&MIId=8639&Ver=4#>

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9337&Ver=4>

11. DECISION TAKERS STATEMENT

- 11.1 I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.

12. OFFICER'S DECISION

I authorise the following action

- 12.1 To enter into the Settlement Agreement and associated documentation with NLWA/London Energy.

Signed Deputy Chief Executive

Date 11th September 2017
