

MUNICIPAL YEAR 2018/2019 REPORT NO. 34**MEETING TITLE AND DATE:**

Cabinet 25 July 2018

REPORT OF:

Executive Director - Place

Contact officer and telephone number:

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E mail: lisa.woo@enfield.gov.uk**Agenda – Part: 1****Item: 14****Subject: Housing Infrastructure Fund****Wards: Upper Edmonton****Key Decision No: 4711****Cabinet Member consulted: All Cabinet Members****1. EXECUTIVE SUMMARY**

- 1.1 The delivery of strategic infrastructure is one of the most significant and costly parts of the Meridian Water programme to unlock the development site and to realise its full potential.
- 1.2 In 2017 a rare opportunity has arisen to deliver strategic infrastructure through a central government funding programme called Housing Infrastructure Fund (HIF).
- 1.3 In September 2017 the Greater London Authority (GLA) on behalf of the Council, submitted an Expression of Interest, amounting to £120m to deliver Meridian Water strategic infrastructure. The first stage submission has been successful and the funding bid will be taken forward to the final stage with a fully worked-up business case by September 2018.
- 1.4 This report summarises the scope of works included in the bid and the content of the draft business case to be submitted
- 1.5 It also seeks approval on planning and contractor procurement strategies to ensure that the programme meets the tight delivery timeframe if funding bid should be successful.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 approve the scope of the Housing Infrastructure Fund (HIF) bid as set out in section 3.2 and delegate authority to Director of Meridian Water to make such amendments as are deemed necessary following discussions with the Council's advisers, GLA and the government.
- 2.2 approve the planning strategy for HIF delivery works substantially in the form contained in section 3.4 and delegate authority to the Director of Meridian Water to make such amendments as are deemed necessary following discussions with the Council's advisers and the GLA.
- 2.3 delegate to the Director of Meridian Water in consultation with Director of Law and Governance to authorise the contractor procurement procedure for HIF delivery works set out at section 3.5 and delegate authority to award resulting contracts to the Executive Director of Resources and Executive Director of Place.
- 2.4 delegate authority to the Executive Director of Resources and Executive Director of Place to approve the submission of the Housing Infrastructure Fund Business Case to the Ministry for Housing Communities and Local Government for receipt of funding to deliver the HIF delivery works.
- 2.5 delegate authority to the Director of Law and Governance to approve any legal agreements as required by the subject matter of this report.
- 2.6 delegate authority to the Executive Director of Resources to accept the HIF funds from the Ministry for Housing Communities and Local Government should funding be successfully secured and delegate authority to the Head of Legal Services to finalise and complete all associated legal documents.

3. BACKGROUND

3.1 Housing Infrastructure Fund

- 3.1.1 The Council is enabling the delivery of approximately 10,000 new homes over a 20-year period at Meridian Water. The development is located between Edmonton, Tottenham, and Walthamstow and ideally placed to deliver the spatial, sustainable growth, and economic resilience objectives of the London Borough of Enfield as one of the capital's largest regeneration opportunities.



Figure 1 Meridian Water 20 year vision CGI

- 3.1.2 In July 2017 Ministry for Housing Communities and Local Government (MHCLG) and Homes England announced £2.3bn government funding to local authorities on a competitive basis for infrastructure to support up to 100,000 new homes. The Housing Infrastructure Fund (HIF) forms part of the broader £23bn National Productivity Investment Fund announced by Chancellor Philip Hammond in his 2016 Autumn Statement. It was the biggest government investment programme in more than a decade. In February 2018, MHCLG announced the increased funding pot for HIF to £5bn.
- 3.1.3 Two funding streams were open to bids from local authorities in England: a Marginal Viability Fund to provide broadly-defined infrastructure funding to get additional housing sites allocated or existing sites unblocked, and a Forward Fund for a small number of strategic and high-impact infrastructure projects. Bids could be submitted for up to £10m for Marginal Viability proposals, and for up to £250m for strategic Forward Funding proposals. The Fund is available up to 31 March 2023 and, if the Council's bid is successful, any funding received must be spent by that deadline. This report recommends that the Council submits a bid to the MHCLG for £120m funding for the Forward Fund.

- 3.1.4 Forward Fund bids involve a two-stage process as a significant amount of investment from the government will be required. MHCLG require that all funding bids prepared by London Authorities must be sponsored and submitted by the Greater London Authority (GLA) and the GLA undertake their own assessments prior to supporting bids. The first stage required the submission of an expression of interest by 28 September 2017.
- 3.1.5 On 28 September 2017, the GLA, on behalf of the Council, submitted an expression of interest in respect of a Forward Fund bid for infrastructure amounting to £120m to unlock 6,275 new homes at Meridian Water. The scope included the capital cost of the key strategic infrastructure, such as a Meridian Water rail upgrading works, the delivery of strategic road infrastructure and flood alleviation. The details are set out in section 3.2.
- 3.1.6 On 20th March 2018 the MHCLG confirmed that the GLA/Council had successfully passed the first stage of the Forward Funding bid process and that the Council's bid would be taken forward to the second stage. The second stage required a fully worked up Green Book compliant business case underpinned by detailed technical work.
- 3.1.7 A timetable of HIF application process and provisional dates for delivery are summarised below:

Housing Infrastructure Fund: Milestones	Date
Expression of interest	Sep 2017
Business Case submission to the GLA	July 2018
Business Case submission to MHCLG	Sep 2018
Announcement of successful schemes	Nov 2018
Submission of Planning Application	Dec 2018
On-site Delivery	Autumn 2019 – Spring 2023
Deadline for completion of delivery of infrastructure project	Mar 2023

- 3.1.8 To prepare for the second stage submission underpinned by detailed technical work, in January 2018, Ove Arup, a civil-engineering-led infrastructure design planning consultancy team had been procured (KD4620). The procurement was undertaken using a framework from the GLA/TfL called Architecture Design and Urbanism Panel (ADUP).
- 3.1.9 The scope of the commission included the support to the Council throughout the second stage of bid submission by undertaking detailed technical work to develop a fully worked up business case and to execute essential works such as transport modelling to meet the March 2023 funding deadline in case funding is successfully secured.
- 3.1.10 Arup team is working to an internal deadline to prepare the fully worked up business case to submit to the GLA by end of July for review and then subsequently to submit to MHCLG in September 2018.

3.1.11 The deadline to deliver the works by March 2023 is very tight so officers have developed a proactive strategy to initiate work that is on the critical delivery path now, prior to confirmation from MHCLG of whether or not the bid has been successful. This proactive strategy has been positively received by the GLA.

3.1.12 For example, essential works have commenced, including topographic surveys, flood investigation, transportation modelling and concept designs as to provide technical information in the business case and to ensure to meet the Funding delivery deadline.

3.1.13 Another key workstream that had commenced since April 2018 is the strategic infrastructure contractor soft market engagement. The result of market engagement helped inform a contractor procurement strategy for approval set out in section 3.5.

3.2 Scope

3.2.1 The scope for the second stage application for Forward Funding is divided into two key parts set out beneath. Following a positive meeting with government on 12th July 2018 the team are currently exploring how the scope below can be increased to provide additional infrastructure to Meridian Water.

First, the delivery of the Central Spine road and flood alleviation works including all the enabling works associated with its delivery and the second, delivery of all works associated to provide new rail infrastructure to deliver additional train capacity between Tottenham Hale and Meridian Water Station. Together, they will increase access to Meridian Water, attract inward investment, increase land values and increase enterprise and employment opportunities in support of the Council’s economic growth and resilience priorities.

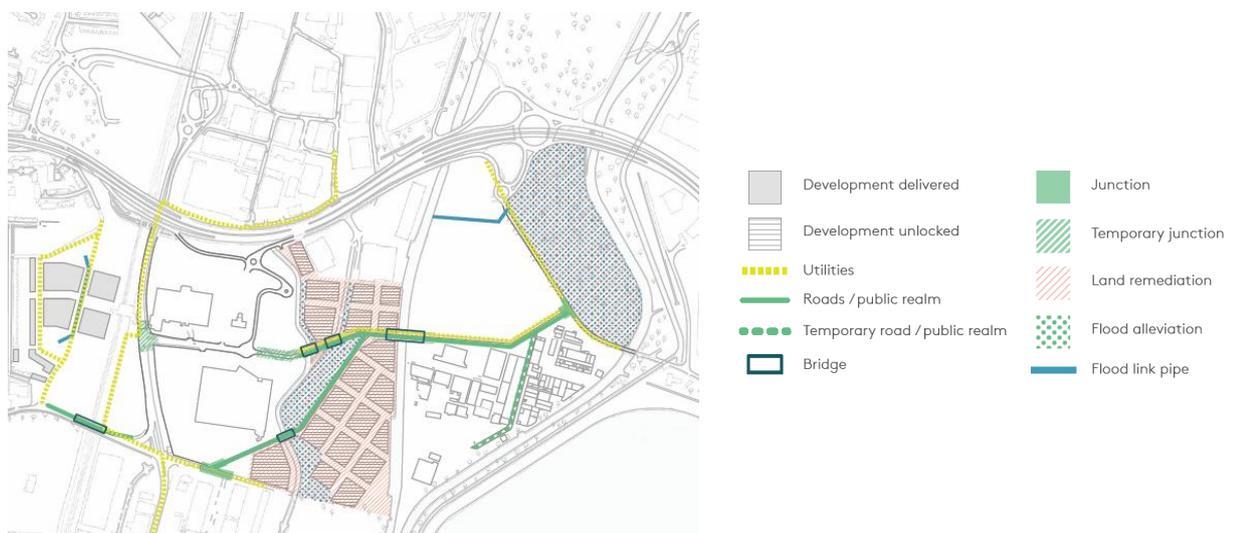


Figure 2HIF Programme – Strategic roads infrastructure and flood alleviation works

3.2.2 These interventions not only physically unlock currently landlocked and inaccessible parcels of land but also increase the Public Transport Accessibility Level (PTAL). This will facilitate the required density of development and is an essential pre-condition to unlock development throughout the site. Furthermore, the strategic infrastructure will significantly increase the value of developable land throughout Meridian Water.

3.2.3 The strategic roads and flood alleviation works

The scope includes all the associated enabling works, utility provisions, flood alleviations works to deliver the Central Spine road as well as remediation and earthworks at the central area of the development for early delivery of homes.

3.2.3.1 The total cost estimate is £87.3m, covering the following elements:

- 1) The Central Spine road, a new East-West link comprising of:
 - a. three bridges over Pymmes Brook and Lee Navigation;
 - b. all utility diversions required for delivery and new supplies;
 - c. Energetik pipe works;
 - d. offsite provisions to mitigate traffic subject to strategic transport modelling outcomes.
- 2) Flood alleviation works including:
 - a. naturalisation of the channelized sections of the Pymmes and Salmon Brook;
 - b. provision of a lowered area within the Lea Valley Park to increase flood storage capacity;
 - c. associated works to create overland flow routes to direct flood flows.
- 3) Secondary pedestrian and cycle links and crossings connecting to the Central Spine road and junction improvements including:
 - a. secondary link from Leaside road to East-West route;
 - b. Meridian Way and Leaside road junction improvement;
 - c. new strategic cycle crossing at Leaside road.
- 4) Remediation of central area, the Orbital Business Park site and IKEA clear, for the early delivery of homes

3.2.3.2 The cost breakdown is as follows. Refer to Appendix A for technical information including maps

No.	Item	Cost
1)	Site enabling works	£9,638,840
3)	Flood alleviation and landscaping	£6,260,000
4	Strategic roads, secondary links and cycle infrastructure	£34,145,000
5)	Bridges	£9,225,000
6)	Utilities	£17,055,000
7)	Off site reinforcement	£11,500,000
	Total	£87,823,840

3.2.4 Rail enhancement scope

3.2.4.1 The scope of rail includes the cost associated with the enhancement of rail service including an extra track amounting to circa £40m

3.2.4.2 At the refranchise of the Anglia rail route in 2015, the DfT tender specification fell short of the anticipated 4tph and identified a minimum requirement of 2tph on the new 3 track between Stratford and Angel Road (to be replaced with the new Meridian Water Station).

3.2.4.3 Since this time, a work stream has been on going including a wider number of interested stakeholders to review how to achieve the 4tph service. The West Anglia Main Line (WAML) is a very congested route and priority is given to the high revenue (central London to the outer suburban commuter belt) and strategic route of the 15 min interval Stanstead Express.

3.2.4.4 During 2016/17 extensive optioneering work had been undertaken with Network Rail to review how additional capacity could be provided at Meridian Water. After Enfield submitted its EOI in September 2017, Enfield took the lead (as it had with the MW station development) and with the possibility of being able to secure funding, its consultants investigated all options to achieve a minimum 4tph.

3.2.4.5 In collaboration with Network Rail, Greater Anglia (train operator), DfT, TfL, Enfield produced a series of infrastructure options which it then shared with the stakeholders. The options had been through a rigorous evaluation process and resulted in option 2C being selected as the preferred and most beneficial solution.

3.2.4.6 The option 2C HIF infrastructure for rail enhancement scope includes:

- Re-configuring the 3rd track between Tottenham Hale (TH) and Meridian Water (MW)

3.3 Greenbook Business Case

3.3.1 Arup has been appointed as advisor to LBE across a range of policy and discipline areas. Within this overarching commission, Arup is providing specific support to LBE in the development of the detailed business case for the Housing Infrastructure Fund.

3.3.2 MHCLG will require a business case following the Five Case HM Treasury Green Book approach.

3.3.3 Although GLA is awaiting further guidance from MHCLG on specific requirements for detailed business case there have been a number of productive discussions and more guidance is anticipated imminently.

3.3.4 It is assumed that the focus of this is likely to be on housing related outputs and land value uplift as opposed to a typical Department for Transport business case, which would seek to quantify detailed transport benefits.

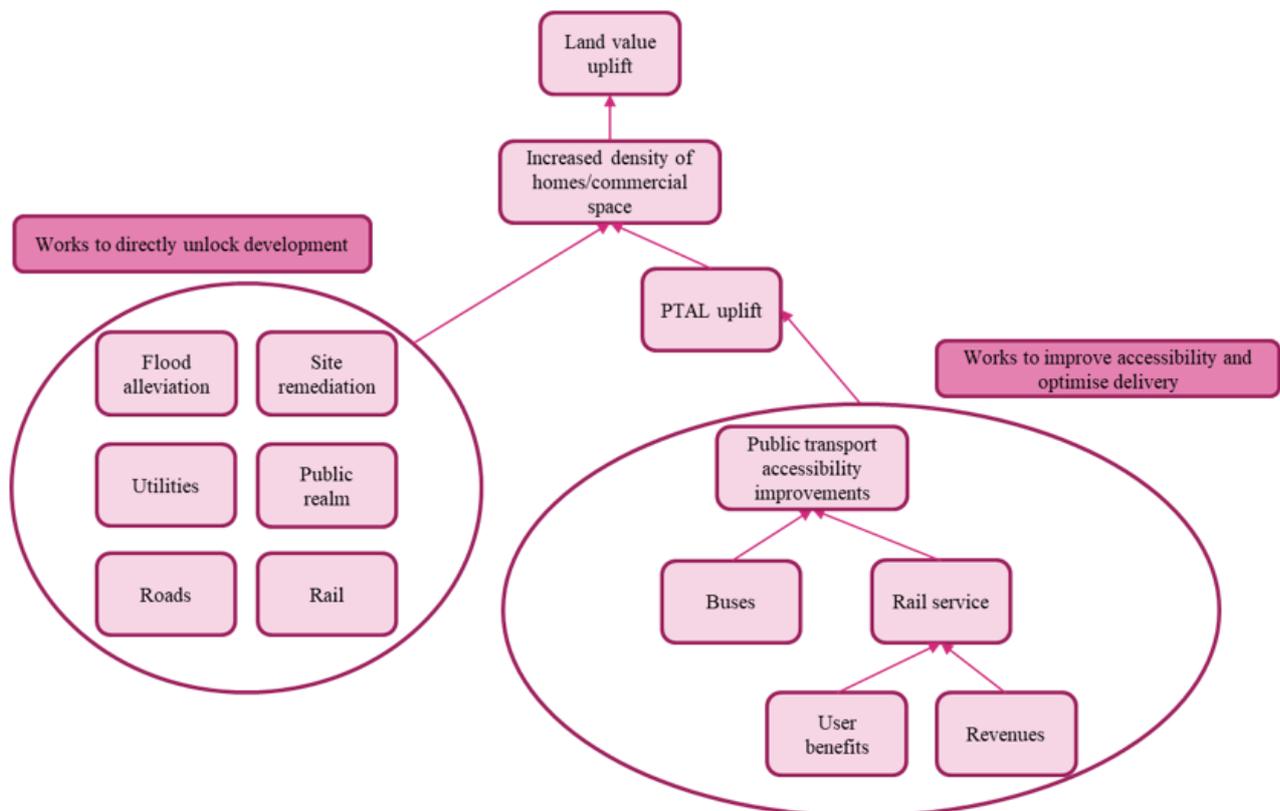


Figure 4 Approach to quantifying land value uplift

The key calculations to be used in the economic appraisal are:

Residual land value	Net present benefits	Net present costs	Net present public value (NPPV)	Benefit cost ratio (BCR)
= Expected gross development value (number of units x average price of unit) – Development costs and profits Land value uplift = Residual land value – Current land use value	= Land value uplift + Rail user benefits + Rail revenues + External benefits (e.g. amenity improvements, construction jobs) – External costs (e.g. increased congestion, pollution) + All public sector grants (unless captured in land value uplift)	= Total costs to the public sector – Any revenues to the public sector (e.g. land receipts, rental income)	= Net present benefits – Net present costs	= Net present benefits ÷ Net present costs

For details please refer to HIF business case method paper attached in appendix E.

3.4 Planning Strategy

3.4.1 The objective of the planning strategy is to achieve the following key objectives:

- Obtain necessary planning permission to deliver the infrastructure works supported by the ‘Housing Infrastructure Fund’ (HIF);
- Progress planning for the next tranche of residential led mixed use development. This assists demonstration of the direct relationship between HIF works and residential delivery and the overall masterplan delivery programme.
- Safeguard longer term masterplan objectives and delivery.
- Meet other obligations and commitments.

3.4.2 The proposed strategy sets out residential led mixed use development to demonstrate the direct relationship between HIF works and residential delivery and assist overall delivery programme.

3.4.3 Reference to masterplan development areas is as per the Development Zone Plan shown below



Figure 5 Meridian Water Development Zone Plan

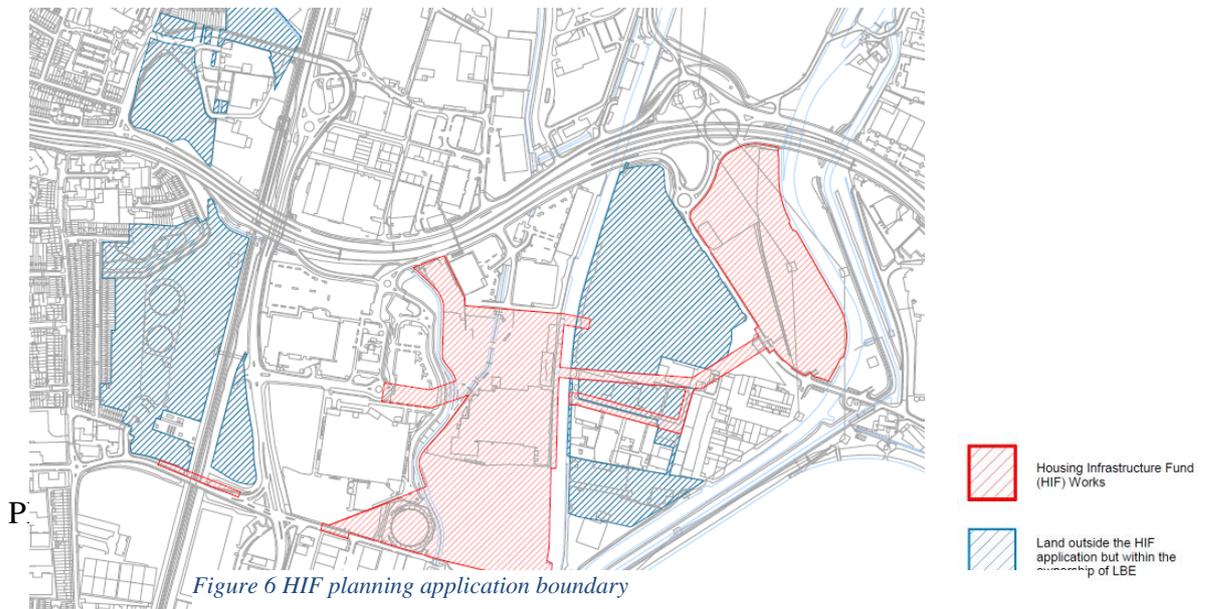
3.4.4 It is therefore proposed that a ‘hybrid’ planning application is progressed for the following:

1) Part detailed

- o for the ‘Central Spine road’ excluding Glover Drive
- o temporary link road for the ARRIVA bus depot
- o flood alleviation work
- o contamination and remediation works
- o a potential temporary north-south link road
- o and pedestrian/cycle way across the railway

2) Part outline

- o for housing elements within land controlled by LBE to minimise risk of delay to the application at Central area including Orbital Business Park site and IKEA Clear



3.4.5 The works comprised in the initial planning application should:

- be capable of being consented without the risk of an objection from strategic stakeholders, including the GLA and Environmental Agency;
- enable all HIF works to be implemented by 2023;
- be non-abortive works pending further negotiations with IKEA, Tesco and other third parties; and
- not constrain the potential future implementation of the future Masterplan.

3.4.6 There are a number of land ownership rights to be resolved to enable the delivery of the HIF works, which will be subject to ongoing negotiation and ultimately a Compulsory Purchase Order (CPO) if required. The planning application will provide the key evidence base for any CPO and the master delivery programme of HIF scope has been aligned to be in place in time for the CPO inquiry. This is a programme risk element which will need to be continuously monitored.

3.4.7 It is anticipated that the pre-application stage will commence in August 2018 for formal submission of the planning application in December 2018.

3.4.8 The programme for planning activities to deliver the HIF infrastructure works is scheduled as follows:

	Task	Date
	Concept design fix	Jun 2018
	TFL pre-app	Jul 2018
	EIA scoping submission	Aug 2018
	GLA pre-app	Sep 2018
	Pre application public engagement	Nov 2018
	Detailed design fix	Nov 2018
	Planning application submission	Dec 2018
	Planning application committee meeting for decision	Apr 2019

Further details of the Planning Strategy are included in appendix C.

3.5 Contractor procurement procedure

Contractor procurement for Roads and Flood Alleviation Works

3.5.1 In April 2018 soft market engagement with contractors has taken place with the support of STACE construction management consultants.

3.5.2 The outcome of the soft market engagement helps to inform the contractor procurement approach. The proposed route is to utilise an OJEU procurement procedure rather than using an existing public-sector framework. Despite the clear advantage in terms of time taken to appoint the contractor for using existing frameworks, the disadvantage is the lack of any early competition in the selection process and uncertainty in terms of delivery team that would be offered. The report recommends delegate to the Director of Meridian Water in consultation with Director of Law and Governance to authorise the contractor procurement procedure for HIF delivery works.

Contractor procurement for the delivery of rail infrastructure works

3.5.5 The Council has extensive experience in leading rail projects following the development and delivery of the MW station. Rail infrastructure delivery is governed by strict procedures managed through Network Rail (NR) (as manager of the rail network) and NR is regulated by the Office of Rail and Road (ORR). Historically NR has been responsible for maintenance of the rail network and also leading major infrastructure upgrades through its Infrastructure Projects contracting arm, however many projects on rail are also delivered by Third Party contractors with NR providing an asset protection function.

3.5.6 Through discussion with NR and with the Councils consulting team, it is proposed that rail works are delivered with NR using an Asset Protection approach. This would enable the Council to lead and guide the programme and scope of the work and co-ordinate the design and delivery through the NR approval processes. This route would provide more flexibility allowing Enfield to employ its own specialist consultants and then go to the market to procure a rail and civil engineering contractor to deliver the works.

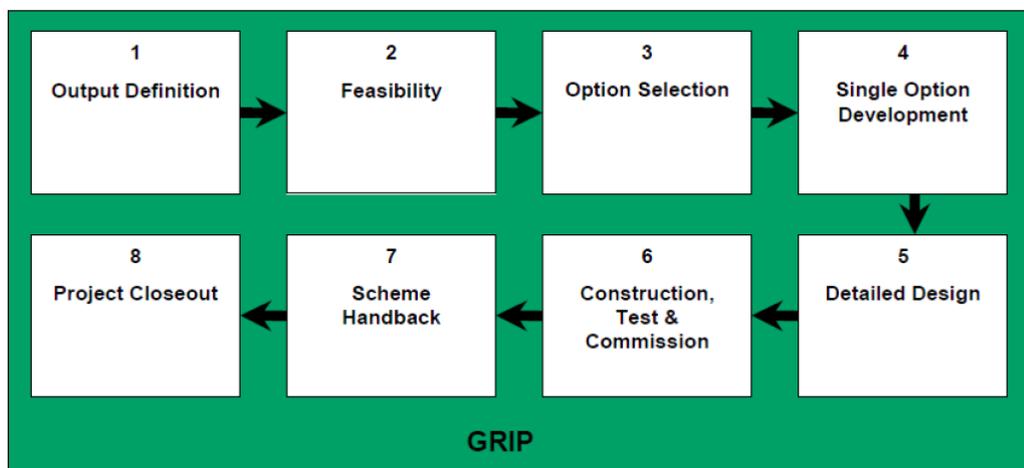


Figure 7 Network Rail GRIP process

- 3.5.7 As with the procurement of the road and flood works, the Council would procure a consulting team and then a contractor to deliver the works through an OJEU route.
- 3.5.8 For the development of the design for approval, the Council would procure the services of specialist consultants with experience of the route. This would be developed from GRIP 2 – 4 including coordination of approvals with NR and then a contractor procurement to complete detail design (GRIP 5) and then construction and commissioning through stages GRIP 6 – 8.
- 3.5.9 The rail consultant and contractor procurement stages are outlined below.

	GRIP 2 – 4 procurement schedule	Date
	PQQ preparation	Jul 2018
	OJEU Notice	Aug 2018
	Tender returns	Oct 2018
	Appointment	Nov 2018

	GRIP 5 – 8 procurement	Date
	PQQ preparation	Jan 2019
	OJEU Notice	Apr 2019
	PQQ response returns	May 2019
	Make recommendations	Jun 2019
	LBE approval	Aug 2019
	ITT issue	Aug 2019
	Tender returns	Oct 2019
	Appointment decision	Nov 2019
	Contract award	Jan 2019
	GRIP 5	Jan to Jul 2020
	GRIP 6	Jul 2020 to May 2021 Entry into service May to December 2021.

3.6 Governance and resource arrangement

- 3.6.1 Council's internal delivery team had been established to project manage infrastructure design, planning, programme and land acquisition activities. To ensure sufficient resources, skills and project management capacity and experience during the preparation and the delivery of the HIF programme external companies and individual consultants have been appointed.
- 3.6.2 Staff members from STACE construction and real estate management have been appointed to lead on the delivery of HIF infrastructure as well as adding

capacity to Council's internal project managers on survey and site management tasks.

Three distinct expert teams from ARUP have been established to support on the key stages and tasks associated with the HIF programme:

- a) HIF business case: a team of three experts from ARUP Cities Economics department specialising in business case development on large scale government programmes;
- b) HIF civil engineering team: a team of flood alleviation experts, transportation planners and geotechnical team working on infrastructure designs as well as providing expertise on environmental designs and on sustainability;
- c) HIF planning and design team: planning experts and architect team working on developing masterplan, public realm designs and planning strategies for the design and implementation of the HIF programme.

HIF Rail programme required specialist individuals to input into the feasibility and data analysis tasks, as well as supporting the project managers on complex rail sector stakeholder management activities:

- d) Rail capacity options: An independent capacity and timetable expert has been appointed to review the historic NR work and develop solutions to achieve a minimum of 4tph at MW and Northumberland Park;
- e) GRIP 1 and costings: A cost management company specialising in the rail sector has been appointed to provide costings for the rail upgrade works and establish GRIP1 investigation works to establish the feasibility of four tracking;
- f) Business case: A rail specialist is bringing together data as well as developing a WebTAG compliant business case which assesses passenger benefits and costs;
- g) Stakeholder management: An independent consultant with a wealth of experience working at senior level in the rail industry, supporting on managing complex stakeholder relationships.

3.6.3 Programme Meetings

- 3.6.3.1 A regular fortnightly HIF board meeting has been set up, chaired by Meridian Water Programme Director. The board meetings are attended by staff members of the GLA, expert consultant teams and the Council's dedicated managers. Attendance from MHCLG is expected after the inception meeting scheduled in July.
- 3.6.3.2 Technical meetings attended by consultant teams, specialising on civil engineering, environmental impact, structure and transport are held every week at Ove Arup's office. The meetings are chaired and organised by the Council's internal HIF team.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 Do Nothing

Missed opportunity on one of the largest government infrastructure funding programmes targeted to local authorities.

4.2 Borrowing

The borrowing option would put the Council's financial position at risk as the income from future land sales would not be guaranteed. A development partner would be unlikely to make the investment necessary at Meridian Water to deliver the infrastructure upfront without the appropriate indemnity from the Council.

4.3 Financed via Private Sector Development Partner

Without the Council's indemnity, the development partner would only be able to deliver small elements of infrastructure on a phase by phase basis ensuring each phase is independently viable – this would create a patchwork of development and risk cherry-picking the easiest sites leaving other areas undeveloped. This option is unlikely to meet the vision and objectives for Meridian Water nor create the catalyst for regeneration of the surrounding areas.

5. REASONS FOR RECOMMENDATIONS

Should the HIF application be unsuccessful, none of the work should be abortive. Any design, planning or enabling works carried out will reduce both the costs and the risks required to be taken by a future developer, therefore increasing the attractiveness of the scheme to the marketplace.

6. COMMENTS OF THE EXECUTIVE DIRECTOR OF RESOURCES AND OTHER DEPARTMENTS

6.1 Financial Implications

6.1.1 As detailed in section 3 of the report, the estimated cost of the project infrastructure work eligible for HIF funding is £87.8M, plus £40M for the enhancement of the rail service including an extra track. The total value of the bid submitted is circa £120M.

6.1.2 HIF grant will be used to fund all costs associated with developing the business case, including fees and staff costs, assuming all those costs will be capitalised.

6.1.3 If granted, HIF funds will be delivered in six-monthly payments without allocation to specific works, and will be based on progress reports from the local authority. The deadline for funding is March 2023

6.1.4 The projected current costs of preparing the HIF business case for submission are £1.9M. This is stated in DAR KD 4620. This will be funded from the existing 2018/19 approved capital budget of £49.3M..

6.1.5 A successful bid would reduce the council's requirement to borrow and the level of investment required from a development partner, maximising return from future land sales.

6.1.6 An unsuccessful bid would require the Council to identify alternative sources of funding. It's likely this would involve further Council borrowing, although other options would be explored.

6.2 Legal Implications

Section 1 of the Localism Act 2011 provides the Council with the power to do anything an individual may do, subject to a number of limitations. This is referred to as the "general power of competence". A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others. This general power of competence provides sufficient power for the Council to apply for the funding described in this report and to procure a contractor/contractors to undertake the works described.

6.2.2 The public sector equality duty under section 149 of the Equality Act 2010 requires the Council to have due regard to; (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; and (ii) the need to advance equality of opportunity between persons who share a protected characteristic and persons who do not share it. Any equality impact assessment prepared in respect of the Meridian Water regeneration project should be revisited as part of changing nature of the Scheme.

6.2.3 In the event that the Council is successful in its bid for HIF funding, the Council must comply with its obligations under any resulting grant funding agreement, including with respect to delivery of objectives within agreed timeframes. In the event of breach, it is expected that there will be contractual provisions entitling MHCLG to reduce, suspend, withhold or require all or part of the funding to be repaid.

6.2.4 Any procurement must be conducted in accordance with the Council's Constitution, including the Contract Procedure Rules, and the Public Contracts regulations 2015. For contracts over the EU threshold for goods and services and over £1,000,000 for works, the Procurement and Commissioning Review Board must approve the procurement. Furthermore, any procurement should be carried out in conjunction with the Council's Highways department. The Council's Key Decision procedure must be followed for all contract awards for £250,000 and above.

6.2.5 The Council must ensure value for money in accordance with the overriding Best Value Principles under the Local Government Act 1999.

6.2.6 All legal agreements arising from the matters in this report, must be in a form approved by the Director of Law and Governance.

6.3 Property Implications

The receipt of the Housing Infrastructure Fund will contribute towards the viability of the Meridian Water scheme by injecting a significant sum of money towards works which would not ordinarily attract a commercial return but are nevertheless essential for the schemes success.

Strategic Property Services understand that the location of the infrastructure has been informed by commercial considerations and the masterplan which optimises scheme design and viability. It is also located in areas which are free from abnormal costs or third-party land ownership/rights.

The additional sums of money required for the remainder of the infrastructure will either be met by the developers or by other third parties or the Council in the event of the bid being unsuccessful. In each scenario, funding sources should be built into the overall financial model.

7. KEY RISKS

The following table is an extract Meridian Water strategic risk log that relates to HIF programme.

ID	Title	Risk Description	Mitigation
00001	Failure to win HIF grant or only part funding granted	<p>Most likely causes of failure to win HIF Grant:</p> <ol style="list-style-type: none"> 1. GLA / MHCLG do not believe our programme / ability to complete works by March 2023. 2. GLA / MHCLG do not believe the works can be undertaken within the budgets provided. 3. GLA / MHCLG do not believe the investment will directly lead to the delivery of homes that would not be built anyway. <p>Effects:</p> <ol style="list-style-type: none"> 4. HIF infrastructure would need to be funded by the development partner. This may pressurise development finances / viability. 	Early appointment of consultant team to ensure a strong business case

00002	Failure to build HIF infrastructure within programme stipulated by grant conditions	<p>Most likely causes:</p> <p>1. Failure to obtain land for HIF infrastructure in time to allow subsequent construction.</p> <p>Current proposal is to make an offer to land owners. If offer is rejected, a compulsory purchase order will be progressed, however this will take time.</p> <p>2. Failure to achieve planning permission within programme. Most likely causes are:</p> <p>Unknown extent of masterplan information that will be required to support the application.</p> <p>ii. EA flood modelling information unlikely to be available for at least 18 months.</p> <p>EA have provisionally stated that they would object to all planning applications that are not supported by their forthcoming flood modelling.</p> <p>iii. Objections to the transport assessment. The existing transport network is under high pressure, and the trip generation from 10,000 new homes and business activity risks making it worse.</p> <p>There are many stakeholders in the transport network and it will be difficult for the proposals to satisfy them all.</p> <p>3. Delay caused by utility works. Utility companies work to their own processes and programmes.</p> <p>4. Construction delays. Construction delayed by unforeseeable circumstances.</p> <p>Effects</p> <p>5. MHCLG do not make it clear what the penalties would be for failing to meet the works completion deadline of March 2023.</p> <p>Initially, the effect is most likely to be that the HIF grant application is rejected, or if successful, funding could be pulled if delays look imminent.</p> <p>If the grant funding sustained through the project, but works are not complete by the deadline, the Council may need to supplement the grant funding to complete the works.</p>	Novation of design, planning and construction responsibilities to the development partner
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		6. Potential diminished reputation with GLA and MHCLG.	
00003	Incorrect cost estimates for strategic infrastructure works	<p>Cost estimates for strategic infrastructure are drawn from the Currie and Brown report prepared in Sept 16 - Jan 17. Whilst this is the most comprehensive investigation into the capital costs of strategic infrastructure required for Meridian Water, the work was concluded with several gaps and comments remaining unaddressed, particularly pertaining to the scope of works assumed.</p> <p>The cost estimates should therefore be treated with caution and should be replaced at the earliest opportunity.</p> <p>So the cause of incorrect cost estimates is:</p> <ol style="list-style-type: none"> 1. Failure to replace initial cost report with a new one. <p>And the effect is:</p> <ol style="list-style-type: none"> 2. Potential that strategic infrastructure works could not be completed for the budget allocated. 	Accelerate strategic infrastructure design, design integration and investigation works to minimise cost estimation prior to stage 2 grant submission
00004	Fails to achieve 4tph	<p>Cause: The Department for Transport do not deliver the STAR (Stratford, Tottenham, and Angel Road) reducing the frequency at Meridian Water to 2tph</p> <p>Effect: Detrimental effect on Meridian Water's deliverability at marketplace</p>	<p>Prepare a robust HIF business case on Rail</p> <p>LBE has commissioned jointly with LBH a timetable study to increase rail traffic on the Northumberland Park to Meridian Water stretch of the track</p> <p>Maintain robust dialogue with Network Rail, TfL and GLA to ensure timely delivery of 4TPH</p> <p>Understand the impact of the proposed change to the 4 trains</p>

			<p>per hour in relation to design, other infrastructure, PTAL etc.</p> <p>Executive level and political interventions, all legal options have been exhausted now working with the GLA to start negotiations with Abellio</p> <p>There is a regular Senior Officer Meeting that takes place on 4 trains an hour</p>
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8. IMPACT ON COUNCIL PRIORITIES

Development in Meridian Water would be guided by the Masterplan and other relevant policy documents which, amongst other objectives, seek to achieve fairness for all, sustainable growth and development of strong communities.

9. EQUALITIES IMPACT IMPLICATIONS

Equality and diversity considerations will continue to be integrated into the development and delivery work for Meridian Water to make sure they are embedded in the decision-making process and to avoid costly design changes.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

Delivery of a comprehensive regeneration scheme at Meridian Water is a corporate priority within the council's Business Plan for 2016-2018. Completion of the Masterplan and the delivery of phased infrastructure improvements including increased rail services, station improvements and new homes will help to meet the strategic priority: "a borough that attracts inward investment and supports sustainable regeneration and growth."

11. HEALTH AND SAFETY IMPLICATIONS

The Meridian Water Project bringing widespread improvements in transport, accessibility, and comprehensive remediation of contaminated brownfield sites will have positive health and safety benefits for the local community and the future residents, workers and leisure users at Meridian Water.

12. HR IMPLICATIONS

None

13. PUBLIC HEALTH IMPLICATIONS

A regeneration neighbourhood at Meridian Water will have far reaching public health benefits particularly from the promotion and expansion of public transport, namely a more frequent rail service, an expanded bus network and integrated walk and cycle routes. This together with extensive green space, water fountains and a positive urban environment will continue to well-being at Meridian Water. The development will include all necessary public health and community services from health clinics to nurseries

Background Papers

- Appendix A – Draft HIF Scope: roads and flood alleviation works
- Appendix B – Draft HIF Scope: rail enhancement
- Appendix C – Draft HIF Planning Strategy
- Appendix D – Contractor open market engagement note
- Appendix E– HIF Business Case Method Paper