

	<p style="text-align: center;"><b>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 11 July 2016</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Brent Cross Cricklewood Regeneration: Thameslink Station Design</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Anisa Darr, Resources Director</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>Childs Hill, Golders Green and West Hendon</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>None</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Karen Mercer, Regional Enterprise  <a href="mailto:Karen.mercer@barnet.gov.uk">Karen.mercer@barnet.gov.uk</a> – 0208 3597653</p>

## Summary

To authorise a variation to the existing Design Services Agreement between the Council and Network Rail (currently ending July 2016) until December 2016. Authorisation will allow advanced mobilisation and the engagement of a contractor to undertake topographical survey work associated with the delivery of the Thameslink Station to be undertaken along with Network Rail Project Management & Sponsor time, including for Project Management, Commercial, Engineering and Planning resource

## Decisions

**To authorise the variation of the existing Design Services Agreement approved in November 2015 until December 2016 to enable the engagement of a topographical survey contractor and advanced mobilisation of the Network Rail Project Management and design team ahead of the formal GRIP4 award, the advanced works package increases the value of the DSA to £2,291,281 from £1,340,642.**

### 1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required to authorise costings to progress the design and development work associated with delivery of the new Brent Cross Thameslink Station. The original 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.
- 1.2 The Design Services Agreement was subsequently updated and authorised under delegated authority in November 2015. The revised costing associated with this authorisation was required to continue with the Thameslink Station Programme design and development work and to support the Transport and Regeneration business cases and the funding strategy associated with its delivery. (see Background Section 6 for a link to the report).
- 1.3 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 work streams and deal with the related contractual issues and arrangements.
  - c) On the 17th March 2016 the Assets Regeneration and Growth Committee approved the commencement of the detailed design of the station and associated work packages within the station phase of the Brent Cross South; and delegate to the Chief Operating officer permission to agree terms and enter into the design Service Agreement with Network Rail to deliver the railway works element of the GRIP4 process.

## **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 the 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 to be delivered in the end phases of the scheme (2030), towards the end of the development programme, in accordance with 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 work was completed in December 2015 and was subsequently approved by the Brent Cross JVCO. The results of the GRIP3 work subsequently informed the Brent Cross Regeneration Business Case which was signed off by Central Government in March 2016.
- 2.8 In order to meet the Thameslink Station delivery timetable it is recommended that the original DSA be extended from July 2016 until December 2016 to maintain design momentum and allow topographical surveys of the entire site can be undertaken ahead of the detailed design phase mitigating the risk of any redesign, and informing the GRIP4 stage.
- 2.9 In the meantime a new detailed cost estimate associated with the GRIP4 Station design work is being prepared which will be incorporated within a new DSA enabling intrusive ground works and utilities diversions.
- 2.10 On the 17th March 2016 the Assets Regeneration and Growth Committee approved the revised spend in respect of Thameslink along with the commencement of the detailed design of the station and associated work packages within the station phase of the Brent Cross South

### **3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

- 3.1 There are no alternative options in this instance. This work is to be undertaken by Network Rail in line with the Assets, Regeneration and Growth Committee dated 17 March 2016.

### **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 Corporate Plan 2013-2016 priority '*To maintain the right environment for a strong diverse local economy*', and the strategic objective under this priority to sustain Barnet by '*promoting growth, development and success across the borough*'.

- 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 91,500m<sup>2</sup> 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 Cost Estimate was increased to £1,340,642 from £921,100 in November 2015 due to additional and increased transport modelling scope and

resultant longer programme. In advance of the GRIP4 commencement there is a requirement to undertake topographical surveys of the site area which will mitigate risk and inform the next stage of the Thameslink Station delivery work. The revised DSA estimate is now £2,291,281.

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 total budget of £16.65m of which £1.45m was spent in 2015, has been approved to continue the design and development work for the Thameslink station by the Assets Regeneration and Growth Committee in 17 March 2016. 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.

## 5.6 Legal and Constitutional References

5.6.1 The Council's Constitution, Responsibility for Functions, Annex B states the powers delegated to Officers, including that the Chief Executive has lead responsibility to implement the Council's policies, ensuring that it delivers to its objectives and duties, within budget and according to strategic priorities and statutory requirements.

5.6.2 Constitution, Contract Procedure Rules (CPRs), section 15.1 sets out the framework for extensions and variations. This framework mirrors Regulation 72 of the Public Contracts Regulations 2015 (PCR) and states that pursuant to Regulation 72 of the PCR an amendment, extension or renewal of an existing Contract is permitted without triggering a new Procurement exercise in certain cases.

5.6.3 The Council is seeking to rely on paragraph 15.1 b) of the CPRs, namely that; *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.*

5.6.4 With regards to the PCR, the equivalent provision is set out in Regulation 72(1) (b) (ii)

- 5.6.5 In addition to complying with section 15.1 the Council must comply with the Authorisation and Acceptance thresholds in Appendix 1. The variation must be within budget and in consultation with the Chairman of the relevant thematic Committee for contracts with a contract value that exceeds £172,514. The Chairman of 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.
- 5.8.5 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.
- 5.8.6 The equalities implications will be regularly reviewed and updated during the life of the project.

## **5.9 Consultation and Engagement**

- 5.9.1 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 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.  
<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>

- 6.8 Assets Regeneration and Growth Committee 17<sup>th</sup> March 2016,  
[https://barnet.moderngov.co.uk/documents/s30516/Brent Cross Cricklewood.pdf](https://barnet.moderngov.co.uk/documents/s30516/Brent%20Cross%20Cricklewood.pdf)

## **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 variation to the Design Services Agreement with Network Rail**

<b>Signed</b>	<b>Director of Resources</b>
<b>Date</b>	<b>25/08/16</b>

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