

Report for: **Cabinet**

Date of Meeting:	19 January 2023
Subject:	Future High Street Fund Project Adjustment Kodak Wealdstone Footbridge
Key Decision:	Yes – the value of the Project is over £1million
Responsible Officer:	Dipti Patel – Corporate Director of Place
Portfolio Holder:	Councillor Anjana Patel – Portfolio Holder for Environment and Community Safety; Councillor David Ashton - Portfolio Holder Finance and Human Resources
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	Greenhill, Harrow on the Hill, Headstone, Marlborough, West Harrow
Enclosures:	None

Section 1 – Summary and Recommendations

This report seeks approval from Cabinet to a Project Adjustment with the Department of Levelling Up Housing and Communities (DLUHC) for the Future High Streets Fund (FHSF) Grant Agreement. This will be to stop the project to build a pedestrian bridge providing a link between Harrow View East development and Wealdstone District Centre and instead to deliver a project in Harrow Metropolitan Town Centre.

Recommendations: That

- 1). the Corporate Director Place, following consultation with the Portfolio Holders for Environment and Community Safety, Planning and Regeneration and Finance and Human Resources, be authorised to agree a Project Adjustment to the Grant Agreement with DLUHC to stop the Future High Streets project to deliver a footbridge connecting Harrow View East to Wealdstone District Centre and instead to deliver a project in Harrow Metropolitan Town Centre.
- 2). a further report be submitted to Cabinet to seek approval for the adjusted project.
- 3). consultation on the design of the adjusted project in Harrow Metropolitan Town Centre be undertaken and a separate consultation be undertaken on alternate pedestrian access from Harrow View East to Wealdstone District Centre.

Reason (for recommendations): The project to build a pedestrian bridge connecting the Harrow View East development over the railway line to Wealdstone District Centre will not be delivered in time to meet the Grant Agreement conditions with DLUHC for the Future High Street Programme. DLUHC will agree to an adjusted project in a different location with the same objectives and outcomes and outputs. The issue of pedestrian access to Wealdstone District Centre from Harrow View East still needs to be addressed. It is recommended that Cabinet agree to a revised adjustment rather than return the funding to DLUHC and that consultation is undertaken to determine how to improve walking from Harrow View East to Wealdstone District Centre.

Section 2 – Report

Introduction

Harrow Council successfully secured £7.4m in funding from the Government's Future High Streets Fund (FHSF) to deliver a project focussed on improving connectivity, inclusivity, and economic growth. This primarily focussed on the construction of a pedestrian bridge across the railway line that links the new housing on the "Kodak" development with Wealdstone town centre. However, there are deliverability issues which will delay the implementation of the project.

The DLUHC have confirmed that a project adjustment with the same objectives and either the same or better Business Case Ratios in a different location would be accepted.

There are a series of interdependent elements which impede the delivery of the bridge within the timelines required by the DLUHC combined with inflationary pressures which has led to the recommendation in this report.

The inflationary costs include land acquisition and construction. For example, the proposed pedestrian bridge would primarily be made of steel which has had a significant inflationary pressure since the original application in 2020. Network Rail were formally appointed to deliver the project in December 2021 following a feasibility study and planning application submission by the council's appointed contractor Atkins.

Network Rail's proposal was to review the plans and take the project through its Governance for Railway Investment Projects by November 2022. This work would also confirm the cost of the construction of the bridge. However, that review was not undertaken due to delivery issues. Those delivery issues can be summarised as accessibility, community safety and land assembly.

The accessibility issue, initially related to pedestrian routes to the bridge, and the practical delivery of the routes through the Barratts development on the "Kodak" site. These were addressed but there were also serious issues raised at pre-application relating to community safety and anti-social behaviour. These specifically concerned the use of the pedestrian bridge after sunset which would have impacted on usage of the pedestrian bridge during the autumn and winter months.

The failure to address those issues has impacted on the ability to assemble land on the Barratt Way Industrial Estate. The council was trying to negotiate with the freeholder prior to the planning process, however there was no indication the landowner wished to sell. The legal advice is that a successful Compulsory Purchase Order (CPO) will require formal planning permission. Once provided it can take a further 18 months for the CPO to be completed. Delays on the securing planning permission meant that the formal CPO process had not started.

A decision by Cabinet to stop the pedestrian bridge will enable consultation on the development of alternative proposals to improve connectivity between the Harrow View East and Wealdstone District Centre which can be funded from a combination of Section 106 funding from the Harrow View developments and CIL generated from those developments.

There is already an alternative scheme in Harrow Metropolitan Town Centre that can be delivered in line with the deadline to commit funds by the end of 2023/24 financial year and which complies with the criteria to enable a Grant Adjustment.

In line with the original funding bid, the proposals for Harrow Town Centre are

(i) Connectivity - By Improving pedestrian links to the town centre

To encourage movement of pedestrians around the town centre; addressing town centre severance by improving links into the town centre, and by improving the public realm along St Ann's Road, between Harrow on the Hill Station and the town centre - along Clarendon Road, providing an alternative link to St Ann's Road when St Ann's Shopping Centre closes at 9 pm; along College Road. The public realm improvements will also include multi-sensory design/adaptive sensory environments; power & water; bollards; lighting; signage.

(ii) Inclusivity - By updating Harrow's offer for new residents

There has been a 60% increase in households in Harrow Town Centre because of new housing development. However, the town centre needs to adapt to ensure these new residents are "connected" to the town centre. The implementation of accessible public realm improvements would provide both better connections between the town centre, places of housing growth and improve and safety for Harrow's residents.

(iii) Economic Growth - By introducing new activity

The primary link between Harrow on the Hill Station and St Ann's Road (the heart of Harrow Town Centre) is through St Ann's Shopping centre. The centre closes at 9pm and this closes the link for commuters returning from central London and then walking home. Opening the link from the station into St Ann's Road will stimulate the evening economy in the heart of the town centre and its surrounding links. This will be reinforced in St Ann's Road, with a revised design for the central "strip"; to introduce new uses including, for example, the provision of space for "al fresco" dining. Increased footfall along College Road will promote new activity in and around Harrow Square, where the Council's new main library is located, and Greenhill Place – opposite the former Debenhams Store to attract more visitors to the area. There is also the potential to use part of Greenhill Way car park to introduce "Meanwhile Uses", with the aim of changing the perception of the area and developing a relationship and a connection with the local residents and see this as a first step to make this part of the town centre a destination in the long-term regeneration of the area.

Options considered

Option A To agree a Project Adjustment to the Future High Streets Fund and deliver a project that can be implemented in accordance with Grant requirements. To agree to consulting

Option A is the preferred option and that chosen in writing this report.

Option B To agree a Project Adjustment to the Future High Streets Fund and deliver a project that can be implemented in accordance with Grant requirements.

Option B To agree to return the FHSF Grant to the Department of Levelling Up Housing and Communities because the Kodak Wealdstone Footbridge is not deliverable.

Option B is not recommended as there is the potential to utilise the funds for an adjusted project rather than the council handing back a potential total of £7.4m of grant funding

Ward Councillors

A meeting with ward councillors has been held, their views have been noted and further consultation will be undertaken as the project is developed.

Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **Yes**

The relevant risks contained in the register are attached/summarised below.
Yes

The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
The funding for the public realm scheme is not approved by DLUHC e.g. if the gateway criteria are not met or the project doesn't meet the required cost benefit analysis ratio.	The Council is working with consultants to ensure required cost benefit analysis ratio is met by the project. <i>Based on discussions with DLUHC this is unlikely, however if it should happen, the funding will be returned. Additionally, the Council's match funding be returned to CIL.</i>	Amber
Statutory consultation on the scheme proposals is objected to and therefore the scheme is withdrawn	Continuous and quality engagement with key stakeholders and ensure the design meets the needs of all the community. This is especially important for the sensory options for inclusivity in the designs.	Amber
The design does not deliver the outcomes and the project is unsuccessful	The council is using expertise relevant to the scheme in the highways and traffic service. This will include engagement with professionals and voluntary sector to ensure the scheme is inclusive, safe and connects the residents to the town centre to ensure the objectives of the scheme are met.	Amber

Procurement Implications

The procurement team will support and advise on procurement arising from the recommendations set out in this report to ensure compliance with the Public Contract Regulations 2015 and the Contract Procedure Rules of the Council.

Legal Implications

The Council's decision to stop the Future High Streets project to deliver a footbridge connecting Harrow View East to Wealdstone District Centre would result in the loss of the £7.4m grant funding from DLUHC. The Council entered into various agreements with DLUHC for the purpose of the Future High Streets project and subject to which the DLUHC agreed to pay the grant fund. As the Council will no longer be complying with the Agreement the DLUHC are entitled to clawback the whole or part of any unspent grant funds paid to the Council.

Confirmation from the DLUHC that a project adjustment, in a different location, would be accepted, will enable the Council to retain the £7.4m grant funds.

The Council will comply with its obligations pursuant to the Public Contracts Regulations 2015 and the Contract Procedural Rules in the implementation of the adjusted project in Harrow Metropolitan Town Centre.

Once determined, the adjusted project in Harrow Metropolitan Town Centre will be subject to further approval by Cabinet.

Financial Implications

A grant of £7,448,583 was secured from the DLUHC Future High Street Fund over a 3-year period (2021/22 to 2023/24) for the delivery of Kodak Footbridge and Intelligent High Street projects. The Council provided a match funding of £1.76m from its Borough CIL in the FHSF application. This project was included in the Council's 2021/22 Capital Programme with a total budget of £9.209m.

Under the grant conditions, the FHSF funding must be spent or committed by March 2024, though the project can continue beyond that date using the Council's own funding.

Up until the end of December 2022, around £214k of the funding has been spent, primarily on consultancy, legal fees, and project management costs. If the project adjustment to the grant agreement is approved, this cost may be met from the existing grant.

The estimated cost of delivering the adjusted project in Harrow Metropolitan Town Centre will be provided in a further Cabinet report. It is the intention that the overall cost will be contained within the existing funding envelope.

Equalities implications / Public Sector Equality Duty

This report seeks approval to agree a project adjustment to enable the objectives of the Future High Street Grant to be delivered. A full EQIA was undertaken when Cabinet agreed to enter into a Grant Agreement for the Future High Street Funding. A revised EQIA will be submitted subject to the programme agreed with MLUHC and consultations on an adjusted project.

Council Priorities

1. A borough that is clean and safe

The adjusted project will deliver improved public realm which will improve safety of residents and visitors to Harrow Metropolitan Town Centre, so that it becomes the place residents want to spend their time and money and to support local businesses.

2. A place where those in need are supported

The adjusted project will improve accessibility in the town centre.

Section 3 - Statutory Officer Clearance

Statutory Officer: Jessie Mann

Signed on behalf of the Chief Financial Officer

Date: 22 December 2022

Statutory Officer: Patricia Davila

Signed on behalf of the Monitoring Officer

Date: 21 December 2022

Chief Officer: Dipti Patel

Signed off by the Corporate Director of Place

Date: 10 January 2023

Head of Procurement: Nimesh Mehta

Signed by the Head of Procurement

Date: 29 December 2022

Head of Internal Audit: Susan Dixon

Signed by the Head of Internal Audit

Date: 5 January 2023

Has the Portfolio Holder(s) been consulted? Yes

Mandatory Checks

Ward Councillors notified: Yes

EqlA carried out: An EqlA was carried out at the start of the project an adjusted EQIA will be completed will be completed and will go through the Council's governance processes should the funding for the scheme be agreed.

Section 4 - Contact Details and Background Papers

Contact: Mark Billington, Director Inclusive Economy Leisure & Culture, mark.billington@harrow.gov.uk

Background Papers: None

Call-in waived by the Chair of Overview and Scrutiny Committee - NO