



Housing and Growth Committee

6 July 2020

Title	Brent Cross Cricklewood Report
Report of	Chairman of Housing and Growth Committee
Wards	Childs Hill, Golders Green and West Hendon
Status	Public with accompanying Exempt report (Not for publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 as amended as this relates to information of a financial nature and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings)
Urgent	No
Key	No
Enclosures	Appendix 1: Rail Systems and Sidings a) Considerate Contractor Audit, June 2020 b) scoring explained Appendix 2: BXT Revised Programme Appendix 3: Plans Station and Bridge property arrangements
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Summary

This report includes a progress update on the comprehensive regeneration of the Brent Cross Cricklewood (BX) programme since the Committee meeting on 16 March 2020 and seeks further authorisations in the terms of the recommendations set out below to progress the BX regeneration scheme.

Officers Recommendations

That the Committee:

- 1) Notes the progress update across the scheme since the last report to the committee on 16 March 2020;**
- 2) Notes the revised station works baseline programme as agreed with Network Rail;**
- 3) Confirm that the Deputy Chief Executive in consultation with the Chair of this Committee be authorised to agree the revised delivery arrangements for the Station Eastern Entrance Box and authorise on behalf of the Council that it enters into the required legal agreement with Brent Cross South Limited Partnership (BXS) to allow the Council to deliver the Eastern Entrance Box and make the necessary amendments to the Station Contract with Volker Fitzpatrick as set out in paragraphs 1.19-1.26 of this report;**
- 4) Confirm that the Deputy Chief Executive in consultation with the Chair of this Committee be authorised to agree and finalise on behalf of the Council the proposed revision to the delivery arrangements for BXT project as set out in paragraphs 1.27-1.29 of this report. Addendum to follow.**
- 5) Note that the Homes England Loan Facility Agreement with BXS and Homes England and the Direct Agreement between Homes England and the Council (including the Deed of Indemnity and Counter Indemnity, Legal Charge and Deed of Subordination) were completed on 30 March 2020, and confirm that the Chief Executive in consultation with the Chair of this Committee be authorised to agree and amend on the Council's behalf the terms of the legal charge and any consequential agreed changes to the direct agreement to reflect disposals and acquisitions by the Council and Brent Cross South Limited Partnership (BXS LP) throughout the BXS development and to complete the same as set out in paragraph 1.43 of this report.**
- 6) Confirm that the Deputy Chief Executive in consultation with the Chair of this Committee and Director of Environment be authorised to a) agree any changes to the service operations of North London Waste Authority (NLWA) and London Energy Limited (LEL) which mitigate impact to the BX programme and b) instruct any action which is required as a consequence of (a) including any necessary update or amendment to the procurement strategy and agreeing any consequential changes on behalf of the Council to the Settlement Agreement with NLWA and LEL dated September 2017**

and to complete any required documentation in connection with such matters in the terms outlined at paragraph 1.47 of this report;

- 7) Confirm that the Deputy Chief Executive in consultation with the Chair of this Committee be authorised to agree and finalise the Section 8 Agreement with London Borough of Brent to allow the council to undertake highways improvements within the London Borough of Brent to the Cricklewood Broadway junction as set out in paragraph 1.51 of this report.**
- 8) Confirm the renewal on the expiry of the existing contracts with CBRE to provide strategic property advice and Schofield Lothian to support the BX Integrated Programme Management Office and delivery of Critical Infrastructure across as set out in paragraphs 5.1.7 of this report.**

1. WHY THIS REPORT IS NEEDED

1.1 This report provides the quarterly update on progress since the last Committee meeting on 16 March 2020. At that meeting, the Committee:

1. Noted the progress update across the scheme since the last report to the committee on 16 March 2020.
2. Approved to delegate to the Deputy Chief Executive in consultation with the Chair of this Committee to finalise and complete; a) the surrender and re-grant of the former Toys R Us lease for a longer term and to widen the existing user restriction; b) the consequential amendments required to the BXS legal documentation to ensure that the site forms part of the BXS scheme; c) and the Direct Agreement between the council and Lender (paragraph 1.47)
3. Approved to delegate to the Deputy Chief Executive in consultation with the Chair of this Committee to finalise and agree Heads of Terms with BXS as set out in the accompanying exempt report to this committee

1.2 The link to the Committee report is here:

<https://barnet.moderngov.co.uk/documents/s58340/BXC%20Housing%20and%20Growth%20update%20Report.pdf>

1.3 A separate report (Item 15) at that meeting also approved to delegate authority to the Deputy Chief Executive in consultation with the Chairman of the Housing and Growth Committee to:

- a) Undertake a review of the existing programme management functions for the Brent Cross Thameslink (BXT) Special Project and prepare a Business Case for any proposed revisions to the delivery arrangements for BXT;
- b) Instruct Gowling WLG to support and provide legal and procurement advice to support the review and procurement of any revised delivery arrangements for BXT;
- c) Undertake market testing using Transport for London Professional Services Framework (to inform and develop a preferred option and procurement strategy);

- d) Review the Business Case, select the preferred revised delivery arrangement option and approve the procurement strategy for that option;
- e) Liaise with Re Partnership to agree any consequent exit route and transitional arrangements for the BXT Special Project Agreement.
Commence procurement to secure the preferred revised alternative delivery option and once complete, report the Business Case and preferred option to the next meeting of the Housing and Growth Committee on 11 June 2020 for final approval.

1.4 The link to the Committee report is here:

<https://barnet.moderngov.co.uk/documents/s58415/Brent%20Cross%20Thameslink%20Delivery%20Arrangements%20Review%20-%20Public.pdf>

1.5 This report also seeks further authorisations as set out in recommendations and main report to progress the BX regeneration scheme.

BXC Programme Wide Progress Update

1.6 The BX programme is now in delivery. The BXT project is well advanced with the commissioning of the South Sidings on 1 June 2020 alongside the reserved matters approval for the Station in May, both of which are significant milestones for the BX programme. Demolition of the Jerich Shed and removal of the north sidings to make way for the Brent Cross West Station has commenced. The first phase of the highway improvements to the Cricklewood Lane / Claremont Road / Cricklewood Broadway are nearing completion. The BXS programme is now moving forward with The Exploratory park due to open in August and the contracts between BXS Limited Partnership and the Infrastructure contractors and Utility providers being placed. The contract with Vlatenfall to provide the district heating system for the development will be the largest installation of its kind in the UK, with a view to eventually removing all CO2 emitting sources. The signing of the Homes England Loan facility agreement enables the infrastructure works to now continue at pace. This is especially important given the economic uncertainty associated with Covid-19 (CV19) and the subsequent lockdown which has dominated the programme since mid March.

1.7 All Partners responded to the rapidly developing situation to put in place the necessary safety measures to ensure staff and contractors are working safely in line with guidelines issued by HM Government. The council, NR and BXS are closely monitoring these safety measures.

1.8 Construction workers, project managers and engineers are travelling to site by private car to avoid placing further pressure on public transport network and to minimise potential for staff to become infected. Most of the BX teams are continuing to work remotely from home and using video meeting software to ensure ongoing communication is maintained both internally and externally and the programme continues to move forward. Those that need to attend site are doing so only when needed. Given the commencement of Volker Fitzpatrick (VF) on site, there is now more need for the BXT team now have a minimum of six persons on site.

1.9 Notwithstanding the significant progress on the BX, the council and BXS General Partner (on behalf of BXS Limited Partnership) have each served force majeure notices in respect of CV19 in accordance with the BXS Project Agreement. This essentially protects each party

against any delay in delivery as a consequence of CV19, thereby avoiding a lengthy commercial dispute at a later date.

- 1.10 The report below provides a detailed update on each project and seeks the required approvals for the project to continue to progress as well as setting out the risks associated with each project, particularly on those that are directly managed by the council.

Brent Cross Thameslink (BXT)

- 1.11 Prior to lockdown, [BXT sidings project](#) was awarded a Distinction [International Safety Award](#) from the British Safety Council. The [International Safety Awards](#) recognise and celebrate organisations from around the world which have demonstrated their commitment to preventing workplace injuries and work-related ill health during the previous calendar year. The awards also recognise organisations that have shown commitment to wellbeing and mental health at work. The [award](#) places the rail project in the top 15% of 500 projects being completed across the world. It recognises the commitment the BXT has made to keep its workers and workplaces healthy and safe.
- 1.12 The Rail System and Sidings project gained another excellent in the Considerate Contractor Scheme audit attached at Appendix 1.
- 1.13 The reserved matters application for the detailed design of the [Brent Cross West Station](#) was unanimously approved by the Council's Planning Committee on Wednesday 13 May 2020.
- 1.14 The BXT South Sidings are now operational. At 7.07am on Monday 1 June, the first train made use of the [new railway sidings](#), allowing the track, overhead lines, and signalling associated with the old sidings to be removed. This is a significant milestone for the BX programme as work can now begin on building the new [Brent Cross West Station](#). This is an incredible achievement by the council's delivery team working collaboratively with Network Rail.



- 1.15 The council has now concluded the revised integrated rail industry endorsed programme with Department of Transport, Network Rail, Train Operating Companies (TOCS), VolkerFitzpatrick (VF) and BXS which maintains the 2022 Brent Cross West station opening date.
- 1.16 The critical 72-hour possessions required to work on the railway for the rail systems works in May 2021 are booked in the system. Network Rail has confirmed that the required track configuration electricity testing was successful in w/c 06 June 2020 to allow both the BX and the Croydon Area Remodelling Scheme (CARS) (to unblock the Croydon bottleneck) to progress during these possessions. CARS had already booked these railway possessions for their works and it is not usual for works be undertaken north and south of the River Thames on the Thameslink line. GTR are now confirming their proposed train plan and proposal for replacement services and driver movements. The rail possessions for weeks 1, 5 and 9 (2021) will now follow the Network Rail (NR) formal process for detailed planning in line with NR's process for cross routes conflicts. NR has advised that the risks associated with these possessions are manageable and are confident that the access will be finalised into the NR plan from end of September 2020. GTR recently advised a requirement for GTR driver training to allow them to use diversionary routes during the blockade.
- 1.17 These possessions are now incorporated into the revised programme attached at appendix 2 which is being used as the baseline programme. However, it should be acknowledged that whilst Network Rail and the council's teams have managed to maintain programme other projects on the railway have slipped due to CV19. This is placing increasing pressure on the possessions available and needs to be carefully monitored.
- 1.18 The BXT team has established a CV19 Register to record any programme and budget changes as a result of the lockdown, for example the delay in handing over the Train Operating Compound to Network Rail and the delivery of the now installed fuel tanks from Germany. A more detailed update will be provided at the next Committee once the programme is fully endorsed and the impacts of CV19 assessed.

Delivery of the Station Eastern Entrance Box (EEB) through the Volker Fitzpatrick Station Contract.

- 1.19 As reported previously to the Committee, VolkerFitzpatrick (VF) are progressing the detailed design of the station, taking into consideration the separate ongoing agreements relating to ownership and maintenance arrangements following entering into contract with the council to design, build and handback the Brent Cross West Station on 23 December 2019,
- 1.20 At present the delivery model is for the council to construct the Station and Bridge and for Brent Cross South to provide the Station Eastern Entrance Box (EEB) and the Transport Interchange. Reserved matters approval for the detailed design of the council elements was approved by the Planning Committee in May, and BXS are working towards a planning submission for the enclosure and interchange in Autumn this year. Regular meetings are taking place between the council, Network Rail, VF and BXS to ensure that the station, bridge and access buildings come forward in an integrated way.
- 1.21 The key principles for the Station and its future operation are now being finalised by the council, DfT, Network Rail, GTR and BXS. The property structure is based upon NR retaining ownership of the Station and Bridge structures with the necessary property easements to be put in place over the council's and NR's freehold areas so that the public

can access the Station and travel east-west across the bridge even when the Station is closed

- 1.22 The intention is for NR to be responsible for the maintenance and cleaning of the Station and Bridge structures with BXS Estate Management Company being responsible for the internal cleaning of the Bridge and Access Boxes. NR will retain maintenance responsibility for the lifts and escalators within those Access Boxes. This structure is shown on the attached plan at appendix 3. It has been developed collaboratively with all parties so that the long-term ownership and management arrangements sit with the party best able to manage those assets, having regard to capability, cost and efficiency whilst ensuring an integrated approach with the BXS development and areas west of the Station.
- 1.23 These key principles have been incorporated into a Heads of Terms document and will be used to inform the detailed design and to agree and document the 1) Station Lease; 2) operational costs of the Station 3) operational management agreement to deal with the operational day-to-day management of the Station, the Bridge and the Access Boxes; and 4) the property documentation arising from the proposed structure. Network Rail has confirmed its support to these key principles and to progress the land and lease agreements. The final form of these documents will be subject to Dft, NR, GTR, LBB and BXS governance arrangements and will be reported to this Committee for final approval.
- 1.24 As part of the regular engagement between all parties, it has become apparent that there are clear programme benefits in the Station Eastern Entrance Box (EEB) being delivered by one party in its entirety given the interfaces. These interfaces range from design integration around systems that work across packages (CCTV, Communications, Fire Safety) to the physical complications of multiple contractors operating in and around each other on site.
- 1.25 Consequently, council officers and BXS have been exploring options and agree that the council would be best placed to deliver the EEB given that it already has a team mobilised and on site. The council's BXT team has the capacity and ability to manage the EEB works and the mechanism to deliver through the existing contract with Volker Fitzpatrick. This contract was procured via an OJEU-compliant procedure and is a 'works contract' for the purposes of the Procurement Contracts Regulations 2015 (the PCR). The council's legal advisors GWLG has confirmed that there are options available for the council to vary the existing contract and are now providing detailed procurement advice based on further information provided by the BXT team.
- 1.26 Before a decision is made, the council and BXS need to define and agree accountability and risk allocation between the parties and to agree a working protocol for the construction of the EEB. This would then be documented in a legally binding Agreement alongside a working protocol document. These documents would include a baseline budget for the EEB works including provision for all chargeable items provided for under the Agreement, including any prime cost or risk based contingency allowances alongside the baseline programme for the EEB works as well as setting out the obligations of both parties. These documents need to be in place prior to the Station main works commencing later this year. The council is requested to provide its approval to the above in line with recommendation 3 of this report. This will be subject to further discussions with Volker Fitzpatrick to ensure that the VF has the capacity to undertake these works and agreeing commercial terms with VF and BXS so that the council's risks are minimised and subject to the legal advice referred to in paragraph 1.25.

Proposed revision to the delivery arrangements for BXT project

- 1.27 The council and Re have mutually agreed to progress a revised delivery arrangement for the BXT project. Following the Committee's approval In March, council officers have been working with Re to agree and implement a Transition Plan by 31 August 2020. This includes identifying a new home for the BXT team as well as the exit arrangements with Capita and ensuring clear arrangements in place for document control.
- 1.28 Through the TFL project management framework, the council has invited consultants to bid in a mini-competition to provide a new home for the existing BXT Team and support the council in the provision of advisory and assurance services within the rail construction sector for the BX development.
- 1.29 Three bids were received on 24 June 2020 and are now being evaluated. An Addendum will be circulated to the Committee prior to the meeting seeking approval for next steps to support recommendation 4 of this report.

Brent Cross South

- 1.30 The Brent Cross South Business Plan main report was approved in March 2020.
- 1.31 The revised First Phase Proposal was received on 13 March 2020. The council and its advisors subsequently reviewed and confirmed to BXS on 22 April 2020 that this was in accordance with the Project Agreement.
- 1.32 The Best Consideration requirement is being finalised in accordance with the Project Agreement and delegations given by this Committee on 26 November 2019.
- 1.33 The Homes England Loan Facility Agreement between BXS Limited Partnership and Homes England and the Direct Agreement between Homes England and the council (and ancillary documents including Deed of Indemnity and Counter Indemnity, Legal Charge and Deed of Subordination) were completed on 30 March 2020 <https://barnet.moderngov.co.uk/documents/s58536/PUBLIC%20DPR%20BXS%20Docs%20March%2016%202020.pdf>.
- 1.34 The LBB / BXS Project and Corporate legal agreements (comprising the Deed of Variation to Brent Cross South (BXS) Project Agreement and Corporate Documents (Limited Partnership Deed, Shareholders' Agreement, DMIDA, Collateral Warranty and Delegated Warranty) and ancillary documents) were also completed on 30 March 2020. The link to the Delegated Powers Report is attached at paragraph 1.33.
- 1.35 Under the BXS Project Agreement, the outbreak and spread of COVID-19 initially as an epidemic before being declared to be a pandemic by the World Health Organization on 11 March 2020, is a Force Majeure Event. Both the council and BXS have served the required notices in compliance with the Project Agreement to safeguard their positions if either party is prevented, hindered or delayed from performing any of its obligations under the Project Agreement, or commencing, undertaking or completing any Works (or any part of them) by a Force Majeure Event, then neither BXS or LBB will not be in breach of the Project Agreement.

- 1.36 Notwithstanding, both the council and BXS are working to mitigate any delays arising from CV19 and are continuing to progress. With regard to The Exploratory park (the temporary open space), the BXS contractors were initially stood down as mitigation measures were assessed. Works re-commenced after Easter and are making good progress. The Exploratory park is due to open in August 2020.
- 1.37 Having reviewed the programme and assessed the impacts of CV19, BXS has advised the council that it will shortly be serving notice on the council confirming that the BXS General Partner Board has approved the extension of the Phase Unconditional Longstop Date from July 2021 to December 2021 in accordance with the Project Agreement. This will have consequential changes to the programme within the Business Plan and so will need to be amended accordingly. This allows more time for BXS to satisfy the drawdown conditions, one of which being viability.
- 1.38 BXS is also now starting to progress the Estate Management strategy for BXS. The BXS Estate Management Company Limited (Company No. 12571936) was incorporated on 24 April 2020 and the BXS Utilities Limited (Company No. 12572706) on 27 April 2020. The council's Director of Environment is a Director of both companies. Detailed work is now underway and updates will be provided to this Committee (as well as to the Environment Committee when applicable).
- 1.39 Following the establishment of BXS Utilities Limited, BXS entered into contract with Vattenfall Heat UK to provide the district heating system for the development. This will be the largest installation of its kind in the UK. Vattenfall will design, build and operate the district heating network with a view to eventually removing all CO2 emitting sources. The district heating network will provide low carbon heating and hot water to the BXS scheme. It will include 8MW of heat pumps, supplying over 80% of the total heat requirements of the site, alongside other low and zero carbon heat sources. It is expected to be operational from 2023.
- 1.40 BXS has reopened the Community Fund, increasing the pot to £30,000 to support local initiatives which aim to respond directly to the impact of CV19. Offering grants of up to £3,000 per project, the BXS Community Fund is now open for applications from both charities and residents until midnight Sunday 28 June 2020. The Fund supports projects that build community networks, promote personal wellbeing, and celebrate the varied communities around BXS.
- 1.41 The Planning Application (20/2332/FUL) for the temporary Visitor Centre was submitted to Barnet Council for consideration on 22 May 2020. This Visitor Centre was consulted on during events held in June and July 2019, and the designs incorporate an exhibition space and flexible ground floor commercial space. The final designs are available as part of the full application on the Planning Portal <https://publicaccess.barnet.gov.uk/online-applications/applicationDetails.do?activeTab=summary&keyVal=QAXVSAJI0DC00>.
- 1.42 Plot 25 (student) programme has been re-baselined as opening for academic year 2024 in response to CV19. The Heads of Terms with BXS and Vita the student accommodation provider are close to being finalised. The detailed drafting will commence shortly with a view to exchanging contracts in late Autumn. An update will be provided to the next Committee.
- 1.43 The council and BXS are progressing the land assembly strategy for the BXS development. This includes acquiring interests within the first phases and serving the

required General Vesting Declaration Notice within the CPO area. The GVDs are published on the council's website <https://www.barnet.gov.uk/regeneration/brent-cross-cricklewood/compulsory-purchase-order-schedule-properties>. Negotiations have commenced with Tesco. In this regard, and given the Homes England Loan Facility has now completed, the Committee is asked to approve to delegate to the Chief Executive in consultation with the Chair of this Committee to amend the extent of the legal charge and any consequential agreed changes to the direct agreement to reflect disposals and acquisitions by the council and BXS LP throughout the BXS development in line with recommendation 5 of this report.

Brent Cross North

- 1.44 During the main lockdown period, the shopping centre was closed save for essential stores such as Boots and Waitrose which remained open. The shopping centre re-opened on 15 June 2020.
- 1.45 Hammerson and Aberdeen Standard are continuing to review refurbishment and development options, timing of these will be influenced by Covid 19 and the impacts on retail.

Waste

- 1.46 The OJEU procurement process to select the main works contractor for the Waste Transfer Station (WTS) for Geron Way commenced on 19 May 2020. Five selection questionnaires were returned on 19 June 2020. Shortlisting is now underway. The Invitations to Tender (ITT) will be issued to those shortlisted on 8 July 2020. Final tender returns are scheduled for 2 October 2020. A recommendation will then be made to this Committee to enable contract award in November 2020. WS Atkins has concluded their peer review of the existing detailed design and has identified efficiencies. These are being incorporated into the tender process.
- 1.47 The new WTS which is currently proposed to be constructed at Geron Way will not be completed until September 2022. As the existing Hendon WTS cannot be decommissioned until the new WTS is commissioned, the council is exploring with NLWA and London Energy Limited opportunities that maintain continuity of service operations but also mitigates impact to the BX programme. The current facility is a road to rail operation and the current NLWA rail haulage contract comes to an end in December 2020. The continued operation by rail beyond September 2021 has programme implications for the delivery of the Station Interchange and access to the Station as well as future BXS development plots given that this rail link extends to the northern part of the NR land. The council is exploring options with NLWA and LEL to mitigate this risk through changing part of the operations at Hendon to a road-to-road based solution. This will require changes to the existing legal agreement with NLWA and LEL and may also allow other potential sites to be assessed for the provision of waste services. Consequently, to maintain programme and secure the road to road opportunities as soon as possible, the Committee is asked to approve the delegation of authority to the Deputy Chief Executive in consultation with the Chair of this Committee and Director of Environment to 1) agree any changes to the service operation which mitigate impact to the BX programme and 2) instruct any action which is required as a consequence of 1) including any necessary update or amendments to the procurement strategy and agreeing the consequential changes to and entering into a variation to the Settlement

Agreement with NLWA and LEL and completing any other required documentation in line with recommendation 6 of this report and subject to legal advice.

- 1.48 The Committee is asked to note that this project is now being delivered separately from the Rail Systems and Sidings and Station works and is directly managed by the council. This reflects the interfaces within the council and the existing close working relationships established between the council and NLWA and LEL. The council has directly appointed consultants to progress this project within the council BX team.

Critical Infrastructure Works

a) Southern Junctions

- 1.49 Works to Cricklewood Lane/Claremont Road junction have progressed well and scheduled to be fully operational by 3 July. The project is being completed within budget albeit slightly later than programmed as a result of the CV19 restrictions. TfL signalling engineers are now on site installing the new traffic signals at the junction. The junction resurfacing works took place during night-time closures of Cricklewood Lane and Claremont Road for three nights from Monday 22 - 25 June 2020. Letters informing residents were distributed by the Contractor and diversion routes agreed with TfL, LB Brent and LB Camden. Helpfully, this has created an opportunity for the NW2 Residents Association supported by the council to paint the Cricklewood Railway bridge. Works started on 14 June 2020.
- 1.50 The council is continuing with the improvements at the second junction of Cricklewood Broadway (Units 2a Cricklewood Lane, 168 Cricklewood Broadway and 164-166 Cricklewood Broadway). Detailed design work is nearing completion for the junction improvement works. Traffic management phasing and details have been agreed with TfL, LB Barnet, LB Brent, LB Camden and London Buses. Demolition of the existing Swishbrook building will commence in August, and to meet that timeframe the council needs to secure vacant possession of properties at the junction by 3 July. The original date for obtaining vacant possession was 1 May. This was initially delayed to 1 June due to the CV19 lockdown. The council has been working with the tenants as much as possible to help them relocate in time and have been in regular contact with each business.
- 1.51 The Section 8 Agreement with LB Brent to allow the council to undertake works to the public highway within Brent is being finalised. So that the highway improvements can commence, the Committee is asked to confirm that the Deputy Chief Executive be authorised to agree and finalise the Section 8 Agreement with London Borough of Brent in line with recommendation 7 of this report. This is required to be in place by the end of July 2020.

b) Relocation of Whitefield Estate Part 1 to Brent Terrace

- 1.52 The Funding Development Agreement (FDA) between the council and L&Q is being varied to align with the emerging programme through a Deed of Variation (DoV). The proposed changes were reported to the Housing and Growth Committee on 27 January 2020. The DoV is currently with L&Q's lawyers for review and final sign off.
- 1.53 The council continues to meet L&Q and their agent Currie Brown on a monthly basis to progress the programme of works on Plots 53 and 54. L&Q has updated the housing needs assessment on households being rehoused from Whitefield Estate Part 1 to Plots 53 and 54 and are currently analysing the housing requirement data with Barnet Homes.

- 1.54 Ahead of commencing development, the council has commissioned Conway Aecom to undertake improvements (including lighting) to the existing cycle and pedestrian route to provide the alternative to the path across Plot 53 and measures to discourage parking on soft verges along Brent Terrace.
- 1.55 The BX Client team has also made an application for Temporary Traffic Regulation Order to Barnet Highways extending the existing “No waiting at any time” restriction along the north-east kerb line of Brent Terrace (south) to the end of the road opposite 105 Brent Terrace.
- 1.56 L&Q has undertaken a drainage CCTV survey and CBR test (this is a penetration test used to determine the strength of the ground) on Plot 53 in the week commencing 22 June. Residents were notified in writing prior to commencement.
- 1.57 L&Q has produced a draft Construction Traffic Management Plan (CTMP) along with a Construction Traffic Management factsheet for distribution to residents. This initial factsheet sets out how the site will be managed throughout the construction programme, confirming the appointment of a construction logistics manager as part of the team as well as explaining the construction phasing programme, vehicle movements, type of vehicles, number of vehicles and access arrangements.
- 1.58 The BX team has invited Brent Terrace residents to a virtual session so that the residents can meet with L&Q to discuss the construction programme. Both council officers and L&Q are keen to meet with residents as very aware that residents are worried about disturbance, and want to work with residents to minimise the disturbance on Brent Terrace as much as possible. Barnet Highways will attend this meeting to answer questions on how the traffic and parking within the local area will be managed throughout the build programme.
- 1.59 Following this, L&Q will be able to finalise the CTMP and associated documents for circulation to residents and for submission to the Local Planning Authority, which is a requirement of the planning permission, as well as setting up regular sessions with Brent Terrace residents going forward.
- 1.60 However, confirmation of start on site is delayed due to the stopping up objections in place as set out in paragraph 1.67 below.

West London Orbital

- 1.61 VolkerFitzpatrick, the station contractor, are continuing with a design review to establish the impact of integrating design changes to the Brent Cross West Station design during GRIP5 detailed design. VF are looking to increase the size of some of the concourse steelwork to allow a future bridge to be lifted in with minimised impact on the current station. The results of this impact assessment will then be used to decide if the design should be amended to include passive provision for potential future access to a West London Orbital station if that project ever comes forward. Funding will also need to be supplied as this sits outside of the Brent Cross West Station project scope. The BX Client team will be discussing with TfL shortly.

Brent Cross Tube Station

- 1.62 As the Committee is aware, the council made a request to TfL to update the name of the Brent Cross tube station to reflect the geographical positioning of the tube station to the regeneration area, improve wayfinding and to reinforce the identity of the Brent Cross area, anchored by the Brent Cross West station (currently under construction) to the west and the Northern Line tube station to the east. This has not progressed due to CV19.

Land Issues

- 1.63 The land assembly strategy is being implemented across BX. Land continues to be acquired either under private treaty or under CPO if required to meet the delivery programme. This includes residential and hardship acquisitions within the Whitefield Estate. General Vesting Declarations (GVD) have been made and served on properties listed were attached to the last report to Committee. One further GVD has been served since last report for Plots 13,16 and 1 on Brent Terrace. Copies of the GVDs can be viewed on the council website: <https://www.barnet.gov.uk/regeneration/brent-cross-cricklewood/compulsory-purchase-order-schedule-properties>
- 1.64 The Chief Executive approved the appropriation of land in the first phases of the BX scheme from its existing use to planning purposes in accordance with S.122 Local Government Act 1972 in accordance with the approval of the Housing and Growth (formerly Assets, Regeneration and Growth Committee) on 12 December 2016. The council is now seeking the approval of the Secretary of State to confirm the appropriation of land held within the Housing and Revenue Account (HRA). This is currently being finalised by Eversheds and will be submitted shortly.

Ground 10A (G10A)

- 1.65 Following, the granting of G10A consent in February 2020, the Council held a virtual meeting with representatives from Barnet Homes, HB Public Law, L&Q and Argent Related to start mapping out the timescale and legal process for gaining vacant possession of the council tenanted properties on Whitefield Estate Part 1 and 2.

Stopping Up

- 1.66 Two existing footpaths (one serving a former playground with Plot 54 and the other which crosses over Plot 53 from Brent Terrace in the West to join a path to the East from Claremont Park to Clitterhouse Crescent) require Stopping-Up orders so that the development can proceed in accordance with the approved detailed reserved matters consent. There are several alternative routes available to these existing footpaths. These or similar alternative routes will be retained within the completed BXS development in accordance with the S73 consent.
- 1.67 As reported to the last Committee, a combined Stopping-Up for both Plots 53 and 54 was advertised on 11 September 2019 three objections were received. One from the Rambler Association which has now been withdrawn. Meetings have held with the two objectors to address their concerns with respect to the consultation process and the provision of an alternative route. These objections have not been removed and therefore an application was made to the Secretary of State through the Planning Inspectorate seeking the Secretary of State's consent to resolve the outstanding issues by way of written representation. This has now been confirmed by the Planning Inspectorate. The council is currently awaiting confirmation of the accompanied site visit requested by the objectors. Until a decision is

made, the commencement of the proposed temporary access road and L&Q main works is delayed.

1.68 Further Stopping Up Orders were advertised for Claremont Park and Claremont Way East on 5 December 2019 to enable BXS works to progress.

1) Claremont Park received three objections which are being reviewed and responded to by Argent Related.

2) Claremont Way East received no objections during the 4-week consultation period and the Order was made on 6 February 2020 and received no further objections in the following 6-week judicial review period.

1.69 A further Stopping Up Order was made for Clarefield Park on 7 May and no objections were received within the 4 week consultation period, the Order will be confirmed by the Council and be advertised for a further 6 weeks on 2 July 2020.

1.70 Further Stopping Up Orders will be made as the scheme progresses.

PB Donoghue

1.71 Following meeting with local residents earlier this year, the council has met with BXS and has set up a meeting with PB Donoghue to discuss next steps.

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 update reports to this Committee.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None in the context of this report.

4. POST DECISION IMPLEMENTATION

4.1 The council and its advisors will continue to progress all work streams to ensure delivery of the Brent Cross regeneration proposals as outlined in this report and approved by the Housing and Growth Committee.

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

Budget Monitoring

5.1.1 The council has put in place procedures to ensure the effective monitoring of the financial performance of the BXC Programme. The BXC Governance Board comprising senior officers of the council, including the Chief Executive and the Director of Finance, receives a detailed report each month setting out the financial performance of the BXC

Programme. This report includes a breakdown of the performance against the approved budgets and details of the individual Officers responsible for managing the budgets included within the BXC Programme.

Land Acquisitions

5.1.2 The approved budget for land acquisition to facilitate the BXC programme is £63.13m, furthermore, there was expenditure on advanced acquisitions of £4.06m. This is in addition to the Thameslink budget. Actual spend to date is £53.16m. The current forecast for 2020/21 is £14.04m.

Thameslink Station

5.1.3 The current approved budget in the capital programme is £364.47m following confirmation of the HMG grant funding agreement.

5.1.4 Actual spend to date is £129.17m. The total contractual commitments at the end of May 2020 is £328.32m. The council has submitted drawdown requests against the HMG grant totalling £306.94m, of which £26.06m is yet to be received. The current forecast for 2020/21 is £126.29m.

Critical Infrastructure

5.1.5 As part of the revised delivery strategy as set out in the report to the June Committee, the council is taking forward the delivery of parts of the newly created 1AN Infrastructure phase. The council has entered into contract with Conway Aecom to deliver the Southern Junction works and has engaged DP9 to discharge the pre-commencement planning conditions and New Steer on CPO matters as outlined above.

5.1.6 These works are funded from part of the £59.9m core critical infrastructure budget which includes £55m being provided as part of the MHCLG Revised Funding Agreement for Brent Cross Cricklewood. Actual spend to date is £18.462m. The current forecast for 2020/21 is £26.03m.

5.1.7 As set out in this report, the council is now directly delivering the waste programme (paragraph 1.48) and has commenced a mini competition to find a new home for the BXT delivery team (paragraph 1.27-1.29). This will be subject to an Addendum report. In order to support the council across the wider programme the Committee is asked to confirm continuation of existing contracts with CBRE to provide strategic property advice and Schofield Lothian to support the BX Integrated Programme Management Office and delivery of Critical Infrastructure.

Social Value

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

5.2 Legal and Constitutional References

5.2.1 The council's Constitution, Article 7.5 responsibility for function, states the functions of the Housing and Growth Committee, includes responsibility for regeneration schemes and asset

management.

5.2.1 Council, Constitution, Article 10 Table A states that the Housing and Growth Committee is responsible for authorising (1) all disposal and acquisition of land for over £500k and (2) any transaction which is a “less than best” transaction as the term is interpreted out at s 123(2) of the Local Government Act 1972.

5.2.2 The council has a range of powers to enter into the legal agreements referred to in this report. The general power of competence under paragraph 1 of Section 1 of Chapter 1 of the Localism Act 2011 enables it to do anything that individuals can do subject to any specific restrictions contained in legislation and the 'incidental power' in 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.

5.3 Risk Management

5.3.1 Risk management has been applied across all levels of the programme. As reported to Committee in September, owners and mitigation plans are identified and risks are measured against impact and likelihood to give an overall rating. High rating risks are escalated and reported through the defined reporting procedure with top risks reported to BXC Governance Board. Currently the key risks and mitigations are summarised below:

5.3.2 Programme and funding – There is a risk that BXN does not progress or that planning dates are not achieved across the programme. This risk has been significantly mitigated through the Revised Funding Agreement with Government. The Grant Agreement requires that the BXC project is monitored to milestones. In this regard, the Agreement allows these to be updated through the monthly meeting of the Government Assurance Board, chaired by the council’s Deputy Chief Executive, to reflect scheme development and market conditions and other external factors. A cost review of the BXT budget is underway and will conclude shortly to take account of the contract awards and review the programme and cost implications as a result of the shift in possessions.

5.3.3 Station Delivery Date – there is the risk that the 2022 station opening date cannot be achieved. The current programme maintains a 2022 opening date albeit December rather than May. There is a risk that this could be later depending on other works on the railway. The council has worked with DfT and Network Rail alongside the Train and Freight Operators to develop a revised industry integrated programme, underpinned by the signed Memorandum of Understanding. This programme has been agreed and a workable possession programme is in place subject to final testing by Network Rail. A QRSA has also been undertaken. While the possession risk has been mitigated, railway possessions can, whilst unlikely, be cancelled as a result of unforeseen circumstances. There is also the additional programme risks as a result of CV19. The project team and Network Rail have therefore developed a contingency strategy in the event of a further loss of possessions.

5.3.4 Network Change – Network Change has been achieved. There remain some conditions which need to be met which are being managed by Network Rail and reported through the Rail Operations Assurance Board.

5.3.5 Train Operating Timetable - The BXT team have, for some time been facilitating a regular meeting with Train Operators (EMT and GTR), the DfT, and NR. This Board (Rail Operation Assurance Board) deals with all rail industry issues and interfaces. One of the headline

areas of interest is the new rail timetable to accommodate the planned stopping pattern at the new station. The industry has a complex and lengthy process for securing future timetables which takes into account competing bids for access. NR and the DfT have both confirmed that everything that can be done at this stage has been done to secure the desired stopping pattern, and NR have published a letter outlining the timetable of events leading up to the publication of the new timetable. There are risks associated with this process, notably around the uncertainty of the GTR franchise, and the publication later this year of the “Williams Review” which will make recommendations on the future structure of the industry. There are additional risks arising from the delay on the refranchising and the Williams report brought about by CV19 and the Government’s actions in underwriting the impact on the TOCs of train service commitments. The council will be monitoring developments closely.

- 5.3.6 Thameslink delivery costs – as with all major programmes there is the risk that costs will increase during programme delivery. The BXT budget is under pressure and this risk is being actively managed with public sector partners and contractors. The contract between the council and NR is an Emerging Cost contract. As indicated in previous reports, all emerging cost contracts entered into will require strong contract management to ensure all costs incurred are reasonable. As part of the signed IA the council has open book access to all of Network Rail’s financial information relating to invoiced costs incurred on the programme. This extends to Network Rail contractors where an emerging cost contract is in place. As referred to in the report to ARG in November 2018, the council also has the right (subject to notice and personal safety) to access the site and attend meetings. In this regard, the regular senior level meetings between Network Rail and the council/Re delivery are continuing to review the costs each month. Similarly, there is an on-site presence by the council/Re delivery team to be monitoring programme and work achieved, particularly during track possessions.
- 5.3.7 Waste Transfer Station – Delays to the delivery of the Waste Transfer Station may result in programmatic and logistical interfaces with the Station and Brent Cross South development due to the requirement to keep the existing facility in operation until the new one is complete. To mitigate this a working group has been established through the Integrated Programme Management Office to develop a joint logistics and land management plan of the station development area. Further to this a strategy to amend the operation of the existing facility to a ‘road to road’ facility (in line with how the new facility will operate) is being investigated. The council have also brought the waste delivery team in house to align skills and expertise with delivery, as discussed in the waste section of this report.
- 5.3.8 The most important control mechanism for the council is to employ experienced staff who will provide diligent review and challenge of the NR cost base and reject any costs which are not reasonable and properly incurred. The council’s Client and Re Thameslink delivery team comprises professionals used to working on the railway within Network Rail and are experienced in delivering large railway projects. The challenge to NR will need to operate at several levels, including:
- a. A full-time site presence that stays abreast of issues that arise on site, and monitors the detail and impact of any events, or failure to meet programme milestones, quality standards etc. The site team/person will also systematically log these events/issues and share this information with NR.

- b. Whilst it will always be difficult to isolate costs associated with NR/Contractor failure, from genuine cost, it is important that NR are discouraged from passing on contractor valuations without themselves challenging whether a deduction should be made to take account of notified failures.
- c. Attendance at key NR meetings. This is in addition to the role set out in (a), targeting any issues which may not have been picked up by the site-based teams, but for the same purpose as (1).
- d. A strong commercial challenge that scrutinises and interrogates any unexpected costs which emerge during the pre-invoice (valuation) process and repeats this when the main invoices are submitted.

5.3.9 Critical Infrastructure (Grant Funded Works) - The council is now responsible for delivering the Southern Junctions and as the Funder, delivery of Plots 53 & 54 providing new homes to rehousing residents from the Whitefield Estate.

5.3.10 Stopping Up Objections – Footpaths which are required to be ‘Stopped Up’ to make way for the building of Plots 53 & 54 have received objections. If objections are not removed, then the Order must be confirmed by the Secretary of State through the Planning Inspectorate by way of written representation (which is the Council’s preference) or at an informal hearing. could delay the start on site of main works by approximately 9 months (for written representations) and 11 months (informal hearing). This delay may reduce the time available to use the temporary access road and result in an increase in construction vehicles using Brent Terrace South. The project team are working with objectors to resolve the issues around stopping up.

5.3.11 Resourcing – the project is now in the delivery stage. In addition, the council has taken on additional delivery items through the revised delivery strategy and needs to deploy sufficient resources. There is a need to ensure resilience within the programme in the event that key persons depart the project as well as to update the succession planning strategy.

5.3.12 Economic – There is a risk that the prevailing economic position for the traditional retail sector will continue alongside residential and commercial given current market conditions. This could result in reduced demand for retail space and administration to existing retailers. To mitigate this both BXN and BXS development partners are exploring/reviewing diversification of offer within BXC. Wider macro-economic shocks may also impact the residential and office markets in London.

5.3.13 Planning – There is a risk that the BXN Partners do not meet the timescales established in the s73 Permission. This risk has been mitigated through the planning applications submitted as part of the revised delivery strategy and development of a combined integrated Programme Management Office (iPMO) forum specifically focused on planning programme across development partners. With the commencement of Phase 1BN Infrastructure 1, and Phase 1BS this risk has significantly reduced.

5.3.14 Covid 19 – This represents a significant new risk to the programme and the team has been working closely with sub-contractors to review the likely impacts. Currently programme has been maintained however the team do expect some additional challenges as impacts on the supply chain are understood. Cost impact to date is estimated at £2m, with a further £3m of additional risk up to the end of October. It should be noted that further risks are expected

and will be assessed as the impacts of lockdown are understood and government guidance changes. The project team is maintaining a CV19 impact tracker to show when and where these impacts are materialising. A more detailed update will be provided to the next Committee.

5.4 Equalities and Diversity

5.4.1 As previously reported, the Development Proposals support achievement of the council's Strategic Equalities Objective.

5.4.2 The development proposals for the Brent Cross Cricklewood scheme will make a significant contribution to the provision of additional, high quality affordable housing units in the Borough as well as providing employment through the creation of a new town centre with leisure, health and educational facilities. The delivery of the Thameslink Station will enhance public transport provision and improve accessibility and provide greater choice for all. It should be emphasised that a fully integrated and accessible town centre will be created as part of these proposals.

5.5 Corporate Parenting

5.5.1 None in the context of this report.

5.6 Consultation and Engagement

BXC Programme wide

5.6.1 Facilitated by the BXC communications lead, colleagues from across BXN, BXS and BXT continue to meet monthly, and work collaboratively in ensuring a 'joined up approach to communications across the programme.

5.6.2 The communications and stakeholder engagement strategy was agreed at Housing and Growth Committee in March and is being implemented alongside our response to the COVID-10 outbreak.

Covid-19 response

5.6.3 Due to the Covid-19 outbreak we have been working with partners to ensure that we communicate the measures taken across the programme to ensure the safety and wellbeing of our staff, and residents living close to the site. This includes hosting information on the programme website, and in all resident correspondence, that signposts to the council's Covid-19 web hub.

5.6.4 Some changes to communications activity have been necessary including a shift to hosting resident briefings online, rather than offering onsite visits.

BXC Channel Strategy

5.6.5 Since the TransformingBX.co.uk website launched in March there has been over 1400 visitors. The website has been promoted in all resident facing communication, and via Barnet Council's, and our partners, communications channels.

- 5.6.6 On Thursday 11 June we issued our first programme e-newsletter to around 50 new subscribers who has signed up via transformingbx.co.uk. The newsletter will focus on providing relevant, timely updates to residents and stakeholders and therefore expect it to be issued around once or twice a month, more frequently as the programme progresses.
- 5.6.7 The programme's Twitter account @TransformingBX (formerly @BXCRegeneration) has also been relaunched to provide time critical information about the project, news and information from across the programme.
- 5.6.8 We continue to receive, and responded to, ad hoc resident questions and queries via the programme email address TransformingBX@Barnet.gov.uk

Community Engagement

- 5.6.9 Between March and June Brent Cross Thameslink, Conway Aecom and L&Q have delivered printed updates to residents in the development area on their respective programmes. This included survey works on 53 / 54, the Cricklewood Lane / Claremont Road junction and the three-month Thameslink works programme.
- 5.6.10 In April, the Brent Cross Thameslink programme team hosted a successful live resident briefing via MS Teams to provide residents living alongside the railway an update on the recently commissions railway sidings. Colleagues from Network Rail and Govia Thameslink Railway joined Brent Cross Thameslink Programme Director Sam Wadsworth to provide an update on the operation of the sidings, mitigation of noise and a look ahead at the programme.
- 5.6.11 Communications and engagement activity Southern Junctions - Cricklewood Broadway: In July we will be agreeing an action plan of communications activity to ensure residents and stakeholders are informed ahead of works starting on site. Where appropriate we will work with TfL to ensure that road users are aware of potential disruption to their journey.
- 5.6.12 Positive news stories from across the programme have been shared via the new website over the past few months. Across the Brent Cross Thameslink Project Brent Cross West achieved final planning approval, which was picked up by several trade news outlets, the railway sidings marked a major milestone in the project, and the team received an international safety award. In Brent Cross South the Homes England fund for housing infrastructure was agreed, the BXS Community Fund launched and the contract was awarded for sustainable energy provider Vattenfall UK.

6 BACKGROUND PAPERS

- 6.1 Housing and Growth Committee, 27 January 2020, Brent Cross Cricklewood Update Report <https://barnet.moderngov.co.uk/documents/g9931/Public%20reports%20pack%2027th-Jan-2020%2019.00%20Housing%20and%20Growth%20Committee.pdf?T=10>
- 6.2 Housing and Growth Committee, 16 March 2020, Brent Cross Cricklewood Update Report <https://barnet.moderngov.co.uk/documents/s58340/BXC%20Housing%20and%20Growth%20update%20Report.pdf>