

	<p>Financial Performance and Contracts Committee</p> <p>8 June 2021</p>
<p>Title</p>	<p>Brent Cross Update</p>
<p>Report of</p>	<p>BX Programme Director</p>
<p>Wards</p>	<p>Childs Hill, Golders Green and West Hendon</p>
<p>Status</p>	<p>Public with accompanying exempt report (Exempt by virtue of paragraphs 3 and 5 of Schedule 12A Local Government Act 1972) on account that it contains information relating to the financial or business affairs of any particular person including the authority holding the information and information in respect of which professional legal privilege could be maintained in legal proceedings.</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>No</p>
<p>Enclosures</p>	<p>Appendix 1 – Extracts LBB progress update presentation to the Government Assurance Board, 2 June 2021</p>
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Summary

This report provides an update on the delivery and financial performance across the Brent Cross programme.

Officers Recommendations

The Committee is asked to note delivery progress across the Brent Cross (BX) programme as set out in the presentation to the HM Government Assurance Board on 2 June 2021.

1. PURPOSE OF REPORT

Introduction

- 1.1 This report provides an update on the delivery progress of the Brent Cross Programme since the last meeting on 17 March 2021.
- 1.2 A detailed progress update on the Brent Cross programme will be provided to the Housing and Growth Committee on 15 June 2021. This report confirms that good progress continues to be made across the programme. The link to the report will be circulated to the Committee upon publication on 4 June 2021.

Brent Cross West

- 1.3 the north access to the south sidings is now open. The residual works originally planned to take place at Christmas 2020/21 were completed on 21 March. This is a significant milestone for the programme as it completes the works to the south sidings.
- 1.4 Network Rail's Chief Executive, Andrew Haines, visited the site on 19 April 2021 and met with the Deputy Chief Executive and the Mace / Volker Fitzpatrick teams, recognising that the programme is Network Rail's largest third-party scheme to date and the importance of this scheme within Network Rail.
- 1.5 The track slews to realign the rail tracks to create the space for the new platforms have been safely delivered during the 72-hour possessions over the Easter Bank Holiday weekend (week 1), and the May Bank Holiday weekends (week 5 and 9) as set out in the presentation to the Government Assurance Board on 2 June. This is a significant milestone for the programme, and substantially de-risks the delivery of the station and the 2022 opening date.

Waste Transfer Station

- 1.6 In respect of the procurement process to select the main works contractor for the replacement Waste Transfer Station, tender responses have now been received. Two initial tenders were received and have been evaluated to confirm whether the Council should reserve the right to award at this stage or proceed with negotiation. This evaluation has confirmed that the procurement should proceed into negotiation phase which will be conducted during June 2021. This will be followed by invitation to final tender, evaluation and contract award should the Geron Way site remain the preferred option. The report to the Housing and Growth Committee is seeking that the contract

award is delegated to Deputy Chief Executive in consultation with Chairman of the Committee to support delivery of programme as contract award will fall outside of Housing and Growth Committee cycle.

- 1.7 Once the contract has been entered into, regular progress will be reported to this committee throughout project delivery.

Financial Management

- 1.8 As will be reported to the Housing and Growth Committee, the Mace delivery team continues to work towards reducing the Brent Cross West Anticipated Final Cost (AFC) and has secured a further £4.4m of efficiencies in the last six months. This has been achieved through reductions in the Network Rail Supply Chain Organisation costs, value engineering opportunities and successful claims against the Network Rail Risk Fund and Industry Risk Fund alongside securing efficiencies through additional track possession access to enable more efficient delivery of the station works, and rationalisation of the drainage connections required for the wider Brent Cross Town (BXT) scheme.
- 1.9 As part of the management of the Sidings and Rail Systems contract, ongoing dialogue is taking place between Mace, the Council and Network Rail to adequately apportion increased costs resulting from the changes to the Sidings and Rail Systems delivery programme. The council has appointed an external rail claims specialist Croftstone to provide independent advice and guidance to the council and Mace to progress the claims through the formal claims process and escalation process as set out in the Implementation Agreement between the council and Network Rail. However, the preferred route is to agree a negotiated settlement with Network Rail, rather than proceeding through the formal claims process.
- 1.10 A more detailed update will be provided to the Committee in October once the project wide cost review scheduled for July is complete. This will take into account the revised risk position for the station following the successful completion of the track slews during the bank holiday major rail possessions, costs associated with Covid, the confirmed cost for the construction of the Waste Transfer Station following the procurement of the delivery partner (contract award target is targeted mid-August upon completion of standstill period) and the settlement of the final account with John Graham Construction Limited (JGCL) to fully close out the TOC Compound / Fuel Farm project, which was completed on 1 April 2021. The latter will be subject to a review by this Committee in October.

2 REASONS FOR RECOMMENDATIONS

- 2.1 To provide an update to the Committee on the HMG funded elements of the BX programme that the council is directly delivering.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None.

4 POST DECISION IMPLEMENTATION

4.1 None.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The comprehensive regeneration of Brent Cross Cricklewood is a long-standing objective of the council and of the aims under the Corporate Plan Barnet 2021-2024 and a key regeneration priority of the Mayor of London.

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

Budget Monitoring

5.2.1 Budget, performance and risk information across the BXC programme is set out in the latest report to Housing and Growth Committee on 14 June 2021.

5.3 Social Value

5.3.1 As set out in the report to the Housing and Growth Committee on 25 January 2021.

5.4 Legal and Constitutional References

5.4.1 Article 7 of the Council's Constitution, the terms of reference of the Financial Performance and Contracts Committee includes the followings responsibilities:

Responsible for the oversight and scrutiny of:

- (a) the overall financial performance of the council
- (b) the performance of services other than those which are the responsibility of the: Adults & Safeguarding Committee; Housing & Growth Committee; Children, Education & Safeguarding Committee; Community Leadership & Libraries Committee; Environment Committee;
- (c) the council's major strategic contracts including (Customer Support Group, Development and Regulatory Services, The Barnet Group Ltd (Barnet Homes) and HB Public Law) including (but not limited to):
 - Analysis of performance
 - Contract variations
 - Undertaking deep dives to review specific issues
 - Monitoring the trading position and financial stability of external providers
 - Making recommendations to the Policy & Resources Committee and/or theme committees on issues arising from the scrutiny of external providers

5.4.2 The general power of competence under paragraph 1 of Section 1 of Chapter 1 of the Localism Act 2011 enables the Council 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.

- 5.4.2 Any necessary procurement activity will be undertaken in accordance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 (as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 SI 1319 (PP Amendment Regulations 2020)).

5.5 Risk Management

- 5.5.1 As set out in the reports to Financial Performance and Growth Committee on 25 January 2021 and Housing and Growth on 14 June 2021

5.6 Equalities and Diversity

- 5.6.1 As set out in the report to the Housing and Growth Committee on 14 June 2021.

5.7 Corporate Parenting

- 5.7.1 As set out in the report to the Housing and Growth Committee on 25 January 2021.

5.8 Consultation and Engagement

- 5.8.1 As set out in the report to the Housing and Growth Committee on 14 June 2021.

5.9 Insight

- 5.9.1 As set out in the report to the Housing and Growth Committee on 14 June 2021.

6 BACKGROUND PAPERS

- 6.1 Financial Performance & Contracts Committee, 7 December 2020. Item 9, Brent Cross:

<https://barnet.moderngov.co.uk/documents/s62445/Brent%20Cross%20Report%20Financial%20Performance%20and%20Contracts%20Committee.pdf>

- 6.2 Housing & Growth Committee, 25 January 2021, Item 10, Brent Cross Cricklewood Update:

<https://barnet.moderngov.co.uk/documents/s62947/Brent%20Cross%20Update%20Report.pdf>

- 6.3 Financial Performance & Contracts Committee, 17 March 2021. Item 9, Brent Cross:

<https://barnet.moderngov.co.uk/documents/b37352/Brent%20Cross%2017th-Mar-2021%2018.00%20Financial%20Performance%20and%20Contracts%20Committee.pdf?T=9>

- 6.4 Housing & Growth Committee, 14 June 2021 (to be circulated on publication – scheduled for 4 June 2021)

<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=10845&Ver=4>

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