

Housing and Growth Committee

16 November 2021

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| Title | Brent Cross Update Report |
| Report of | Chairman of Housing and Growth Committee |
| Wards | Childs Hill, Golders Green and West Hendon |
| Status | Public with Exempt report (Not for publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 as amended as this relates to information of a financial nature and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 | Yes |
| Enclosures | Appendix 1, BXW Site Progress Photographs Appendix 2 Section 19(2) Consent |
| | Karen Mercer, Programme Director Karen.Mercer@barnet.gov.uk |

Summary

This report updates on progress across the programme since the last Committee meeting on 13 September 2021. In particular it provides updates on progress on the Brent Cross Town (BXT) programme and seeks authority to update the First Phase Proposal and Land Transfer arrangements, taking into account economic conditions and the delivery programme.

Officers Recommendations

That the Committee:

- 1) Note progress across the Brent Cross programme as detailed in the report;**

- 2) Note progress across the Brent Cross Town (BXT) programme and delegate authority to the Chief Executive in consultation with the Chairman of the Housing and Growth Committee to:**
 - a) approve the inclusion of Plot 19 within the BXT First Phase Proposal to bring forward a speculative office building subject to receipt of a satisfactory varied First Phase Proposal from Brent Cross South Joint Venture Limited Partnership in accordance with the terms of the Project Agreement and to CBRE confirming that there is no negative impact to the Council's First Phase financial returns from the BXT development;**
 - b) review the land transfer arrangements at the Phase Unconditional Date in respect of the first plots and make any necessary revisions ahead of the Phase Unconditional Date;**
 - c) amend the Phase Unconditional Longstop Date in accordance with the Project Agreement and the JV documents;**
 - d) enter into documentation to make any consequential changes to the BXS Business Plan, Project Agreement and other legal documentation as required resulting from the above.**
- 3) Delegate authority to the Chief Executive in consultation with the Chairman of the Housing and Growth Committee and the Director of Resources to confirm to Brent Cross South Joint Venture Limited Partnership how the Council wishes to receive its CLC (Council Land Contribution) from Plot 25 in line with the Project Agreement.**
- 4) Delegate authority to the Chief Executive in consultation with the Chairman of the Housing and Growth Committee and the Director of Resources to agree the detailed Heads of Terms for inclusion of the Retail Park within the Project Agreement and make any consequential changes to the BXS Business Plan, Project Agreement and enter into other legal documentation as required.**
- 5) Note that following completion of the OJEU compliant procurement process that has been undertaken (OJEU Notice 2020/S 170-412510) the council will imminently enter into a two stage NEC3 ECC Design & Build contract with McLaughlin & Harvey to design, build, commission and handover into operational use the new replacement Waste Transfer Station.**
- 6) Note that the Brent Cross West (BXW) and associated critical infrastructure final cost review is now concluding and will be reported to the Finance Performance and Contracts Committee on 23 November 2021.**
- 7) Approve that the improvements to the public realm around the western station entrance and required infrastructure modelling and design work to unlock further development in the area is funded from the surplus within the Brent Cross land budget.**

8) Note that the Council has received confirmation from the Secretary of State following submission of its application pursuant to s 19(2) of the Housing Act 1985 to appropriate the required housing land to planning purposes to facilitate the Brent Cross Town Development.

1. WHY THIS REPORT IS NEEDED

- 1.1. This report provides the quarterly update on progress since the last Committee meeting on 13 September 2021.
<https://barnet.moderngov.co.uk/documents/s66501/Brent%20Cross%20Update%20Report.pdf>
- 1.2. Good progress continues to be made across the programme and can be viewed on the council website [Transforming Brent Cross Cricklewood | Home \(transformingbx.co.uk\)](https://transformingbx.co.uk). The key updates are as follows:
- Construction works for the replacement homes for the Whitefield Estate Part 1 residents on Plots 53 and 54 on Brent Terrace has now commenced.
 - Reserved Matters Planning Approval is now in place for the Student Accommodation units on Plot 25 (planning ref - 21/4063/RMA), and for the Transport Interchange on the eastern side of the Brent Cross West Station (planning ref - 21/2289/RMA).
 - The award of contract to McLaughlin & Harvey as contractor for a two-stage NEC3 ECC Design & Build contract to design, build, commission and handover into operational use a new replacement Waste Transfer Station. the contract is due to be executed imminently.
 - The Brent Cross West (BXW) and associated critical infrastructure final cost review is being concluded and will be reported to the Finance Performance and Contracts Committee on 23 November 2021.



Brent Cross West Station

- 1.3. Construction works on the station project continue to progress well as shown by the photographs attached at appendix 1. The close out of the Network Rail Railway Systems and Sidings project is also progressing following the de-commissioning of the Network Rail / Amey site accommodation on 7 October 2021. A smaller site welfare set up has been retained for completion of the residual drainage and snagging works.
- 1.4. However, as previously reported to this Committee, there are risks that are now starting to have an impact on the on the programme, particularly relating to material cost inflation and supply chain issues as a result of Covid and the current economic climate. This is placing pressure on the Anticipated Final Cost (AFC). The Brent Cross West Station and associated critical infrastructure AFC review is now concluding. The emerging review indicates that should identified risks materialise there could be a small cost overrun to the project. This has been reported to the Government Assurance Board who have agreed to form a working group to focus on mitigating these risks. The findings of the AFC review alongside the risk mitigation and funding plan will be reported the Finance Performance and Contracts Committee (FPCC) on 23 November 2021.
- 1.5. The Committee should be aware that on 16 September 2021 a health and safety incident occurred on site whereby a contractor was injured by a dumper truck and required surgery. The contractor is expected to make a full recovery. Health and Safety protocols were followed and works were stood down until the initial investigation took place and improvement actions implemented by all parties. A final investigation report has been prepared and is currently being reviewed by the Mace delivery team. The report will be made available once finalised. The council has written to Volker Fitzpatrick (VF) on this matter and is arranging an executive level meeting to discuss further including a safety site walkout given the importance of health and safety. A workshop to make improvements is scheduled for 17 November and will be attended by VF, Mace and the council.

- 1.6. Council officers and the Mace teams are continuing to work with key stakeholders to agree the detailed programme for handback of the station and the station opening milestone. The detailed programme was shared with the Railway Operations Assurance Board (ROAB) on 12 October 2021, with follow up sessions, led by the Station Close Out Manager, taking place with each stakeholder to obtain formal approval by all parties.
- 1.7. On 22 October the reserved matters approval for the Interim Transport Interchange was approved. This is being delivered by the BXT and will deliver a combination of public transport improvements comprising a double bus stand, a double bus stop in each direction, a temporary bus turning facility, a taxi rank, 4no. accessible blue badge parking spaces and a total of 56no. cycle parking spaces. The Interim Transport Interchange is required to be completed before the Brent Cross West station is opened next year.
- 1.8. As part of the design development of the public realm scheme around the western entrance, Council officers will be undertaking a public consultation late November to gain valuable feedback on the current design and any areas for improvement. Further information about this will be made available on Engage Barnet and TransformingBX webpages. As the Committee is aware, Allies and Morrison and Arups have been appointed to undertake masterplanning exploratory work to the west of the Brent Cross West Station and identify improvements to the public realm around the western entrance alongside required infrastructure modelling and design work to unlock further development in the area. This is scheduled to be funded from the surplus within the Brent Cross land budget, subject to approval by this Committee.

Brent Cross Town

- 1.9. The Brent Cross Town works have continued with demolition and ground remediation works proceeding to plan. [August 2021 Drone Footage - Brent Cross Town](#)

Visitor Pavilion, Welcome Hub and Claremont Way Shops

- 1.10. The Visitor Pavilion on Claremont Way (next to the Exploratory) is due to open to the public in November with a series of launch events taking place into December. In parallel, a Welcome Hub will open next to Brent Cross tube station to generate awareness and interest for the scheme.
- 1.11. The Visitor Pavilion will be a key hub for residents and the general public to find out further information about Brent Cross Town. It houses the marketing suite and the ground floor will be open to the whole community and available for community events.
- 1.12. BXT are also currently working with A F G Food & Wine to enhance their store within the Claremont Way Parade of Shops who will continue to serve the local community from their current location. The store will soon be joined by other complementary businesses in this parade of shops, bringing new amenities and services to the local area.
- 1.13. Roles for both units are currently being advertised for a general manager, two welcome hosts at the Visitor Pavilion, and a third welcome host for the Welcome Hub adjacent to Brent Cross underground station.



1.14. Additionally, a new mural now brightens the wall of Claremont Way, as shown below:



Claremont Park

1.15. Works on Claremont Park are ongoing. The park remains on schedule to open in Spring 2022. The council's Green Spaces team have been working with BXT to put in place the necessary maintenance arrangements. It is envisaged that the detailed arrangements will be agreed by Christmas, ahead of the park opening.

Clitterhouse Playing Fields

1.16. Archaeological excavations have commenced on Clitterhouse Playing Fields. Meanwhile the consultation on the future design of the park commenced on the 4 October and closed on the 31 October. Feedback will help shape the design for the playing fields with initial feedback on the consultation due in January 2022. The consultation information can be accessed at the following link <https://engage.barnet.gov.uk/clitterhouse-playing-fields>

Plot 25 – Student Accommodation

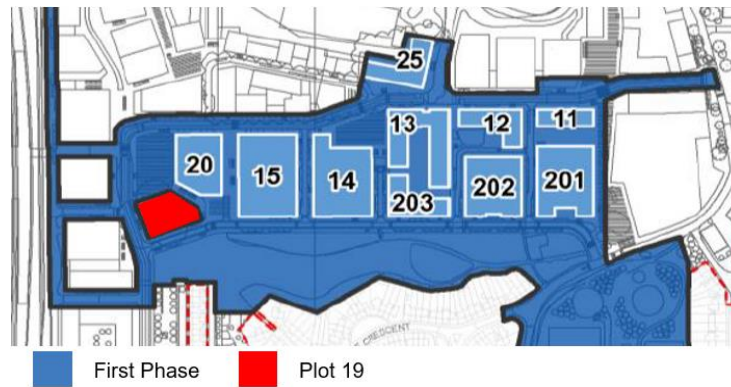
- 1.17. The reserved matters planning application for the student accommodation was approved at the Strategic Planning Committee on 21 October. As the Committee is aware, Plot 25 is a key building in Brent Cross Town. Glenn Howells Architects has designed the scheme, which will sit on the corner of the new High Street. The plans are for a single building, made up of three blocks of varying height. As well as upwards of 660 student bedrooms, provided as either self-contained studios or within shared student apartments, there will be communal spaces for students including dining rooms, a gym and study rooms. The ground floor will have commercial space for restaurants and cafes.
- 1.18. Enabling works are currently being undertaken by BXT ahead of main works commencing in March 2022.

Phase Unconditional and Drawdown of Plots

- 1.19. As reported to the Committee in September (paragraph 1.31) BXT and the council are working together towards the First Phase Unconditional Date and to ensure that all the necessary drawdown conditions to commence the First Phase are satisfied. At this point, the council will be formally committing to disposal of its land.
- 1.20. The Committee will recall that following the approval of the Brent Cross South Business Plan in March 2020, the council and its advisors subsequently reviewed the revised First Phase Proposal and confirmed to BXT on 22 April 2020 that this was in accordance with the Project Agreement.
- 1.21. The Best Consideration requirement was determined as being met in June 2020 following completion of the Phase Project Valuer (PPV) review and on receipt of the formal letter on Best Consideration from the PPV Valuer (CBRE) at a minimum of £10.5m; and confirmation that the tests set out in paragraph 1.31 of the report to this Committee on 26 November 2019 had been met. This Committee also re-confirmed that the Council Land Value be re-invested in BXS to secure a revenue stream and authorise Officers to explore options for securing this investment for approval by the Committee. The link to the report is here: <https://barnet.moderngov.co.uk/documents/g9930/Public%20reports%20pack%2026thNov-2019%2019.00%20Housing%20and%20Growth%20Committee.pdf?T=1>
- 1.22. Once a Phase Proposal¹ has been approved, the Phase Definition Date is said to have occurred. BXT must then take steps to satisfy the conditions below in relation to that Phase before it becomes unconditional - (on the "Phase Unconditional Date"). These conditions are set out in the report to this Committee in March 2016. But in summary these provide the necessary reassurance to the council and BXT that there is a viable scheme ready to be delivered in order for BXT to formally commit to delivering the phase and the council formally committing the land. Therefore, these phase wide conditions relate to delivery and include:
 - Land assembly / CPO;
 - Planning and highway approvals being in place;

¹ The BXS Project Agreement is explained in the report to the Housing and Growth Committee, March 2016. Link here: [Brent Cross Cricklewood.pdf \(moderngov.co.uk\)](#)

- Viability test demonstrating that the amount by which the Phase Serviced Land Value plus any Surplus exceeds the Phase Servicing Costs is at least equal to or greater than the equivalent amount calculated at the point the approved Phase Proposal was submitted; and
 - The satisfaction of the Infrastructure 2 First Phase Condition.
- 1.23. The current Phase Unconditional Longstop Date is 31 December 2021.
- 1.24. Thereafter, BXT is to assemble the land required for a Phase and drawdown Plots of land for infrastructure and for development in accordance with the programme (agreed at the Phase Unconditional Date) once the Development Plot Conditions or the Infrastructure Plot Conditions are satisfied. These include:
- a Developer condition (in this regard the council is entitled to approve a third-party developer that must meet certain tests demonstrating its track record and ability to deliver (if that developer is not Argent Related)); and
 - a Warranty condition to ensure the necessary construction contracts are in place (note that this may be subject to review in light of comments made in paragraph 1.26 below);
 - funding is available for the relevant plot; and
 - Viability tests demonstrating that the Phase/Plot Serviced Land Value plus any Surplus exceeds the Phase/Plot Servicing Costs – there is no minimum threshold land value however
- 1.25. BXT and the council are working together to ensure that all the drawdown conditions are satisfied, and good progress is being made. BXT has updated the financial model to reflect the latest construction costs and market information. The model confirms that the proposed financial returns to the council are above those agreed in the approved First Phase Proposal in June 2020. The financial model has been made available to the council and is currently being reviewed by the council's advisors ahead of the Phase Unconditional Date in line with the Project Agreement.
- 1.26. The council and BXT are also reviewing the land transfer arrangements at the Phase Unconditional Date. These were agreed in 2016 and may need to be amended in light of current economic conditions and the delivery programme. Consequently, Committee approval is sought for the Chief Executive in consultation with Chairman of this Committee and the Director of Resources to review the proposed land transfer arrangements in respect of the first plots and make any necessary revisions having regard to the current economic climate and the development delivery programme ahead of the Phase Unconditional Date
- 1.27. As set out in the report to the last Committee in September, BXT wishes to update the First Phase Proposal to include Plot 19 so that JVLP can speculatively develop the plot to be the centrepiece of the business 'eco-system' delivering an exemplar for the future of workspace, as part of the BXS office leasing to create a new commercial hub in North London. The proposal is to provide circa 119,000 sqft of B1 commercial space, plus c.9,000 sqft of multi-functional retail/cultural use at ground floor, supporting the public realm around Station Square and Claremont Park. The intention is to continue the RIBA stage 2 design work and submit a reserved matter planning application in Spring 2022 and commence works in Spring 2023.



- 1.28. This is a change from the approved First Phase Proposal which sees Plot 19 developed as a leisure use and being brought forward outside of the First Phase. The Financial Model has been updated to include Plot 19 as part of the First Phase based on market and cost data provided their professional property and cost advisors. This indicates that there is a marginal benefit to the council’s First Phase financial returns from the inclusion of Plot 19.
- 1.29. The proposal will require an amendment to the First Phase Proposal and for the Brent Cross South Business Plan to be updated. This requires BXS JV Board and council approval under the Project Agreement as well as a notification to Homes England. Subject to BXS JV Board approval, the Committee is asked to delegate to the Chief Executive in consultation with the Chairman of the Housing and Growth Committee to approve the inclusion of Plot 19 within the BXT First Phase Proposal and to make any consequential changes to the BXS Business Plan, Project Agreement and enter into other legal documentation as required. This is subject to receipt of a satisfactory varied First Phase Proposal from BXT in accordance with the Project Agreement and to CBRE confirming that there is no negative impact to the Council's financial returns.
- 1.30. The Committee is also asked to authorise that the Phase Unconditional Longstop Date in accordance with the Project Agreement be revised from 31 December 2021 to allow both parties more time to review the Financial Model and satisfy the drawdown conditions in addition to incorporating Plot 19 within the First Phase, if approved. Consequently, the Committee is asked to delegate authority to the Chief Executive in consultation with the Chairman of the Housing and Growth Committee to amend the Phase Unconditional Longstop Date in accordance with the Project Agreement and the JV documents. All parties are working towards March 2022. This revision will not have any impact on delivery given that infrastructure works are already underway to maintain the drawdown programme for the first residential plots and completion dates in 2024.

Council Land Contribution (“CLC”) Capital Receipts

- 1.31. As part of this process, the council needs to confirm to BXT how it wishes to take its first CLC land receipts. The financial model assumes on Plot Drawdown, although the Project Agreement provides five options relating to a capital receipt or generating a revenue stream. These are set out in the March 2016 report. The first available receipt is anticipated to be in Spring 2022 from the drawdown of Plot 25 to the Student Accommodation Developer and Operator, once the agreements go unconditional and ahead of the main construction works start on site. The Committee is therefore asked to delegate to the Chief Executive in consultation with the Chairman of the Housing and Growth Committee and the Director of Resources to confirm how the Council wishes to receive its CLC from Plot 25.

Brent Cross Shopping Centre

- 1.32. There is no further update since the September meeting. The Hammerson webpage advised that Hammerson and their joint venture partner, Aberdeen Standard Investments are working to review plans for the future of Brent Cross to ensure development addresses changing customer and occupier requirements and include a greater mixed-use element than originally planned.

Critical Infrastructure being delivered by the council

a) Southern Junctions

- 1.33. The junction improvements at the A5 Cricklewood Broadway with Cricklewood Lane have progressed to programme and are nearing completion. The junction is now fully operational following the resurfacing of the carriageway, new road markings, and commissioning of the new modernised signals. The temporary propping system will remain in place until the site is re-developed. The new emergency staircase to 162 Cricklewood Broad and new staircase to Crown Terrace have been installed. A few minor outstanding parts of the programme are due to be completed by the end of October 2021.
- 1.34. The junction of the A5 Cricklewood Broadway, Cricklewood Lane and Chichele Road is now fully operational and bus stops have been restored.
- 1.35. Directional closures of Cricklewood Lane were removed at the end of August 2021 as planned and the junction of the A5 Cricklewood Broadway with Cricklewood Lane is fully operational.
- 1.36. A small parcel of land remains at the corner of the junction. Officers are currently working through the future use of this site and how it best contributes to Cricklewood Town Centre. Plans will be reported to the Committee for approval in due course.

b) Relocation of the Whitefield Estate Part 1

- 1.37. L&Q's contractor Bugler are continuing with the main construction works on Plots 53 and 54. Completion for the relocation is 2023. The main activities being undertaken on site include setting out levels, excavating soil to a reduced level, sheet piling and the monitoring of noise and dust. These works were being undertaken under a Pre-Construction Service Agreement (PCSA) whilst the Joint Contract Tender (JCT) between Bugler and L&Q was being agreed. The JCT Contract has now been finalised and the agreement is currently being executed by each party.
- 1.38. Barnet Homes has now sent nomination letters to the secure tenants within the Whitefield Estate Part 1 who are moving to Plots 53 and 54. L&Q has followed up with issuing allocation letters to all these residents. Both parties, Barnet Homes and L&Q, are scheduled to hold joint Ground 10A and shared equity surgeries throughout November 2021 for council tenants and resident homeowners who are interested in taking up an offer of a new home.
- 1.39. In respect of the relocation of Whitefield Estate Part 2, Barnet Homes and L&Q are continuing to update the housing needs surveys for the 92 secure tenants living in

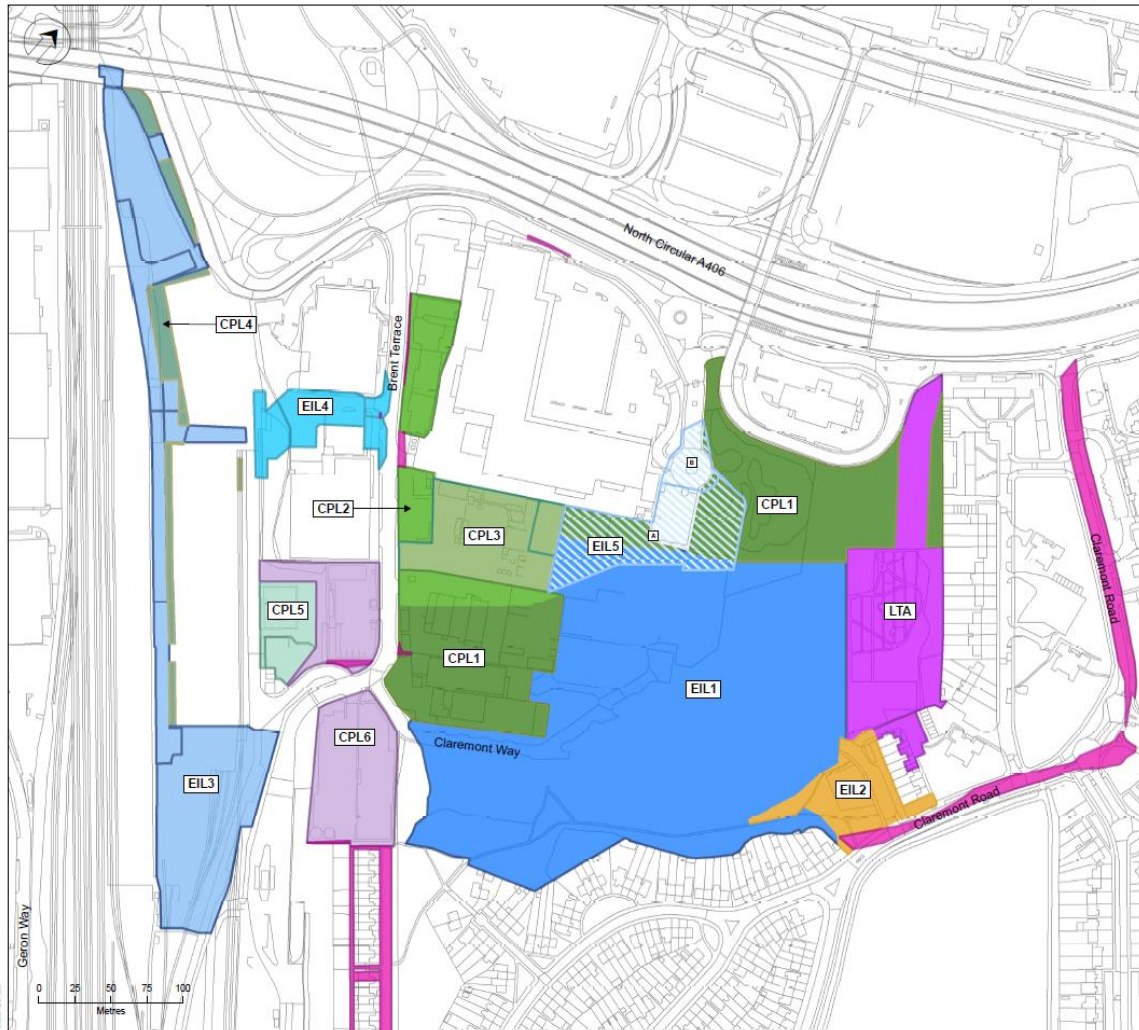
Whyhcote Point, Clare Point and Norden Point. This needs survey will inform the nomination and allocations to the new homes in Plot 12, which are being delivered by BXT. Engagement with the leaseholders on the Shared Equity Scheme will take place in due course.

Waste Transfer Station

- 1.40. The procurement of the main works contractor for the replacement WTS has been completed in accordance with all the Public Contracts Regulations requirements. McLaughlin & Harvey were awarded the contract on the basis of submitting the most economically advantageous tender (MEAT) in accordance with Regulation 67 of the PCR 2015. The contract is due to be executed imminently.
- 1.41. Stage One of the contract has been instructed to McLaughlin & Harvey on a cost reimbursable basis with fixed price elements. Stage One consists of incorporating agreed value engineering options to the existing Geron Way design and developing a revised design to RIBA Stage 3.
- 1.42. During Stage One, council officers will work with North London Waste Authority and London Energy (the end users) and McLaughlin & Harvey to develop the testing procedure for the scheme. This will be overseen by the Independent Certifier (SLR Environmental) in accordance with the Settlement Agreement. The Independent Certifier contract between the council and SLR Environmental was executed on 29 September 2021.
- 1.43. Following the successful transfer of the Hendon Transfer Station environmental permit from NLWA/LEL to Barnet, the contract to scope and undertake ground investigation works has been awarded to Atkins Ltd and was executed on 7 September 2021. These ground investigation works are necessary to support the Site Condition Report (SCR) required to surrender the environmental permit to the Environment Agency. The ground investigation works will commence once surrender of the Hendon Transfer Station lease from NLWA to Barnet has been completed in accordance with the Settlement Agreement.

Brent Cross Wide - Integrated Programme Management Office (iPMO) and Land Issues

- 1.44. The council and BXT continue to agree licences to facilitate the infrastructure works across the Brent Cross Town development. Officers are currently agreeing a licence to enable the implementation of a temporary access road off Brent Terrace North to create an additional construction access for works taking place on the construction sites running parallel to the railway line. The drawing below shows the areas of land currently under licence:



Construction Traffic Management

- 1.45. The iPMO continues to meet fortnightly to assess construction interfaces across the programme. Notably there have been some issues caused by construction traffic from Brent Cross West and Town developments entering the residential street Brent Terrace (via Claremont Road) instead of from Tilling Road, which is the approved site access. The issue has been escalated with both programme teams who have issued firm communications to the principle contractors (and their supply chain) to ensure that the correct address information is issued to all contractors and suppliers. The iPMO is improving signage in the area and has instructed L&Q and Buglers to bring forward the start time of the banksman who manages construction access on Brent Terrace to ensure that only construction vehicles servicing Plots 53 and 54 enter Brent Terrace. The iPMO will continue to monitor the situation and implement further measures should they be required.

Leases

- 1.46. The council has extended the leases for Food for All and Jesus House on Brent Terrace until the end of the year.

Appropriation

- 1.47. On 27 February 2020, the council approved the appropriation of the areas of land within the first phases of the BXT scheme shown shaded blue, yellow, pink and green on the plans at Appendix A of the Land Appropriation Delegated Power Report for planning purposes and in order to facilitate the development of land for mixed uses including residential, retail, commercial, leisure, community, infrastructure and other uses, pursuant to powers contained in section 122 of the Local Government Act 1972. [Decision - Brent Cross Cricklewood Scheme - Land Appropriation \(moderngov.co.uk\)](#)
- 1.48. This included the Whitefield Estate (as referred to paragraph 2.21 of the DPR and shown shaded blue on the plans 24685/5 and 24685/6 attached to that report) subject to Secretary of State consent pursuant to Section 19(2) Housing Act 1985.
- 1.49. That consent has now been received and is attached at appendix 2 of this report. As such, the Director of Finance can now take the necessary administrative and accounting steps to give effect to the appropriation and record the same including any required adjustments to the Housing Revenue Account (HRA).

Brent Cross South Retail Park

- 1.50. The Retail Park remains fully let.
- 1.51. The work between the council and Argent Related on how the Retail Park will be incorporated into Brent Cross Town is ongoing. An update will be provided to the BX Member Working Group. In order for that work to conclude, the Committee is asked to delegate to the Chief Executive in consultation with the Chairman of the Housing and Growth Committee and the Director of Resources to agree the detailed Heads of Terms for inclusion of the Retail Park within the Project Agreement on the basis that there is no detrimental impact on the General Fund.

Governance and Assurance

- 1.52. The next BX Member Working Group is scheduled for 8 November 2021.

Internal Audit

- 1.53. As previously reported to this committee, as part of the ongoing assurance of the Brent Cross Programme, an internal review has been undertaken by PWC into the management of the programme. The aim of the review was to carry out a high-level assessment into the effectiveness of the financial management and reporting of two of the constituent projects, considering the objectives below:
- Review area 1: Financial reporting for the programme – the provision of complete, accurate and timely information
 - Review area 2: Financial management information – to enable the programme leadership to understand project/ programme progress against spend, slippage and ensure it contains the right level of information to make timely interventions as required.
- 1.54. The project team have worked to implement corrective actions as per the recommendations of the report. Of the 7 areas with recommended improvements, 2 have been fully closed out, 3 have been largely closed (with only minor actions outstanding) and 2 remain ongoing

– these are due to be completely resolved by the end of 2021. A number of advisory actions regarding lessons learned are also being considered, and these will be implemented in early 2022 as the BXW programme winds down. An update will be provided to Financial Performance and Contracts Committee.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The comprehensive regeneration of Brent Cross 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. RESOURCES (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.1 Budget Monitoring

- 5.1.1 The council has put in place procedures to ensure the effective monitoring of the financial performance of the BX Programme. The BX 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 BX 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 BX Programme.

Land Acquisitions

- 5.1.2 The approved budget for land acquisition to facilitate the BXC programme is £60.632m, furthermore, there was expenditure on advanced acquisitions of £4.067m. Actual cumulative spend to date is £54.855m. The current year forecast for 2021/22 is £1.709m.

BXT Land Acquisitions

- 5.1.3 The approved budget for externally funded Brent Cross Town Land Acquisitions is £29.488m. Actual cumulative spend to date is £10.561m. The current year forecast for 2021/22 is £5.280m.

Brent Cross West Station

- 5.1.4 The current approved budget in the capital programme is £371.284m following confirmation of the HMG grant funding agreement. This is inclusive £2.9m GLA grant funding previously provided to support the BXC Programme.

5.1.5 Actual cumulative spend to date is £255.667m. The current year forecast for 2021/22 is £111.139m.

Critical Infrastructure

5.1.6 These works are funded from part of the £55.9m core critical infrastructure budget which includes £55m being provided as part of the MHCLG Revised Funding Agreement for Brent Cross. Actual cumulative spend to date is £29.012m. The current year forecast for 2021/22 is £14.976m.

MHCLG Grant Funding

5.1.7 To date, the council has submitted drawdown requests against the £416.573m HMG grant totalling £382.218m, of which all has been received.

Resources

5.1.8 Since the last report, the SLR on the waste transfer station has been appointed. The council also intends to appoint Start Advisory to advise on the infrastructure improvements needed in the wider, particularly on Staples Corner and the A5.

5.1.9 These are in accordance with the delegation provided by this Committee to the Deputy Chief Executive to commence engagement and agree terms with external consultants as and when required to ensure delivery of the council's obligations related to the Brent Cross Programme, as set out in paragraph 1.49 of the report to the Committee in June 2021 having regard to the Council's best value duty.

5.2 Social Value

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

5.3 Legal and Constitutional References

5.3.1 The council's Constitution, Article 7.5, states that the functions of the Housing and Growth Committee include responsibility for regeneration schemes and asset management.

5.3.2 The council's Constitution, Article 10 Table A states that the Housing and Growth Committee is responsible for authorising all disposal and acquisition of land for over £500k.

5.3.3 The council has a range of powers to enter into the legal agreements and to implement the transactions referred to in this report. These include:

- the general power of competence under section 1 of the Localism Act 2011 ;
- the 'incidental power' in Section 111 of the Local Government Act 1972 that enables the council to do anything which is calculated to facilitate, or is conducive or is incidental to, the discharge of its functions;
- sections 120 and 123 of the Local Government Act 1972 (power to acquire and dispose of land);
- the Environmental Protection Act (in relation to waste collection and disposal functions);
- the Town and Country Planning Act 1990 (development and planning powers)

- Ground 10A of Schedule 2 of the Housing Act 1985 provides that a landlord can gain possession of a secure tenancy if:
- the property is in an area which is the subject of a redevelopment scheme;
- that redevelopment scheme has been approved by the Secretary of State;
- the landlord intends to dispose of the property in accordance with the scheme within a reasonable period of time after obtaining possession; and
- suitable alternative accommodation is available for the tenant.

Before making an application to the Secretary of State, the landlord must comply with the requirements of Schedule 2 Part V of the Housing Act 1985 which includes the serving of notice of its intention to seek possession on every secure tenant affected by the proposal together with at least 28 days in which representations can be made to it by those affected which will be required to be properly considered.

5.3.4 All of the activity and legal transactions contemplated in this report will be carried out pursuant to and in compliance with all relevant statutory requirements, including all procurement activity which will be undertaken in accordance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 (as amended) or any replacement public procurement regime that may become law in the UK as applicable.

5.4 Risk Management

5.4.1 Risk management has been applied across all levels of the programme. 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 high-level risks and mitigations are summarised below:

5.4.2 Programme and funding – There is a risk that BXN does not progress in the form currently proposed. Whilst the funding risk to the Station delivery has been significantly mitigated through the Revised Funding Agreement with Government, the delivery of the BXN proposals and delivery of infrastructure is an important part of the regeneration proposals. The council is meeting regularly with the Shopping Centre Partners to understand next steps.

5.4.3 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 are also the additional programme risks as a result of COVID 19. The project team and Network Rail have therefore developed a contingency strategy in the event of a further loss of possessions. These are regularly monitored through both NR board and Rail operations assurance board.

5.4.4 Train Operating Timetable - The BXW 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 of the “Williams Review” which makes 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 COVID 19 and the Government’s actions in underwriting the impact on the TOCs of train service commitments. The council are monitoring developments closely.

- 5.4.5 BXW delivery costs – as with all major programmes there is the risk that costs will increase during programme delivery. The BXW 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 Implementation Agreement 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 the former Assets and Regeneration and Growth Committee (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/Mace delivery are continuing to review the costs each month. Similarly, there is an on-site presence by the council/Mace delivery team to be monitoring programme and work achieved, particularly during track possessions.
- 5.4.6 BXW Station Operating Costs – As part of the original station business case and grant agreement, it was agreed that the Council would take on the operational cost of the station until it became profitable. Work is underway to confirm the ongoing operational cost of the station which will feed into an updated model that will provide further clarity on future cost risk. If the council does take on additional cost risk, there is an opportunity to offset this against future station income once it becomes profitable. Discussions are ongoing with DfT on this topic.
- 5.4.7 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 reasonably and properly incurred. The council’s Client and BXW delivery team comprises professionals used to working on the railway within Network Rail and are experienced in delivering large railway projects.
- 5.4.8 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.
- 5.4.9 Economic Decline – 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 BXT development partners are

exploring/reviewing diversification of offer within BX. Wider macro-economic shocks may also impact the residential and office markets in London.

5.4.10 COVID 19 – This represents a significant risk to the programme and the team are continuing to work 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 £4m, with a further £1m 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 COVID 19 impact tracker to show when and where these impacts are materialising. A more detailed update will be provided to the next Committee.

5.4.11 Retail Park Acquisition - The key risk associated with the acquisition of the Retail Park is ensuring that the acquisition will have no negative impact on the General Fund. The council has put in place the required structures and will update as required to enable it to manage the Retail Park against these short-term variables such as Covid and Brexit to ensure that the council will secure the required returns so that there will be no gap or negative impact on the General Fund.

Equalities and Diversity

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

5.4.13 The development proposals for the Brent Cross 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 Brent Cross West 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.

6 CONSULTATION AND ENGAGEMENT

BXC Programme-wide communications

6.1.1 We continue to work with our delivery partners to ensure a consistent level of engagement with residents, businesses, and stakeholders. We meet regularly to ensure messaging and communications are joined up.

6.1.2 We continue to adapt to challenges presented by the COVID-19 pandemic and adapt our channel strategy accordingly. This Autumn we have reintroduced in-person events but will continue to offer virtual meetings and briefings as an option for those who prefer to engage with us in this way.

Channels update and good news stories

- 6.1.3 There have now been over 20,000 visits to the TransformingBX.co.uk website since it launched, with over 28,000 sessions. The new station, and the interactive map showing areas of construction, continue to be the most visited pages.
- 6.1.4 We continue to provide news and information via Twitter (@transformingBX) and a monthly e-newsletter as well as Barnet's corporate communication channels. Recent news and press coverage across the project includes the unveiling of the new mural at Claremont Way in the Kilburn Times: [Bold Cricklewood mural heralds the development of Brent Cross Town](#) as well as our own news story: [Mural unveiled on Claremont Way](#).
- 6.1.5 To coincide with COP26 we've also be sharing information about the ways the Brent Cross Cricklewood regeneration programme is putting sustainability at the heart of its construction and vision for the development. Read more about this here: transformingbx.co.uk/how-were-doing-our-bit-for-the-environment
- 6.1.6 The launch of the Clitterhouse playing fields was also covered by local newspapers, the Barnet Times and the Brent and Kilburn Times:
- [Help shape future of park site in Brent Cross Town](#)
 - [Consultation opens to shape Clitterhouse Playing Fields in Cricklewood](#)
- 6.1.7 The future potential for electric air taxis at Brent Cross Town generated national media interest with the first BBC London news coverage on the development:
- BBC London - [Evening News 04/10/2021](#)
 - Fifty Sky Shades - [New Electric Air Taxi Vertiport In London - Skyports And Brent Cross Town](#)
 - EG - [Argent Related's Brent Cross Town to get flying taxis](#)
 - DroneDJ - [Skyports lands eVTOL air taxi veliport deal in North London's Brent Cross Town project](#)
 - Urban Air Mobility News - [Skyports, Brent Cross Town announce joint venture to construct eVTOL vertiport](#)
 - UAS Vision - [Skyports to Develop Passenger Air Taxi Vertiport at Brent Cross, London](#)
- 6.1.8 Alongside our partners at Argent Related, we also launched a design competition with the Architects Journal for a potential pavilion at Clitterhouse Playing Fields, and other news articles featured the development:
- Architects Journal: [AJ launches design contest for pavilion at Brent Cross Town](#)
 - Times series - [Kosher Outlet relocating to Brent Cross Town](#)
 - Times series - [Robert Jenrick hails Brent Cross development as 'model' for UK](#)
 - Property Week - [Argent's bosses prefer curation to control](#)
 - Railway Gazette International - [World rail freight news round-up](#)
 - Rail Advent - [DB Cargo launches new Freight Belongs On Rail campaign](#)

Southern Junctions

- 6.1.9 In October we publicised the end of the junction works at [Cricklewood Lane and Cricklewood Broadway](#) and updates of the final works were shared with the local community networks and via social media.
- 6.1.10 Plans are in place to work with the local community around ways to wrap the palisade

fencing around the corner of Cricklewood Lane and Cricklewood Broadway, which will be up in the area until new development plans come forward.

Community Engagement

- 6.1.11 We respond to resident questions and queries via the programme email address TransformingBX@Barnet.gov.uk This month receiving 14 incoming enquiries via the inbox and ten in September. While this is a drop in recent months there has been several concerns raised around the new development on Brent Terrace, including construction traffic and mud on the roads.
- 6.1.12 We are working across the IPMO to address resident concerns around construction traffic on Brent Terrace. Interventions have been put in place such as enhanced cleaning regimes on site and increased presence from banksman. New signage is being installed at the top of Brent Terrace to manage construction traffic.
- 6.1.13 Fly-tipping also remains an issue the area and we are working with colleagues across highways, street scene, estates, and Barnet Homes to tackle maintenance and hygiene issues. Work has now been undertaken to clear the footpath between the houses and the gardens.

Construction updates

Plots 53 and 54, Brent Cross West and Brent Cross Town

- 6.1.14 In October, we distributed our three month [construction programme](#) to residents in Brent Terrace and Clitterhouse Crescent with works across Plots 53 and 54, and Brent Cross West from October to January. This was distributed with the monthly [Brent Cross Town construction update](#).
- 6.1.15 A wider construction works letter for Brent Cross West was sent to residents within 500m of the station detailing the works and linking to an online programme.

Plots 53 and 54

- 6.1.16 A resident liaison officer is now regularly in the area and a community notice board sharing the most up-to-date information weekly. She is regularly visiting homes and on site to deal with any issues directly.
- 6.1.17 L&Q and Buglers are also working on installing a community chalk board for use by local children using that area and on will also be in place by September once the hoardings are complete. Plans are in place to engage with residents about what they would like to see on the hoardings with a view that community artwork could replace the standard black hoardings currently in place.

Brent Cross Town

- 6.1.18 In October, Brent Cross Town visited homes and distributed letters regarding the demolition of 106 Brent Terrace. They have also widely publicised the archaeological surveys by MOLA, on the Clitterhouse Playing Fields with flyers to residents in the local area.

Consultations

Clitterhouse Playing fields

- 6.1.19 In September, we launched a wide-spread consultation on the future design of the Clitterhouse Playing Fields to ensure that the local community can be part of shaping the plans. The initial consultation phase will look to understand more about how the Fields are used now and how the local community would like to see it reenergised for the future.
- 6.1.20 Across digital channels an online survey launched with targeted social media and news items across TransformingBX and Brent Cross Town marketing channels, Barnet Council website and e-newsletter, and Engage Barnet. To date over 230 online surveys have been completed.
- 6.1.21 The consultation was also widely publicised via a placed advertorial in Barnet Times, the Brent Cross Town Community Newsletter (16.5K homes), Barnet Council magazine, flyers, posters and business cards in key community hubs and four live events at The Workshop and Clitterhouse Farm with over 200 people attending. Meetings were also held with resident in key neighbouring estates.
- 6.1.22 In the second phase of the consultation, due to start in November, Argent Related will consult on the design of the park, with further consultation on the detailed design to begin early next year.

Flourishing index

- 6.1.23 Teams from Buro Happold and the University of Manchester have engaged with residents on the installation of new vivacity cameras which will support the baseline data collection for the Flourishing Index. The sensors collect only anonymous data, in line with the rules established by the Information Commissioner's Office (ICO), which will help the University of Manchester understand how people move around the area. This will include measuring how much people walk, cycle, scooter or drive in and around the local roads and pavements. For more information on how the sensors work, please visit vivacitylabs.com.
- 6.1.24 The Flourishing Index will play a part in how the plans for Brent Cross Town are developed from landscapes to the urban design, something that has not been done before at the start of this kind of regeneration programme.
- 6.1.25 In November, the University of Manchester will be inviting local people to participate in an online survey. We will be sharing the link to the survey across our channels in the coming weeks.
- 6.1.26 You can read more about the research team that are working on the 'Flourishing Index' here: [Manchester Urban Institute](#) and [Manchester Urban Observatory](#).

Promoting skills employment and opportunities

- 6.1.27 A key part of our communications strategy is to promote the opportunities for local people and businesses during the construction phase of the development and beyond. In October we featured news stories promoting jobs to local people at the new pavilion, and a new [ground worker apprenticeship](#) at Brent Cross Town.

6.1.28 VolkerFitzpatrick's open doors events also invited students from the Whitefields School on to the Brent Cross West site to give them a taste of what a career in construction could look like.

6.1.29 A separate employment and skills mid-year report is included in the Growth update to this Committee. This report provides a detailed look into how the employment and skills strategy is being implemented in Brent Cross to help achieve the wider objectives of the council.

6.1.30 Skills, jobs and grant opportunities can be found at transformingbx.co.uk/opportunities.

7 BACKGROUND PAPERS

7.1.1 Finance Performance and Contracts Committee, 7 October 2021
<https://barnet.moderngov.co.uk/documents/s66893/BXC%20Financial%20Performance%20and%20Contracts-PUBLIC-October%202021%20FINAL%20V2.pdf>

7.2 Housing and Growth Committee, 13 September 2021, Brent Cross Cricklewood Update Report
<https://barnet.moderngov.co.uk/documents/s66501/Brent%20Cross%20Update%20Report.pdf>