

	<p style="text-align: center;">ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER Date 04/12/2019</p>
<p style="text-align: right;">Title</p>	<p>Brent Cross Cricklewood Regeneration: Brent Cross Phase 1AN (Critical Infrastructure 1) – A407/Claremont Road junction as part of the delivery of the Southern Junctions</p>
<p>Report of</p>	<p>Deputy Chief Executive</p>
<p>Wards</p>	<p>Childs Hill, Golders Green and West Hendon</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>None</p>
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Summary

On 13 June 2019, the Assets, Regeneration and Growth Committee approved and authorised the Deputy Chief Executive to extend the scope of Conway Aecom’s commission through the LoHAC framework to undertake the Southern Junctions Highways Works as explained in paragraphs 1.17. The purpose of the report is to appoint Conway Aecom through the London Highways Alliance Contract (LoHAC) framework to construct and build the associated highways works and commence works in January 2020.

Decisions

To appoint Conway Aecom through the London Highways Alliance Contract (LoHAC) to construct and build the approved detailed design of the A407/Claremont Road junction as part of the Southern Junctions including project management of this process and commence works in January 2020

1. WHY THIS REPORT IS NEEDED

- 1.1 On 13 June 2019, the Assets, Regeneration and Growth Committee approved and authorised the Deputy Chief Executive to extend the scope of Conway Aecom's commission through the LoHAC framework to undertake the Southern Junctions Highways Works as explained in paragraphs 1.17 of that report.
- 1.2 This report now authorises the appointment of Conway Aecom through the London Highways Alliance Contract (LoHAC) framework to construct and build the associated Southern Junction highways works and commence the first part of those works in January 2020.

2. REASONS FOR DECISIONS

- 2.1 Following the approval of the revised Brent Cross Cricklewood funding strategy with the Brent Cross North (BXN) and Brent Cross South (BXS) Development Partners, the council has taken responsibility for delivery of the highway improvements to the Southern Junctions comprising the A5 Edgware Road/Cricklewood Lane/Chichele Road and Cricklewood Lane/Claremont Road/Lichfield Road junctions.
- 2.2 The Southern Junction works are the first works in the Phase 1A (North) (Infrastructure 1) sub-phase. Any delay to beginning these works will have a knock-on impact on the delivery of the new Brent Cross West Thameslink Station and Brent Cross South development.
- 2.3 The council has already appointed Conway Aecom to undertake the improvements needed to the Geron Way junction on the A5 as part of the Thameslink works to provide access to the approved Waste Transfer Station utilising the existing London Highways Alliance Contract (LoHAC) framework contract. It has also appointed Conway Aecom to review the Southern Junctions highways design and undertake the necessary surveys to progress the delivery of these junctions and provide an updated cost estimate.
- 2.4 Given the efficiencies in using a single contract to undertake the highway works within proximity on the A5, the Committee's approved and authorised the Deputy Chief Executive to extend the scope of Conway Aecom's commission through the LoHAC framework to undertake the Southern Junctions Highways Works.
- 2.5 This council is now ready to enter into a separate Call Off contract with Conway Aecom through the LOHAC framework to improve the A407/Claremont Road junction which is the first part of the Southern Junctions highway works and commence construction in January 2020.
- 2.6 The LoHAC Framework Agreement is OJEU compliant, and the Council will enter into a Call off Contract with the provider in accordance with the LoHAC schedule of rates.
- 2.7 These works fall within the package of critical infrastructure works that are funded by central government grant as part of the revised funding agreement

for Brent Cross Cricklewood and are being delivered by the Council to support the comprehensive regeneration of Brent Cross Cricklewood (BXC).

- 2.8 There is an existing contract for highways term maintenance and works with LoHAC which is currently in place, this is a framework contract let by TfL. The incumbent contractor, Conway Aecom can be directly appointed to deliver the highway improvements package of works under a separate Call-Off Contract. The separate Call-Off Contract has already been benchmarked to ensure that the contract demonstrates best value.
- 2.9 The approach of using this framework to deliver the infrastructure offers a number of significant benefits including cost and time efficiencies providing cost certainty and reduced risk allocation in the contractor's price.
- 2.10 There are a number of pre-commencement conditions included in the Section 73 outline planning permission that must be discharged prior to works commencing on site. Some of these conditions must be discharged by the Implementation Contractor undertaking the works (for example, the Demolition and Site Waste Management Plan). These applications have been submitted and due to be determined shortly.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3.1 The alternative option considered for the Southern Junctions was for this scope to be delivered by a competitively tendered OJEU procurement. However, this would impact the critical path of the programme including achieving key milestones and would also attract a high level of administrative costs. It is therefore recommended to deliver the scope by the LBB framework contractor which has previously been awarded via a competitive tendering process.

4. POST DECISION IMPLEMENTATION

- 4.1 Once the decision has been approved, the Council will enter into a Call-Off contract with Conway Aecom.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The regeneration of BXC supports the Corporate Plan 2015-2020 priority '*To maintain the right environment for a strong diverse local economy*', and the strategic objective under this priority to sustain LBB by '*promoting growth, development and success across the borough*'.
- 5.1.2 The Growth Strategy for LBB recognises that regeneration and growth are vital for ensuring the future prosperity of the Borough and maintaining LBB as a successful London suburb. The scheme to transform BXC 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. BXC is one of LBB'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 BXC 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 BXC 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.

5.1.3 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 BXC is expected to generate approximately an additional 91,500m² of net retail and commercial floorspace, equating to a potential business rate growth for LBB 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.

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

5.2.1 Once approved, LBB/Re will instruct Conway Aecom through the LoHAC framework procured by TfL to carry out the infrastructure delivery. These contracts will be reviewed by LBB's Integrated Programme Management Office legal advisors to ensure that the terms take account of the wider BXC programme.

5.2.2 Under the terms of the various agreements, the suppliers 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 manage the various contracts and agreements to ensure that they are delivered within the approved budget and within the agreed timescales.

5.2.3 The agreement can be terminated as stated within the various contracts.

5.2.4 These works form part of the core critical infrastructure as set out in the revised funding agreement. The funding will be from the Southern Junctions budget which forms part of the £55m critical infrastructure package. Actual spend to date for Southern Junctions is £0.07m.

5.2.5 The estimated works budget is **£2,073,000**.

5.2.6 The values listed in the table are estimated figures and will be further reviewed by LBB Commercial.

Works Element	Estimated Costs
LoHAC Design and Build	£635,000
TfL Costs	£54,500

Land Costs	£327,500
UKPN	£60,000
BT Openreach	£769,000
Cadent Gas	£496,000
Virgin Media	£70,000
Thames Water	£7,000
Project Risk Allowance	£150,000
	£2,073,000

5.3 Legal and Constitutional References

- 5.3.1 The LBB's power to enter into various arrangements to progress the redevelopment of the BXC 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.
- 5.3.2 The Local Government (Contracts) Act 1997 provides an express general power for local authorities to enter into contracts with third parties.
- 5.3.3 Section 111 of the local Government Act 1972 provides a local authority with the power to do anything which is calculated to facilitate, or is conducive or is incidental to the discharge of its functions.
- 5.3.4 Annex B of LBB's constitution, Responsibility for Functions, states the powers delegated to Officers, including that the Deputy Chief Executive has the lead responsibility to implement LBB's policies, to ensure that it delivers its objectives and duties, within budget and according to strategic priorities and statutory requirements.
- 5.3.5 The Council's Constitution, Article 7.5, Responsibility for Functions, states that the Housing and Regeneration Committee is responsible for the regeneration strategy and overseeing major regeneration schemes.
- 5.3.6 Article 10 Table B of LBB's constitution sets out the values for procurement activity. If within budget the approval method is via a Full DPR (Chief Officer in consultation with Theme Committee Chairman). This DPR complies with the constitutional requirements.
- 5.3.7 An alternative procurement route cannot be realistically made for economic or technical reasons and would cause significant inconvenience or substantial duplication of the LBB's costs, and new works, services or supplies need to be purchased from the contractor.

5.4 Risk Management

5.4.1 Risks are set out in the report to the Housing and Growth Committee <https://barnet.moderngov.co.uk/documents/g9930/Public%20reports%20pack%2026th-Nov-2019%2019.00%20Housing%20and%20Growth%20Committee.pdf?T=10>

5.4.2 Key risks are identified are:

5.4.3 The risk of not undertaking these works is that there could be a delay in BXT and BXS work programmes. It is noted that the LOHAC Framework Agreement and any call-off contract under this Framework will expire on 21 March 2021. Works will be completed by this date. Nonetheless this risk will be monitored.

5.4.4 This risk of cost and time overruns will be actively managed through regular meetings with the suppliers 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 BXC Governance Board.

5.5 Equalities and Diversity

5.5.1 As set out in the report to the Housing and Growth Committee <https://barnet.moderngov.co.uk/documents/g9930/Public%20reports%20pack%2026th-Nov-2019%2019.00%20Housing%20and%20Growth%20Committee.pdf?T=10>

5.6 Consultation and Engagement

5.6.1 As set out in the report to the Housing and Growth Committee <https://barnet.moderngov.co.uk/documents/g9930/Public%20reports%20pack%2026th-Nov-2019%2019.00%20Housing%20and%20Growth%20Committee.pdf?T=10>

5.6.2 Relevant Statutory Undertakers and Associations will be consulted by the contractor.

5.6.3 Brent Cross Governance Board have been consulted on the progress on the Brent Cross North Phase 1A works throughout.

5.6.4 Necessary consultations have been undertaken through the planning process.

5.6.5 Necessary Consultation with other Highway Authorities.

5.6.6 LBB in consultation with Re have been and are continuing consultation with TfL, LBB Highways, LBB Building Control, LBB Service Deliver team, NLWA, Argent, Hammerson and Network Rail.

6. BACKGROUND PAPERS

- 6.1 Assets, Regeneration and Growth Committee, 20 June 2019
<https://barnet.moderngov.co.uk/documents/s52928/ARG%20BXC%20Committee%20Report%20June%202019%20Final%200506.pdf>
- 6.2 Assets, Regeneration and Growth Committee, 16 September 2019
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?MId=9929&x=1>
- 6.3 Policy and Resources Committee, 3 October 2019
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9851&Ver=4>
- 6.4 Housing and Growth Committee, 26 November 2019
<https://barnet.moderngov.co.uk/documents/g9930/Public%20reports%20pack%2026th-Nov-2019%2019.00%20Housing%20and%20Growth%20Committee.pdf?T=10>

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 appoint Conway Aecom through the London Highways Alliance Contract (LoHAC) to construct and build the approved detail design of the Southern Junctions including project management of this process and commence works in January 2020**

Signed **Deputy Chief Executive**

Date **16/12/2019**
