

	<p style="text-align: center;">ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER In consultation with the Chairman of the Assets Regeneration Committee</p> <p style="text-align: center;">13 October 2015</p>
<p style="text-align: right;">Title</p>	<p>Brent Cross Cricklewood Regeneration: Thameslink Station Design</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director, Growth & Development</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</p>
<p style="text-align: right;">Enclosures</p>	<p>None</p>
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Summary
<p>To authorise revised costings of the existing Design Services Agreement which was approved in November 2014 between the Council and Network Rail to continue the design and development work to develop the business case and funding strategy for delivery of the Thameslink Station.</p>

Decisions
<p>To authorise revised costings of the existing Design Services Agreement between the Council and Network Rail, from £921,100 to £1,340,642.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required to authorise revised costings to continue the design and development work to develop the business case and funding strategy for delivery of the Thameslink Station. The existing Design Services Agreement between the Council and Network Rail was approved in November 2014 under delegated authority in accordance with the approved recommendations

of the Cabinet Resources Committee on 16 January 2014. (see Background Section 6 for a link to the report).

1.2 On 16 January 2014, the Cabinet Resources Committee:

- a) approved 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;
- b) delegated 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. REASONS FOR DECISIONS

- 2.1 Brent Cross Station is a proposed new station on the Midland Main Line between Cricklewood and Hendon Stations to serve the Brent Cross Development. The station would be served by Thameslink Services with a proposed peak frequency of 8 trains per hour.
- 2.2 It forms an integral part of the Brent Cross Cricklewood proposals, which comprises the expansion of Brent Cross Shopping Centre located to the north of the A406 North Circular road and the new residential and commercial development located to the south of the North Circular road, and alongside on the Midland mainline and Cricklewood railway lands.
- 2.3 The station is currently delivered in the end phases of the scheme (2030), towards the end of the development programme, in the 2010 planning consent and the subsequent section 73 permission dated 22 July 2014.
- 2.4 As reported to the Cabinet Resources Committee in April 2013 and January 2014, the Thameslink Station is important to the success of the Brent Cross Cricklewood regeneration scheme in both place-making as well as viability terms.
- 2.5 In order to bring the station forward in the delivery programme to 2020/21 and increase the attractiveness of Brent Cross Cricklewood area as a place to live, shop and work, the Cabinet Resources Committee on 14 January 2014 approved funding to continue the station development work through the Governance for Railway Investment Project (GRIP) process to develop a funding package to deliver the station.
- 2.6 As detailed in the previous DPR dated November 2014, the Council contracted the GRIP 3 single option development work with Network Rail and Capita Infrastructure. Network Rail have also engaged the services of Carillion to provide early contractor involvement and constructability/logistics advice. The development work has built on the previous GRIP 2 feasibility

study undertaken by URS/AECOM and includes the Single Option Development of the track and platform alignments, signalling provision, a station building, footbridges and platform access/egress arrangements, MML overbridge, Thameslink Sidings and the relocated freight facility.

- 2.7 The GRIP 3 single option development for the proposed new Thameslink Station is progressing as planned, forming the basis of the regeneration funding strategy. As part of the single option design a preferred option has been developed to reduce the number of platforms from 5 to 4, reducing the capital infrastructure costs and rail intervention, resulting in an element of redesign and additional design development costs. The design development contract for timetable modelling, systems integration, signalling, telecoms and overhead line element of the design was awarded to Network Rail under a Design Services Agreement.
- 2.8 Additionally, timetable modelling has proven to be significantly more labour intensive to resolve. A solution has now been developed which satisfies both the Department for Transport (DfT) and the incumbent train operating company whilst reducing capital infrastructure costs.
- 2.9 The scope of work has also been extended to include additional Network Rail requirements not included in their original proposal for GRIP 3 Single Option Selection sign off, including the requirement to develop two four platform options rather than develop the original URS five platform option.
- 2.10 As a result the programme has been extended by five months to December 2015 with a revised cost of £1,340,642. The previous cost estimate was £921,100.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 4.1 The November 2014 DPR explained that Council could commission a third party engineering consultancy to undertake this work. However, this design would still require Network Rail approval, and the Council would still be required to enter into a Design Services Agreement to ensure that reimbursement of Network Rail's costs. Consequently, this option was considered to be more expensive and more time-consuming. The direct appointment of Network Rail has been discussed and concurred with the Commercial and Customer Services Director, which is in accordance with single tender action under the Contract Procedure Rules.
- 4.2 The Council has no alternative option but to accept the revised cost estimate to ensure that the works are completed in time to support development of the funding strategy. Nonetheless, the Council and its advisors are confident that the additional costs associated with the revised scope and extension to programme are required to ensure that the station design meets the regeneration aspirations and is within the affordability envelope.

4. POST DECISION IMPLEMENTATION

- 4.1 Once the decision has been approved officers will prepare the relevant documentation to enable the contract variation to be completed.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.2 The regeneration of Brent Cross Cricklewood supports the Council's Corporate Plan 2015-20 which states that the council will work with local, regional and national partners to strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves, recognising that prevention is better than cure
- where responsibility is shared, fairly
- where services are delivered efficiently to get value for money for the taxpayer.

- 5.3 The 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. 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.

- 5.4 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 91,500m² 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.

- 5.5 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.5.1 Network Rail's Costs Estimate £921,100. This estimate was based on the programme detailed in the Development Programme. Due to increased scope and resultant longer programme, the revised estimate is £1,340,642.
- 5.5.2 Under the terms of the agreement, Network Rail will attend monthly project development meetings and provide a monthly cost report to ensure that the contract is monitored correctly and to ensure value for money. Re will maintain a project assurance role to ensure that the project is carried out within the approved budget and within the agreed timescales.
- 5.5.3 The agreement can be terminated with a two month notice period.
- 5.5.4 This work will be funded from the capital reserve. A budget of £4m has been approved to continue the design and development work for the Thameslink station by Cabinet Resources Committee on 16 January 2014 and by Cabinet on the 25 February 2014. This was on the basis that this funding should be recouped by the Council at a later date as it would form part of the overall Station development project cost.
- 5.5.5 The contract for this requirement is beneath the OJEU threshold value. Justification for undertaking a single tender action has been discussed and concurred with the Commercial and Customer Services Director which is in accordance with Contract Procedure Rules

5.6 Legal and Constitutional References

- 5.6.1 The Council's power to enter into various arrangements to progress the redevelopment of the Brent Cross Cricklewood scheme is contained in the general power of competence under Section 1 of Chapter 1 of the Localism Act 2011. 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.
- 5.6.2 The Local Government (Contracts) Act 1997 provides an express general power for local authorities to enter into contracts with third parties.
- 5.6.3 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 is incidental to the discharge of its functions.
- 5.6.4 The Council Constitution, Contract Procedure Rules, Rule 14.1 states that under "Regulation 72 of the Public Contracts Regulations 2015 permits an amendment, extension or renewal of an existing Contract without triggering a new Procurement exercise" where:
- A change of contractor cannot be realistically made for economic or technical reasons and would cause significant inconvenience or

substantial duplication of the Council's costs, and new works, services or supplies need to be purchased from the contractor. This is subject to the provision that each change does not increase the Contract's value by more than 50 per cent as a result;

- Circumstances have arisen that the Council could not reasonably have foreseen and that require an amendment to the existing Contract. The Contract's overall nature must not be altered and the Contract's value must not increase by more than 50 per cent as a result of any change

5.6.5 This report seeks authorisation in accordance with Contract Procedure Rules 7.2 and Appendix 1 Table A If within Budget this can be authorised by Council Officer in consultation with Chairman of relevant theme. The Chairman of the Assets Regeneration Committee has been consulted accordingly.

5.7 Risk Management

5.7.1 A risk register has been prepared and will be regularly updated. Key risks identified are:

5.7.2 Failure to secure a funding strategy to bring forward the deliver the Thameslink Station. The train station is essential for securing the delivery of Brent Cross South. 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 are currently being developed with DCLG, Treasury and the GLA.

5.7.3 This risk of cost and time overruns will be actively managed through regular meetings with Network Rail and monthly reporting reports so that the contract can be monitored to ensure value for money and delivered to agreed timescales. Updates will be provided to the Growth, Regeneration and Operations Board and to the Brent Cross Cricklewood Governance Board.

5.8 Equalities and Diversity

5.8.1 The 2010 Equality Act which outlines the provisions of the Public Sector Equality Duty (PSED), requires all Local Authorities to pay due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- Advance equality of opportunity between people from different groups;
- Foster good relations between people from different groups

- 5.8.2 This places a legal obligation on the Council to pay due regard to equalities in an appropriate and proportionate manner and to take account of how the Council's decisions might impact on different groups across the borough including those identified in equality legislation as protected characteristics, namely: Age, disability, gender, gender reassignment, marriage, civil partnership, pregnancy and maternity, sexual orientation and religion or belief.
- 5.8.3 Equality and diversity issues are a mandatory consideration in the decision-making of the Council. This requires elected Members to satisfy themselves that equality considerations are integrated into day to day business and that all proposals put to committees have properly taken into consideration what impact, if any, there is on any protected group and what mitigating factors can be put in train.
- 5.8.4 It is important to highlight that Brent Cross Cricklewood will be place for people of all ages, with housing mix that reflects different life stages, a range of housing tenures, and public spaces which are accessible to all. The scheme proposals emphasises the promotion of health and wellbeing and reducing dependency will be ingrained in the place.
- 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.
- 5.9 **Consultation and Engagement**
- 5.10 The development of the Thameslink Station will require significant consultation with key strategic stakeholders for example DfT, GLA, TFL, Network Rail, LB Brent alongside rail industry operators (including train and freight operators) local landowners and the local community. A stakeholder management plan and community engagement plan will be developed within this process.

6. BACKGROUND PAPERS

- 6.1 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). <http://barnet.moderngov.co.uk/Data/Cabinet/200503291900/Agenda/Document%204.pdf>
- 6.2 Cabinet, 5 December 2005 (Decision Item 7) – approved, amongst other matters, that 1) the Eastern Lands Addendum be adopted as Supplementary Planning Guidance; and 2) the Eastern Lands Supplementary Guidance is

incorporated into the Cricklewood, Brent Cross and West Hendon Development Framework.

<http://barnet.moderngov.co.uk/Data/Cabinet/200512051900/Agenda/Document%204.pdf>

- 6.3 Delegated Powers Report No 1317, 9 May 2011, Director of Planning Housing and Regeneration approved appointment of Priority Estates Project (PEP) to provide the service of Independent Resident Advisor for the Whitefield Estate, NW2. [http://barnet.moderngov.co.uk/Data/Director%20of%20Planning,%20Housing%20and%20Regeneration/201105090001/Agenda/brent%20cross%20cricklewood%20regeneration%20%E2%80%93%20independent%20resident%20advisor%20\(contr.pdf](http://barnet.moderngov.co.uk/Data/Director%20of%20Planning,%20Housing%20and%20Regeneration/201105090001/Agenda/brent%20cross%20cricklewood%20regeneration%20%E2%80%93%20independent%20resident%20advisor%20(contr.pdf)
- 6.4 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.
<http://barnet.moderngov.co.uk/mgConvert2PDF.aspx?ID=8369&ISATT=1#search=%22Brent%20Cross%20%22>
- 6.5 Cabinet Resources Committee, 16 January 2014 (Decision Item 6) - approved the changes to the terms of the Brent Cross Principal Development Agreement (as considered and approved by CRC in October 2010) and the terms for the Co-operation Agreement as set out in Section 9 of this report; authorised 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; approved commencement of market testing through the issue of a Prior Information Notice to inform the delivery strategy for the Brent Cross Cricklewood South area; and 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; and approved 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; and delegate authority to the Commissioning Director, Growth & Development to procure the necessary advice and consultants to progress the Brent Cross project workstreams and deal with the related contractual issues and arrangements.
<http://barnet.moderngov.co.uk/mgConvert2PDF.aspx?ID=12505&ISATT=1#search=%22Brent%20Cross%20%22>
- 6.6 Assets, Regeneration & Growth Committee, 8 September 2014 (Decision Item 10) – approved the appropriate Chief Officers be authorised to negotiate and enter into agreements to acquire by private treaty the land and interests and;

to approve and enter into agreements and undertakings with the owners and/or occupiers of the land in the said areas so as to facilitate its acquisition. <http://barnet.moderngov.co.uk/documents/s17302/Brent%20Cross%20Cricklewood%20-%20Report.pdf>

- 6.7 Delegated Authority Report dated 20th November 2014 authorised completion of the Design Services Agreement with Network Rail to continue the detailed design and development of the new Thameslink Station. <http://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=5553>

7. DECISION TAKER'S STATEMENT

- 7.1 *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.*

8. OFFICER'S DECISION

I authorise the following action

- 8.1 **to complete the Design Services Agreement with Network Rail**

Signed



Date

14/10/2015
