

	<p><b>CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT 03 August 2018</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Brent Cross Cricklewood - Brent Cross West Station – Variation to Design Services Agreement as amended 8 June 2017.</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Deputy Chief Executive in consultation with the Chairman of the Asset, Regeneration and Growth Committee</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 with accompanying exempt report</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>No</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Karen Mercer, Programme Director Re, <a href="mailto:Karen.Mercer@barnet.gov.uk">Karen.Mercer@barnet.gov.uk</a>, 0208 359 7563</p>

## Summary

On the 27 November 2017 the Assets Regeneration and Growth Committee delegated authority to the Deputy Chief Executive in consultation with the Chairman of the Committee inter alia:

- A. to agree to take all necessary steps to enter into Implementation/ Design Services/ Asset Protection Agreements with Network Rail to continue the GRIP 5 design and early works; and
- B. to authorise the commencement of the early works (rail and non-rail) subject to progress on the wider BXC programme.

The Assets Regeneration and Growth Committee on the 12th March 2018 inter alia approved in principle that the Council procure Network Rail to deliver the Brent Cross West Station and sidings and delegated authority to the Deputy Chief Executive to finalise and agree the detailed Implementation Agreement for approval by the Committee in September 2018.

This report authorises a further variation to the existing Design Services Agreement (“**DSA**”) between the Council and Network Rail dated 2 March 2017 and its Amendment No1 dated 8 June 2017 to progress design services for the rail systems and sidings element of the project to GRIP stage 5 Detailed Design so that work can commence in January 2019 to deliver the Brent Cross West Station opening date of May 2022. This variation is known as Amendment No 2.

## Decisions

**1. That the Deputy Chief Executive having now agreed in consultation with the Chairman of the Assets Regeneration and Growth Committee the variation to the Design Services Agreement Amendment 2 with Network Rail on behalf of the Council proceeds to enter into and complete the said variation/Amendment 2 to progress design services for the rail systems and sidings element of the project to GRIP stage 5 Detailed Design.**

### 1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required pursuant to the delegation provided to the Deputy Chief Executive as referred to above to enable the variation to the existing Design Services Agreement with Network Rail to progress the GRIP 5 detailed design for the rail systems and sidings element of the Brent Cross West Station project.
- 1.2 In respect of the delivery of the Brent Cross West Thameslink station, the GRIP 4 design sign off by Network Rail was received in February 2018, which satisfied the conditions to release the HM Government Grant Funding for the project. On 15 May 2018, the CPO3 Order to facilitate the land needed to deliver the Thameslink Station and associated infrastructure was also confirmed.
- 1.3 Following the Assets, Regeneration and Growth Committee in principle approval on 12 March 2018 to deliver the Station and Sidings through Network Rail, the Deputy Chief Executive and Council officers are finalising the detailed Implementation Agreement for the main works that will be reported to the Committee in September 2018. This will facilitate the station/sidings main works commencing later this year, following the BXN partners going unconditional. The station opening date remains May 2022, the commencement of the station will in turn ensure the commencement and delivery of the new homes within BXS.
- 1.4 Given the considerable progress being made across the BXC programme, the Council entered into an Implementation Agreement with Network Rail to undertake the necessary early works to prepare the site in anticipation of the main station / sidings works starting later this year to deliver the new station by 2022. In accordance with the strategy approved by the Assets, Regeneration and Growth Committee on 27 November 2018 and 12 March 2018, the agreement was signed on 28 June 2018.
- 1.5 The scope of the works subject to the Design Services Amendment 2 is as follows:
  - Design for track, drainage and civils, signalling, power for signalling, OLE and telecoms comprising;
  - Permanent Way – Sidings, Track and Drainage: Approved for Construction;
  - Civils – Lineside: Approved for Construction;

- Signalling – staged bonding plans, control tables, GRIP 5 level crossing, interlocking design including for REB design;
- E&P / M&E – Approved for Construction designs for Signalling Power Supplies, Points Heating, DNO and Lighting;
- OLE – to Form B;
- Telecoms – Stage 1: Approved for Construction;
- Design for fuel farm: Approved for Construction
- Train operational planning and timetabling including train capacity analysis;
- Reservation of Possessions necessary to construct the works;
- Network Rail internal stakeholder consultation and consultation with Rail Industry representatives on Network Change and Depot Change;
- Co-ordination of the overall rail systems design;
- Network Rail risk register (to be co-ordinated with overall project register);
- Preparation of the Project cost estimate based on the contractors' cost estimates and all other Network Rail Costs;
- Production/verification of a delivery program for station opening;
- Development of contractor agreement for the scope, programme and target price of the GRIP 5 to 8 construction phases of the Project works;
- Development of implementation agreement with the Customer based upon the construction agreement with the contractor.

1.6 The outputs being delivered by the scope of works is as follows:

- Drainage site surveys.
- Production of Approved for Construction designs for the rail systems and fuel farm element of the Project (GRIP 5 Detailed Design)
- Network Change.
- Depot Change.
- Reservation of Possessions for the rail system works.
- Draft Contractor Agreement for the GRIP 5 to 8 construction phases of the rail system works.
- Draft Implementation Agreement.

1.7 The agreed programme is for the above outputs to be delivered by 31 December 2018 to enable a main start on site in Jan 2019 to meet the May 2022 programme.

## **2. REASONS FOR RECOMMENDATIONS**

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 scheme are set out in previous reports to the Assets, Regeneration and Growth Committee.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 There are no alternative options in this instance. This work is to be undertaken by Network Rail in line with previous decisions of by the Assets, Regeneration and Growth Committee.

#### **4. POST DECISION IMPLEMENTATION**

4.1 Once the decision has been approved, officers will complete/exchange the legal documentation to enable the DSA Amendment 2 to be completed and GRIP 5 Detailed Design to commence.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

5.1.1 The reports to the Assets, Regeneration and Growth Committee describe in detail the ways in which the regeneration of Brent Cross Cricklewood supports the Council's Corporate Plan 2015-20 as updated. The reports relevant to this decision are included within the background documents.

##### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 The current total approved Capital Budget for Thameslink is £70.516m as approved in September 2017 Policy & Resources Committee. Spend at the end of June 2018 is £23,302m.

5.2.2 Of the £70.516m budget, £45.31m has been committed to external parties, leaving an overall available budget of £25.206m as at 18 July 2018. The delivery of the Thameslink works, including land acquisitions, is contained within the council's capital programme and partly funded by grant of £97m from the Ministry of Housing, Communities and Local Government (MHCLG). To date £33.6m has been received from MHCLG to fund project costs and land acquisitions. Following the completion of the GRIP4 and satisfaction of the conditions attached to the Grant Funding, it has been agreed that the Council will drawdown funding on a quarterly basis. The next invoice is currently being prepared.

5.2.3 Under the terms of the Design Services 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.

5.2.4 The total cost estimate of the works commissioned DSA including Amendment 1 signed on 8 July 2017 was £12.3m (which included £789,522 as part of an Asset Protection Agreement). The total cost of works incurred to May 2018 is £8.9m. The Amendment 2 scope of works cost estimate is £9.34m. Consequently, the total cost of the Design Services Agreement, including Amendment 1 and Amendment 2 is £21.64m. This is within the approved budget as set out in paragraph 5.2.2 and Council costs will be recovered through the drawdown of the DCLG grant funding.

5.2.5 DSA as amended can be terminated with a three month notice period if the costs are projected to exceed 25% of budget or the programme is likely to extend by more than one month.

### 5.3 Social Value

5.3.1 As indicated in sections within this report, the Brent Cross Cricklewood programme will secure wider social, economic and environmental benefits.

### 5.4 Legal and Constitutional References

5.4.1 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.

5.4.2 The Local Government (Contracts) Act 1997 provides an express general power for local authorities to enter into contracts with third parties.

5.4.3 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.

5.4.4 On 27 November 2017, Assets Regeneration and Growth Committee, delegated authority to the Deputy Chief Executive in consultation with the Chairman of the Committee to

- a) authorise the commencement of the early works (rail and non-rail) subject to progress on the wider BXC programme and;
- b) agree and take all necessary steps to enter into Implementation / Design Services Agreement / Asset Protection Agreements with Network Rail to continue the GRIP 5 design and early works

5.4.5 Under paragraph 8.1 of Contract Procedure Rules acceptance of contract variations must be in accordance with Article 10 Table B of the Constitution, and in all cases is subject to budget provision, a compliant procurement process, and confirmation of acceptable financial status of the contractor.

5.4.6 The Council's Contract Procedure Rules in paragraph 4.2 states that any procurement which has not been authorised in the Procurement Forward Plan must be authorised in accordance with the Article 10 of the Constitution, Table B. The Table states that variations or extensions of contracts within budget over £500,000 is via the relevant Thematic Committee. The Assets Regeneration Committee of 27 November delegated authority to the Deputy Chief Executive in consultation with the Chairman of the Committee to agree and take all necessary steps to enter into the Design Services Agreement with Network Rail to continue the GRIP 5 design and early works. All necessary steps include agreeing amendments to achieve the GRIP 5 design and early works. The

Chairman of Assets Regeneration Committee has been consulted.

## **5.5 Risk Management**

5.5.1 A risk register has been prepared and will be regularly updated.

5.5.2 The 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 Brent Cross Cricklewood Governance Board.

## **5.6 Equalities and Diversity**

5.6.1 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

5.6.2 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.

5.6.3 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.

5.6.4 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.

5.6.5 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.

5.6.6 The equalities implications will continue to be regularly reviewed and updated during the life of the project.

## 5.7 Consultation and Engagement

5.7.1 The development of the Thameslink Station requires 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 is being developed within this process.

## 6. BACKGROUND PAPERS

6.1.1 Assets, Regeneration and Growth Committee, 24 April 2017, Brent Cross Cricklewood Update Report  
<https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=8641&Ver=4>

6.1.2 Assets, Regeneration and Growth Committee, 27<sup>th</sup> November 2017, Brent Cross Cricklewood Update Report,  
<https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9435&Ver=4>

6.1.3 Assets, Regeneration and Growth Committee, 12th March 2018, Brent Cross Cricklewood Update Report,  
<https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9083&Ver=4>

Chairman: Cllr Daniel Thomas  
Has been consulted

Signed (via email)

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Date

Chief Officer: Cath Shaw, Deputy Chief Executive  
Decision maker having taken into account the views of the Chairman

Signed

**Cath Shaw**

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Date  
3<sup>rd</sup> August 2018