



Cabinet
16 July 2018

**Report from the Strategic Director
Regeneration and Environment**

Wembley Transport Improvements

Wards Affected:	Barn Hill, Preston, Stonebridge, Tokyngton
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part exempt - *Appendix B is not for publication as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: <i>“Information relating to the financial or business affairs of a particular person (including the authority holding the information)”</i> .
No. of Appendices:	Four: <ul style="list-style-type: none"> • Wembley Transport Improvements Map • Wembley Capital Projects (restricted) • Wembley Transport Improvements Indicative Programme • Equality Analysis - Wembley Transport Improvement Projects
Background Papers:	None.
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1.0 Purpose of the Report

1.1. This report relates to the transport infrastructure improvement works identified within the adopted Wembley Area Action Plan (WAAP) that are required to ensure the ongoing success of, and investment in, the Wembley growth area. Specifically, it relates to the funding and delivery process for highway improvements to support the current and planned for residential and commercial developments, enabling free flow of traffic within and through the area, and improvements to the public realm.

1.2. This report outlines the proposed delivery of:

- Reconnecting the road network between North End Road and Bridge Road,
 - First phase of two-way working within the Wembley Industrial Estate,
- 1.3. These schemes have been identified to reduce the levels of congestion being realised in the area. The improvements intend to create a better place for residents, businesses and visitors.
- 1.4. The strategic Community Infrastructure Levy (CIL) collected as a consequence of new development in Wembley is intended to be spent on infrastructure projects that support the development of the area, and it is considered that strategic CIL is appropriate in being used to deliver the schemes in paragraph 1.2.
- 1.5. This report seeks agreement to progress the processes of securing the implementation of these schemes and approval to tender via OJEU Restricted Procedure for a contractor(s) to deliver the works required.

2.0 Recommendations

2.1 That Cabinet:

- 2.1.1 Approve the funding required to implement the schemes set out in paragraph 1.2 and approve the procurement via OJEU Restricted Procedure for a contractor(s) to deliver the works.
- 2.1.2 Approve delegated authority to the Strategic Director of Regeneration & Environment in consultation with the Lead Member Regeneration, Highways and Planning to award and enter into agreement with contractor(s) to carry-out the required works.

3.0 Detail

- 3.1 The plans for the regeneration and growth of Wembley area are well underway, and include providing the physical and social infrastructure to support the existing and new communities in a thriving and sought after part of Brent. A package of highway works, shown in Appendix A, have been identified to be delivered by developers and the Council. The accumulative affect is intended to create a better place to live and work in, enable residents to live harmoniously with the attractions located in Wembley and visitors to access them easily.
- 3.2 The two schemes have been identified as priorities for the Wembley in being beneficial for existing and new residents as well as supporting growth of local businesses by providing improved access and permeability to the area. These are North End Road connection as well as two-way working of South way between VDC Careys site and Great Central Way, Fourth way and Fifth way.
- 3.3 London is growing, the number of vehicles between 2016 and 2031 is forecast to increase by 16% in the morning peak and 14% in the evening peak. To ensure that Wembley continues to be a place where people want to live and work, and the private sector recognises it as a place to invest in, the road network needs to be able to support the current and ongoing development by

facilitating the smooth flow of traffic, supporting modal shift to more active and sustainable ways of travelling, improving the environment for pedestrians, as well as providing a good environment for communities and businesses to thrive.

3.4 Currently Wembley only has three routes running east-west. As these run past Wembley Stadium and the SSE Arena, they are prone to disruption when events are held, consequently impacting on residents ability to move around the area. Investment in the road network is needed to improve the operational effectiveness, enable reliable journey times for all (reducing the amount of time spent in congested traffic) and provide improved accessibility across the Wembley at all times.

3.5 The particular challenges these investment proposals seek to improve upon are:

- ease of movement around Wembley Park, particularly on event days;
- improvement in connectivity east to west across the area.

These proposals will support the community of Wembley by improving the environment and movement within it and will contribute towards providing a high quality of life for everyone that lives and works here.

3.6 The WAAP identified highway infrastructure improvements needed to address the challenges currently being realised and support the ongoing growth and regeneration of the Wembley area.

3.7 The environment around the Wembley Industrial Area is not currently conducive to active travel modes. The Mayor's Transport Strategy is looking for London to have 80% of all trips completed by walking, cycling and public transport. The current highway environment will make this difficult to achieve without further intervention to improve pedestrian and cyclist safety.

3.8 To support the local economy and enable expansion of the town centre the current two local centres need to be better connected and part of the improvements (east/west connectivity) will help this. Improvements will enhance Wembley's ability to grow and provide for the existing and new residents and businesses.

3.9 Further detail of each of the schemes is provided in paragraphs 3.14 and 3.15.

3.10 North End Road Connection

3.10.1 Fulton Road, Engineers Way and South Way are the routes that run east-west across Wembley. When an event is held, to help manage the safe movement of crowds these roads are closed to general traffic prior to an event starting as well as after an event. Local residents, particularly those living off North End Road, experience high levels of inconvenience. The combined effect of these closures means that for about two hours prior to a Stadium event the only means of vehicular access east-west or vice versa past the Stadium is via Engineers Way. For about 90 minutes at the end of an event, there is no available east-west route at all.

- 3.10.2 This has consequences for residents and bus users as the buses are redirected around Wembley or cut short of Wembley. The type of event also contributes to the level of impact. NFL games hold pre and post event game environments and therefore the duration of the road closures is longer. Buses are either diverted or stopped short of Wembley for the whole day as a result.
- 3.10.3 The WAAP identified a need to connect North End Road to Bridge Road to assist in managing the existing levels of traffic in the area as well as accommodating the new growth and improving the effectiveness of the road network. The increasing number of concerns from residents, businesses and TfL buses regarding congestion and restricted access for bus users and North End Road residents on event days highlights the need for this connection has increased and not diminished.
- 3.10.4 A planning application has recently been submitted to remove the existing pedway that enables spectators to cross Engineers Way. This will require Engineers Way to be closed prior to events as well as afterwards. The outcome of this is there will be no east-west vehicular movement across the growth area for an extended period of time, further impacting on residents and businesses as well as reducing the number of buses able to access the town centres and shopping areas (Tesco and Ikea).
- 3.10.5 If the pedway is replaced by steps the construction of the North End Road connection becomes essential to provide a vehicular route which is not impacted by the vehicle exclusion required on event days around the stadium. Additional benefits could be buses would also not be required to divert away from the area enabling journeys to be completed without inconvenience. If implemented it is expected the steps will be constructed in 2019.
- 3.10.6 This scheme will enable the community have an east-west route across Wembley at all times providing access to goods and services in the area. An artist impression of the North End Road scheme will be presented on the day of Cabinet to provide a visual reference as to what the final scheme could look like.
- 3.11 Wembley Two-way Working
- 3.11.1 Wembley Industrial Estate provides a significant amount of local employment. It is also the main vehicular gateway access to the Stadium and SSE Arena from the strategic road network (A406). The Council is keen to make ease of movement easier for residents and present an active working environment with attractive green and legible public realm for residents and for future businesses encouraging private investment to this very accessible industrial area.
- 3.11.2 Currently the area is difficult to navigate and the one-way system, along with poor signage, compounds this problem. Most of the businesses within the industrial estate can only be accessed via South Way which is often subject to severe congestion during events.
- 3.11.3 The new stadium coach parking (located where VDC Careys is currently sited) is expected to become operational in January 2020. Therefore it is intended to prioritise implementing two-way working on South Way between VDC

Careys and Great Central Way, Fifth Way and Fourth Way to improve the operation of the highway network on event days and provide some mitigation on the delay experienced by residents and businesses in North End Road through avoiding having to flow round the gyratory with event day traffic.

- 3.11.4 Being a one-way system is also resulting in dangerous and unlawful driving. There are a couple of locations where, for various reasons, heavy goods vehicles are driving the wrong way to either service the premises they are delivering to or to reduce the distance to get back to the main strategic road network. Whilst an incident has not been realised yet the potential for one is high. In addition the area is experiencing higher speeds than permitted creating an environment that does not support pedestrians and cyclists. Brent Council has received a number of requests for highway safety improvements to facilitate pedestrians crossing the roads to access bus stops in particular to enable a safer journey to and from work.
- 3.11.5 The WAAP includes a long term option to convert the existing gyratory to two-way working. This will improve vehicular accessibility and servicing for businesses on non-event and event days as larger vehicles will be able to access yards without having to cross over lanes of flowing traffic and reduce congestion on South Way, generally improving highway safety for all road users as well as improving the experience for visitors to Wembley. Two-way working is also proven to lower traffic speeds just through the experience of having oncoming traffic movements, this will assist in providing a better environment for pedestrians and cyclists to be in and encourage sustainable and active travel into this vehicle dominated area. The outcome is intended to achieve an appealing gateway to Wembley, improved public realm for the existing community and improve the environmental conditions to attract future investment.
- 3.11.6 Appendix B outlines the whole scheme in greater detail but further work is needed to enable the extended bus service to be introduced. It needs to be noted that only part of the whole scheme is intended to be delivered at this time.

4.0 Best Value Review

- 4.1 The procurement strategy to design and deliver these projects needs to deliver value for money by maximising the likelihood of the project objectives being delivered in full for a minimal out-turn cost and within the budget and time milestones available.
- 4.2 Consideration has been given on the effective use of the knowledge and scheme development work to date, in addition to the skills and available in-house resources needed to deliver a successful project.
- 4.3 The level of detail from work completed to date is not sufficient to enable value to be achieved within the resources required. Further value will be achieved through packaging where possible the works together rather than delivering on a scheme by scheme basis, enabling economy of scale to be applied.
- 4.4 Officers have met with design consultants and highway contractors to gain an understanding of interest, the frameworks available and whether a restricted

procurement process would be of interest or not. The outcome from the meetings held provided confidence that there was sufficient interest in undertaking the work. All suppliers advised that early contractor engagement was essential in ensuring cost effective design and buildability and a procurement in early autumn should enable the phase 1 of Wembley Industrial Estate two-way working to be completed by end of January 2020 in time for the Borough of Culture event calendar and the Euro 2020 games.

- 4.5 It has been confirmed that there are no highway contractor frameworks available for public sector use which could be used for detailed design and delivery to the value of work envisaged. Frameworks do exist to procure design services only, however a full OJEU procurement is required to build the final scheme designs.
- 4.6 Several options for packaging the works have been identified and the benefits and risks considered.
- 4.7 To enable the procurement of a Build Contractor – the Council will require the designs to be taken to Preliminary Design stage. The output from this will enable a two stage procurement of a contractor to be undertaken for the highway works. Currently the schemes that require further design work are:
- Lot 1: Two-way working within the Wembley Industrial Estate
- 4.8 There are a number of consultancy highway frameworks available where a mini competition can be undertaken to appoint the concept design team and modelling required to ensure the designs work as part of the wider network.
- 4.9 Once the concept design is known this will enable costs for detailed design and delivery to be provided.
- 4.10 Lot 2: North End Road Connection has detailed design completed and therefore only due diligence on the current design is required.
- 4.11 Options considered for the procurement of a contractor are shown in Table 1.
- 4.12 It is recommended using Procurement Option 2.2. a two stage procurement process for Lot 1 Highway works. This will enable designs to be completed at the earliest opportunity and the relevant specialist skills to be secured, costs to be determined to complete the detailed design and build procurement exercise with greater confidence and ensure value for money is achieved, as well as risk costs kept as low as reasonable practicable. The second stage procurement can be completed prior to the completion of the first stage to ensure there is no or minimal lapse in time between design and delivery. An indicative timeline has been included in Appendix C.
- 4.13 It is recommended using Procurement Option 1.3 for North End Road only as already designed to Detailed Design stage. Using this procurement option enables the ability to bring forward North End Road Connection earlier while waiting for the detailed design for Lot 1.

- 4.14 The value for money will be tested by running this procurement via the Open Market, selecting from those who are proven to have the requisite skills and experience.
- 4.15 This procurement is to be a one-time detailed design and build contract so there is no existing baseline against which to measure savings.
- 4.16 It is anticipated the schemes will be delivered over several years and phased in a manner that does not prevent further development and construction activities whilst having minimal impact on the existing businesses and residents.

5.0 Corporate Priority Alignment

5.1 Implementation of the abovementioned transport improvement schemes will help in delivering the three key priorities of the Brent Borough Plan 2015 – 2019 and Brent 2020 vision:

5.2 Better locally

5.2.1 The levels of equality across Brent vary. Improving the highway network and the environment will support existing residents, enable local businesses to grow and enhance future opportunities for investment. In making Wembley a more attractive place to be, community and cultural facilities will be brought forward through the growth agenda. Improving access to these facilities will encourage good relations to be fostered and work towards Wembley being the heart of Brent.

5.3 Better place

5.3.1 Poor air quality and increasing levels of congestion in the Wembley area is as a result of limited permeability, especially during events impacting on residents. These improvements will increase accessibility at all times, improving the efficiency of the road network. Having smoother traffic flows will alleviate the pollution levels at these times through the reduction in traffic idling or having to keep 'stop/starting'. Reducing the impact of vehicle dominance will provide a better place for residents to live and work in Wembley.

5.3.2 The proposed improvements will contribute to providing a network that benefits residents and enables reliable delivery and servicing of business and goods that contributes to the local economy and enabling reliable journey times to be achieved which in turn reduces costs for our local businesses.

5.4 Better lives

5.4.1 Brent Regeneration Strategy is to deliver transformational change across the borough. The improvements proposed are expected to support local enterprise and enable residents to get to work more easily. Improving accessibility, whether it be walking, cycling or driving will assist residents and local businesses access the services they need within Wembley.

5.4.2 Providing new routes that consider walking and cycling in their design will enable our residents to live healthier lives and work towards reducing health

inequalities. Providing the right public realm environment will encourage more people to walk and cycle in the area, assisting in improving air quality and reducing congestion. In addition, improvements to the public realm can stimulate inward investment by other sectors, a by-product of which can be to increased local employment for our residents.

- 5.5 Wembley Area Action Plan: The WAAP is a statutory planning document, adopted in 2015, and sets out the regeneration strategy for the area. The proposed transport improvements were set out in the Plan, and agreed by the Council.

6.0 Financial Implications

- 6.1 The estimated value of the concept design work is £300k. This is available from reserves to draw down in 2018/19 as well as commissioned S106 money.
- 6.2 The costs at this stage for Detailed Design service and works for the schemes in paragraph 1.2 have been estimated at £6m. This includes a 20% contingency for risks but no allowance for any additional land that may need to be acquired as part of the programme.
- 6.3 This represents a proportion of available Strategic CIL receipts, which would therefore not be available to support other capital investment if this programme was agreed.
- 6.4 The Council's agreed methodology for appraising capital investments is to apply a financing charge based on the type of scheme, with lower charges applied to proposals that will generate revenue savings, in order to prioritise investment. This does not preclude approving schemes such as this that would not generate financial returns.
- 6.5 These charges are applied irrespective of whether CIL is proposed as the funding source. This is because the use of CIL for one scheme necessarily means it is not available to fund others, which may in turn therefore need to be financed by borrowing. Applying financing charges based on the type of scheme, rather than the funding source, therefore ensures that the costs of each proposal are assessed on an equivalent financial basis.
- 6.6 In this case the financing charge to be applied would be 8%, as the proposal is presented as meeting local needs. On the current cost assumptions this equates to a charge of £480k per annum. It is not yet known how much of this would have to be budgeted for in the current budget process for 2019/21: the £480k would be the full year effect once the schemes have been completed.

7.0 Legal Implications

- 7.1 The Traffic Management Act 2004, places a legal duty on the Local Authority to manage the network in the most effective way possible:

Section 16 of the Traffic Management Act 2004 states:

- (1) It is the duty of a local authority to manage their road network with a view to achieving, so far as may be reasonably practicable having regard to their obligations, policies and objectives, the following objectives-

- a) securing the expeditious movement of traffic on the authority's road network; and
- b) facilitating the expeditious movement of traffic on road networks for which another authority is the traffic authority.

The action which the authority may take in performing that duty includes, in particular, any action which they consider will contribute to securing -

- a) the more efficient use of their road network; or
- b) the avoidance, elimination or reduction of road congestion or other disruption to the movement of traffic on their road network or a road network for which another authority is the traffic authority and may involve the exercise of any power to regulate or coordinate the uses of any road (or part of a road) in the road network whether or not the power was conferred on them in their capacity as a traffic authority.

7.2 The value of the contract make it subject to the EU Regulations and therefore the procurement timescales and process is dependent on the dialogue procedures, such as Open, Restricted, Negotiated and Competitive, the procuring authority selects. It is proposed to use a Restricted process should a framework not be available as this has a shorter timescale which would assist in the Council's desire to implement some works by January 2020.

7.3 As a High Value Contract, the Cabinet must approve the pre-tender considerations (Standing Order 89) and the inviting of tenders (Standing Order 88).

7.4 Once the tendering process is undertaken Officers will report back to the Cabinet in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.

7.5 As this procurement is subject to the full application of the EU Regulations, the Council must observe the requirements of the mandatory minimum 10 calendar standstill period imposed by the EU Regulations before the contract can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract may commence.

8.0 Equality Implications

8.1 The public sector duty set out at Section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not share a protected characteristic.

8.2 There are no known negative diversity implication. An Equality Analysis is included in Appendix D.

9.0 Consultation with Ward Members and Stakeholders

9.1 Consultation regarding the proposed highway schemes was undertaken as part of the adoption of the WAAP in January 2015 and approval of the Wembley Masterplan for the regeneration of the Wembley Area.

9.2 The Lead Member for Regeneration, Highways and Planning has been briefed and supports the area approach adopted to successfully deliver the objectives using a cost efficient an effective approach to deliver value for money.

9.3 Further consultation will take place with Members and the public at the detailed design phase for each of the schemes. This will also seek to improve or reduce any negative impacts when constructing the schemes as identified as part of the Equality Analysis and any mitigation required will be built into the design and/or temporary works to construct them.

10.0 Background Papers

10.1 Wembley Area Action Plan
(<https://www.brent.gov.uk/media/12978016/WAAP%20adopted%20version.pdf>)

Report sign off:

Amar Dave
Strategic Director of Regeneration and Environment

Table 1: Procurement Options for Contractor

	Option	Benefit	Risk
1. Single stage OJEU Design & Build Procurement	1.1) A single design and build contract covering all the schemes identified in paragraph 1.2	<ul style="list-style-type: none"> • Savings through no additional costs to review the design • Value for money through improved buildability • One contract to manage • Benefits to the area in coordination of work impacting the network 	<ul style="list-style-type: none"> • Poor performance affects all the schemes being delivered • Financial solvency of the contractor • All skills required might not be available to a single contractor • Risk costs applied as pricing for works not yet fully designed
	1.2) Two separate design and build contracts, with the pure highway works in one and structural works in the other.	<ul style="list-style-type: none"> • Specialist skills can be catered for to ensure best design and innovation captured • Savings through no additional costs to review the design • Value for money through improved buildability • Reduced risk to the Council as work not reliant on sole contractor (performance and financial solvency) 	<ul style="list-style-type: none"> • More than one contract to manage • Ability to coordinate works in such in such close proximity to mitigate impact on highway network • Risk costs applied as pricing for works not yet fully designed
	1.3) Two separate design and build contracts to deliver Wembley Transport Corridor, Wembley Industrial Estate two-way Working and the North End Road connection	<ul style="list-style-type: none"> • Reduced risk to the Council as work not reliant on sole contractor (performance and financial solvency) • Allows for North End Road to be brought forward earlier as already designed to RIBA 4 	<ul style="list-style-type: none"> • More than one contract to manage • Ability to coordinate works in such in such close proximity to mitigate impact on highway network • Network not able to accommodate three separate works programmes risking delays in completion • Risk costs applied as pricing for works not yet fully designed
	1.4) A 1 or 3 build contracts with designers novated	<ul style="list-style-type: none"> • Enables final costs to be known for delivery 	<ul style="list-style-type: none"> • Suppliers not having design capability and needing to secure all

		<ul style="list-style-type: none">• Lower initial costs as implemented as a two stage process	<p>design skills required</p> <ul style="list-style-type: none">• Risk costs applied as pricing for works not yet fully designed• High level of contract management required if more than one contract
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<p>2. Two stage OJEU D&B Procurement (with PCSA)</p>	<p>2.1) Single 2 Stage Detailed Design & Build Contract with a PCSA. Undertake a full OJEU procurement to complete detailed design and build with early contractor involvement using a break clause. Award to one contractor for both lots</p>	<ul style="list-style-type: none"> • Enables design to be started at earliest opportunity • Enables early contractor involvement giving greater confidence in buildability • Enables costs to be identified at an early stage to ensure bid submissions for build can be better compared and evaluated • Second stage for detailed design can be procured in lots for one or all schemes • Ensures innovation and good practice is captured early avoiding delays through having to rework • Contractor paid for the early involvement via the Pre Construction Services Agreement. If final costs cannot be agreed with the contractor – the designs can be taken to another contractor. • Reduced risk to the Council as work reliant on sole contractor (performance and financial solvency) • There is no requirement for the contractor to price the unknown, and make allowances for risks which may or may not occur • Reduce tender time as do not need to price full package until the end of PCSA. 	<ul style="list-style-type: none"> • Risk of the supplier not adopting a co-operative approach to final pricing as no longer in direct price competition from other bidders. • Financial solvency of the contractor • All skills required might not be available to a single contractor • Poor performance affects all the schemes being delivered • Both projects are at different design stage – therefore this would result in Lot 2 been delayed until Lot 1 design is ready.
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	<p>2.2) Separate Detailed Design & Build Contracts with PCSA. Undertake a full OJEU procurement to complete detailed design and build with early contractor(s) involvement using a break clause..</p>	<ul style="list-style-type: none"> • Enables the procurement of contractor to commence as soon as design is available. • Enables design to be started at earliest opportunity • Enables early contractor involvement giving greater confidence in buildability • Enables costs to be identified at an early stage to ensure bid submissions for build can be better compared and evaluated • Ensures innovation and good practice is captured early avoiding delays through having to rework • Contractor paid for the early involvement via the Pre Construction Services Agreement. If final costs cannot be agreed with the contractor – the designs can be taken to another contractor. • Specialist skills can be catered for to ensure best design and innovation captured • There is no requirement for the contractor to price the unknown, and make allowances for risks which may or may not occur • Reduce tender time as do not need to price full package until the end of PCSA. 	<ul style="list-style-type: none"> • More than one contract to manage • Ability to coordinate works in such in such close proximity to mitigate impact on highway network • Risk of the supplier not adopting a co-operative approach to final pricing as no longer in direct price competition from other bidders.
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