

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3154

Title: Levelling Up Fund – development funding for Colindale and Leyton stations

Executive summary:

On 18 January 2023 the government announced that the Greater London Authority (GLA) had been provisionally successful in its bid to the Levelling Up Fund for £43,166,006 in funding to upgrade Colindale and Leyton Underground stations, including provision of step-free access. This funding is provisional upon the submission, and approval by government, of a Full Business Case for the project. The Department for Transport is providing £2,649,709.87 of the total grant amount up front as project development funding to support the preparation of the Full Business Case and for other preparatory activities to ensure that construction can commence upon receipt of the full grant.

The GLA is required to sign an acknowledgement and acceptance declaration for this grant funding, which is to be paid under section 50 of the UK Internal Markets Act 2020 and is subject to certain terms and conditions.

Once received, the GLA would transfer this funding to Transport for London under section 120 of the Greater London Authority Act 1999 to deliver the business case preparation work on its behalf.

Decision:

That the Mayor approves:

1. acceptance of the grant offer from the Department for Transport for £2,649,709.87 towards the development costs for the GLA's provisionally successful Levelling Up Fund project 'LUF 20612 – Transforming Colindale and Leyton for all', including the terms set out in the S50 grant letter of 11 August 2023
2. the transfer of this funding to Transport for London (TfL) in 2023-24 for the purpose of supporting the preparation of an Outline Business Case, followed by a Full Business Case, for this project, and for supporting other preparatory works as outlined in the S50 grant letter, by means of a capital grant to TfL made pursuant to section 120 of the GLA Act.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

23/8/23

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. Under the second round of the government's Levelling Up Fund in Summer 2022, the GLA was permitted to submit one transport-related bid for funding of up to £50m in value. In August 2022 the GLA submitted a bid, 'Transforming Colindale and Leyton for all', which sought £43.2m to upgrade these two London Underground stations. These upgrades would provide step-free access for the first time; address capacity constraints; and support housing delivery and regeneration in the surrounding areas.
- 1.2. The bid was prepared in partnership with Transport for London (TfL), the London Borough of Barnet (LB Barnet) and the London Borough of Waltham Forest (LB Waltham Forest).
- 1.3. On 18 January 2023, the government announced that the GLA's bid had been provisionally successful. Confirmation of the full funding depends upon the GLA submitting, and government approving, an Outline Business Case, followed by a Full Business Case, for the project (as defined in the Department for Transport's (DfT) Transport Business Case guidance). In practice, the DfT has agreed to the GLA's proposal to submit the two stages of business case as a combined document to expedite the approvals process and protect the delivery schedule for the project.
- 1.4. The DfT is providing £2,649,709.87 of the total grant amount up front as development funding to support the preparation of this combined business case document. The development funding will also support other preparatory activities, including detailed design for Leyton station, to ensure that construction work can begin promptly once full funding is confirmed.
- 1.5. The GLA is required to sign an acknowledgement and acceptance declaration for this grant funding, which is to be paid under section 50 of the UK Internal Markets Act 2020 and is subject to certain terms and conditions set out in a S50 grant letter received from DfT on 11 August 2023 (see Appendix 1).
- 1.6. Once received, the GLA would transfer this funding to TfL under section 120 of the Greater London Authority Act 1999 (GLA Act). TfL has confirmed that it will use this funding to deliver the business case preparation work and other preparatory activities on the GLA's behalf.
- 1.7. In May 2022, MD2988 approved the transfer of £500,000 in GLA grant funding to TfL for the purpose of completing concept design work for the upgrade of Leyton station, which has now been completed.
- 1.8. LB Waltham Forest has allocated £9m of capped grant funding for the upgrade of Leyton station secured from borough Community Infrastructure Levy receipts. The text of the grant funding agreement between LB Waltham Forest and TfL is substantially agreed and is likely to be entered into later in 2023. The receipt of the Levelling Up Fund grants, in full, will complete the funding necessary to build, and bring into use, step-free access and capacity enhancements at Leyton station.
- 1.9. TfL has commitment from LB Barnet to provide £13.5m of section 106 funding and direct funding to provide step-free access at Colindale. Collating other, smaller, section 106 funds, and the receipt of the Levelling Up Fund contribution in full, will complete the necessary funding to build, and bring into use, step-free access and enhancements at Colindale station.
- 1.10. Should the Full Business Case be approved by government, a further Mayoral Decision will be required to approve the GLA accepting the full project grant amount; enter into a memorandum of understanding with the DfT concerning the project's delivery; and to transfer the funding to TfL to deliver the proposed station upgrades.

2. Objectives and expected outcomes

- 2.1. Colindale and Leyton face some of the highest levels of deprivation within their respective boroughs and nationally. This station upgrade programme is at the centre of a place-based regeneration programme and addresses entrenched deprivation and inequality. It does so by widening access to economic, social and cultural opportunities for local residents, including those with reduced mobility.
- 2.2. These projects are central to LB Waltham Forest and LB Barnet's local plans, as well as their investment, transport and climate action strategies. The intention is that new landmark station buildings, accessible to all in the community, will instil civic pride and drive growth in local economies. The station upgrades support major housing sites in priority growth locations and inclusive and sustainable travel across London.
- 2.3. The proposed upgrade to Colindale station would deliver the following objectives:
 - Future proof passenger capacity up to and beyond 2041, accommodating the committed and planned future growth around the station. This includes the capacity for 7,000 new homes and 2,000 new jobs in the Colindale/ Burnt Oak opportunity area as outlined in the 2021 London plan. A total of 4,381 units have already been completed, contributing to current high demand and congestion at the station. A further 5,311 units are under construction; 4,014 units are consented; and 2,332 proposed.
 - Introduce a lift from platforms to ticket hall/street level, enabling step-free access at the station for the first time.
 - Significantly improve station ambience.
 - Release the former station site for development by TfL to contribute to affordable housing targets alongside borough led improvements to the surrounding urban realm; and create a safer, more pleasant approach to the station with wider footways.
- 2.4. The proposed upgrade to Leyton station would deliver the following objectives:
 - Future-proof passenger capacity up to 2041, with provision for a 70 per cent increase in demand to accommodate population growth including from the significant development plans in Leyton over the next 15 years. Planning permission has been granted, with construction underway, for 2,000 homes on sites in the vicinity of the station. A further 5,300 are proposed.
 - Improve the station's operation during peak periods. This will reduce the risk of overcrowding on platforms and at street level on Leyton High Road, and the resulting potential for station closures.
 - Introduce lifts from platforms to ticket hall/street level, enabling step-free access at the station for the first time.
- 2.5. Without accessible public transport that has sufficient capacity to meet demand, there is a risk that fewer homes will be brought forward, and that residents will be disincentivised or excluded from travelling by public transport.
- 2.6. The development funding will enable TfL to carry out the detailed design for Leyton station and complete the work to submit a combined Outline Business Case and Full Business Case to the DfT. The government's approval of the combined business case would unlock the release of the remaining Levelling Up Fund grant for the project.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, as a public authority the Mayor is subject to a public sector equality duty and must have 'due regard' to the need to:
- eliminate unlawful discrimination, harassment and victimisation, and any other conduct that is prohibited by or under the Act
 - advance equality of opportunity between people who share a relevant protected characteristic and those who do not
 - foster good relations between people who share a protected characteristic and those who do not.
- 3.2. TfL is subject to the same legal duty under section 149 of the Equality Act 2010.
- 3.3. The duty involves having appropriate regard to these matters as they apply in the circumstances, including having regard to the need to: remove or minimise any disadvantage suffered by those who share a protected characteristic or are connected to a protected characteristic; take steps to meet the different needs of such people; and encourage them to participate in public life or in any other activity where their participation is disproportionately low. This can involve treating people with a protected characteristic more favourably than those without a protected characteristic. Relevant protected characteristics under section 149 of the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 3.4. By providing accessible travel, the Colindale and Leyton station-upgrade projects, if delivered, will directly support improvements for multiple groups with protected characteristics.
- 3.5. TfL has produced an Equality Impact Assessment (EqIA) for both station projects. The EqIAs highlight that the station upgrades will vastly improve the user experience for older and disabled customers and those travelling with young children. At present neither station provides an accessible entrance or exit point to the network for passengers, because of the large number of stairs needed to reach the platforms, and the absence of lifts. The upgrade projects will remove this barrier to travel. The improvements to capacity, signage, lighting and other facilities will also benefit customers, including those with protected characteristics, by – for example – improving safety.
- 3.6. The EqIA for the Colindale station project is included at Appendix 2.
- 3.7. The EqIA for the Leyton station project is included at Appendix 3.

4. Other considerations

Links to Mayoral strategies and priorities

- 4.1. Delivery of step-free access directly supports the Mayor's Transport Strategy (MTS), which sets out that "the Mayor's longer-term aim is for the majority of the Tube network to be step-free".
- 4.2. The MTS also sets out the importance of delivering capacity enhancements, and the role of public transport in enabling active travel rather than car trips.
- 4.3. As detailed above, the project also supports the Mayor's objectives for housing delivery.

Key risks

- 4.4. Should the Full Business Case for the project be approved by government, accepting the Levelling Up Fund grant in full and progressing the schemes would carry the risk of cost overrun on delivery of the projects. This risk sits with TfL/GLA, as the DfT and borough funding are both capped. This risk would be mitigated through the next design and delivery stages of the projects using normal TfL risk-management activities and ongoing cost control. In addition, the contract management approach taken has been to de-risk delivery by conducting more thorough design and survey work than would

be normal at early design stages. This is to remove risks that often materialise during the delivery stage.

- 4.5. To not progress with project delivery, whether due to Levelling Up Fund withdrawal or other reasons, would risk reputational and relationship damage with both boroughs involved in funding the projects. It would also place future investment options with boroughs and third parties at risk.
- 4.6. The current economic situation brings with it a risk of further price inflation for construction and materials. This is mitigated by the contracting approach, in which the projects are contracted for their full delivery price at the construction stage. Additionally, both the contractor and TfL hold separate risk funds as part of the contract to pay for emerging risks. These risk amounts are included within the stated and funded estimated final costs for the projects.
- 4.7. Further risks are detailed in Part 2 of this form.

Consultations and impact assessments

- 4.8. During the development of the Levelling Up Fund bid submission, GLA and TfL officers consulted with LB Barnet and LB Waltham Forest on the investment proposed in the bid. The Leader of LB Barnet provided a letter of support for the Colindale station upgrade project to be included in the GLA bid. Alongside supporting the GLA bid, LB Waltham Forest submitted the Leyton station project themselves as part of the Council's wider borough-led bids. Wider support was demonstrated by letters of support from neighbouring boroughs, as well as private and third-sector partners.
- 4.9. Where required, each element of this project will go through statutory consultation via the planning process. TfL has submitted a permitted development request for Colindale station and LB Barnet have indicated a positive response is due shortly. TfL has been working closely with LB Waltham Forest to agree the scheme at Leyton station. Whilst much of the scheme can be carried out under permitted development, TfL will liaise with LB Waltham Forest to ensure that all elements meet expected standards. Where aspects need planning approval these approvals will be requested and will be subject to written consultation with statutory bodies and local residents as necessary.

Conflicts of interest

- 4.10. There are no conflicts of interest to note for those involved in drafting or clearing this decision.

5. Financial comments

- 5.1. Approval is requested for:

- acceptance of the grant offer from the DfT for £2,649,709.87 grant funding for 'LUF 20612 – Transforming Colindale and Leyton for all', including the terms set out in the S50 grant letter of 11 August 2023.
- the transfer of £2,649,709.87 grant funding to TfL in 2023-24 for the purpose of supporting the preparation of an Outline Business Case, followed by a Full Business Case, for this project, and for supporting other preparatory works, by means of a capital grant to TfL made pursuant to section 120 of the GLA Act.

- 5.2. The receipt of the grant and subsequent transfer to TfL will take place within the 2023-24 financial year.

- 5.3. All relevant budget adjustments will be made.

6. Legal comments

- 6.1. This decision form seeks approval of a capital grant from the GLA to TfL pursuant to section 120(1) of the GLA Act. It should be noted that, in accordance with section 120(3) of the GLA Act, a grant made under section 120 must not be made subject to any limitation in respect of the capital expenditure which it may be applied towards meeting. Furthermore, in accordance with section 120(4) of the GLA Act, TfL must apply the grant towards meeting capital expenditure for the purposes of or in connection with the discharge of its functions.
- 6.2. Legal comments have been provided within Part 2 (Confidential Facts and Advice) of this report.

7. Planned delivery approach and next steps

- 7.1. Both projects will be delivered by an appointed principal designer and principal contractor managed by an internal TfL team. Both contractors were commissioned under TfL's civils & tunnelling framework.
- 7.2. The delivery timeline outline below depends upon government approval of the Full Business Case and resulting release of funding by the end of 2023 at the latest.

Activity	Leyton timeline	Colindale timeline
Submission to DfT of combined business case for the projects	End of August 2023	End of August 2023
Memorandum of Understanding for release of full Levelling Up Fund grant (subject to approval by subsequent Mayoral Decision)	Early December 2023	Early December 2023
Engagement of detailed design contract	Completed	Completed
Engagement of construction contract	April 2024	October 2023
Delivery start date	May 2024	November 2023
Delivery end date	March 2026	October 2025
Project close	Early Summer 2026	March 2026

Appendices and supporting papers:

Appendix 1: S50 grant letter of 11 August 2023

Appendix 2: Colindale station project Equality and Inclusion Assessment

Appendix 3: Leyton station project Equality and Inclusion Assessment

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form - YES

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Sam Barnard has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Phil Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Seb Dance has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 21 August 2023.

✓

INTERIM CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:

Anna Lousdale

Date:

21/08/2023

PP on behalf of Enver Enver

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature:

D. Jolly

Date:

21/08/2023

