

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2216

### Title: Woolwich Crossrail Station Fit Out

#### Executive Summary:

This decision form asks the Mayor to approve a £5m contribution from the Greater London Authority to Transport for London for the Woolwich Crossrail Station Project. The contribution will be made on behalf of the Royal Borough of Greenwich, representing funding awarded to the borough through the Mayor's Regeneration Fund.

The funding will support the fit out of the new Crossrail Station Box, to be completed in late 2018. The new station will unlock 11,000 residential units and 5,000 new jobs.

The GLA will make the contribution to TfL in March 2019 and TfL will in turn provide the funding to Crossrail as project lead.

#### Decision:

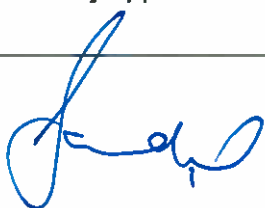
That the Mayor approves a £5million capital grant from the GLA to Transport for London to fund the Woolwich Crossrail station fit out.

#### 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:

17/1/18

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1 The original Crossrail scheme did not include a station at Woolwich. After the Commons Committee stage, the Government agreed to amend the bill so that powers for a Woolwich station were included, but emphasised that there would be no additional public money. The Department for Transport (DfT) entered into an agreement for the box construction with Berkeley Homes (BH) but the fit-out arrangements were left open. The expectation was, at that time, that a solution would be based on developer contributions and private finance. The economic downturn created weaker conditions in which a case for private sector investment could be made.
- 1.2 An agreement was reached with BH and Royal Borough of Greenwich (RBG) in 2013 for the construction of the station box, but funding was still required to fit out the station (allowing trains to stop at the station from the commencement of a Crossrail service).
- 1.3 RBG was identified as a recipient of Mayor's Regeneration Fund funding in late 2011. The borough indicated that the Woolwich Crossrail station was the priority project for funding. A package of funding has been put together to meet the cost of the fit out, which includes a £5m grant funding contribution from the Mayor's Regeneration Fund.
- 1.4 A funding package was developed by partners including TfL, DfT, Crossrail Limited (CRL, a wholly owned subsidiary of TfL), BH and RBG. All funding agreements with additional parties were finalised and executed by TfL in 2013 following TfL board approval. The £5m GLA funding contribution remains outstanding.
- 1.5 The station fit out contract is 75 per cent complete and on target for handover in summer 2018. The anticipated final cost for the station fit out, as reported by Crossrail, is currently circa £125m with £97m spent to date. While the anticipated final cost is higher than the £79m initially budgeted, Crossrail took on the risk of additional cost increases and thus are managing the cost overrun within their overall budget envelope. Therefore, the agreed funding contributions, including the £5m from the GLA, remain unaffected and will do so regardless of the final cost outcome.

#### **2. Objectives and expected outcomes**

- 2.1 The investment will support economic development and population growth in Woolwich. In particular, it will have the following impacts:
  - reduced journey times between Woolwich and central London
  - unlock 11,100 residential dwellings
  - 71,300 sq. metres of new office floor space
  - 129,000 sq. metres of new retail leisure space
  - 43,400 sq. metres of new alternative floor space
  - 5,000 new jobs
  - net revenues of approximately £12m per annum by 2022
- 2.2 The construction of the station box began in 2014 and is due to be completed in 2018. Crossrail has pre-funded the capital expenditure over and above its own assumed budget and contingency

contributions to the project. This is prior to the receipt of the third party contributions, to be made via TfL payment in 2018/19. Therefore, it is proposed that the GLA contribution be made to TfL, who are overseeing the project on behalf of the TfL family, in that same year.

- 2.3 Operating and maintenance costs are assumed to be £4.5m per annum, these costs are already factored into the TfL Business Plan.

### **3. Equality comments**

- 3.1 The powers to construct the station were secured via the Crossrail Act 2008 and there was extensive consultation throughout the Bill process and via the parliamentary select committee. Furthermore, the station development and fit out was subject to further consultation via the Borough when detailed planning permission was sought.
- 3.2 The Bill was subject to a process of ongoing assessment to consider the equality impacts of the proposals. Equality Impact Assessments (EqIA) were undertaken as variations to the Bill were passed, specifically assessing the permanent and temporary impacts created or eliminated and how these were considered to impact groups with protected characteristics. The EqIA methodology sought to ensure that the Crossrail project is equitable and inclusive for all communities, whilst complying with then current and planned equality legislation. In respect to Woolwich, the EqIA found that the new Crossrail station, with step-free access, would provide significant benefits to people with reduced mobility and will improve accessibility to employment opportunities outside the local area and attract new employment opportunities to Woolwich. The EqIA also identified additional impacts of the scheme on the surrounding environment during construction. A range of mitigating measures have been put in place to minimise any temporary impact for the identified impacted groups, people with reduced mobility and older people.
- 3.3 In bidding for Mayor's Regeneration Funding, RBC set out a case a case for investment in Woolwich that would unlock regeneration opportunities, increase the economic vitality of Woolwich Town Centre and address issues of concentrated deprivation. The communities within Woolwich lie within the bottom 20% of wards in the Indices of Multiple Deprivation and score particularly poorly in crime and disorder, access to housing and income indicators. Economic activity rates are lower than the London average reflecting relative levels of deprivation and low skills. A focus of development on retail and residential, aided by the Crossrail station, will help address some of the socio-economic weaknesses of Woolwich.

### **4. Other considerations**

- 4.1 The project is being delivered by CRL as part of their programme of station investments minimising any risk to the GLA. The GLA contribution has been identified as a one-off contribution towards the costs of the third partner funding package, which includes BH, RBC and TfL. TfL is overseeing the scheme on behalf of the TfL group. Funding is required in 2018/19 financial year to meet TfL's cash flow model.

### **5. Financial comments**

- 5.1 The proposed £5m contribution to TfL will be funded via a revenue contribution to capital, specifically from the Capital Programme Reserve in the 2018/19 financial year.

### **6. Legal comments**

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor concern the:

- 6.1.1 making of a capital grant to TfL. The GLA may provide a capital grant to TfL (section 120 of the Greater London Authority Act 1999 (“GLA Act”)); and
- 6.1.2 fall within the discharge of the GLA’s housing and regeneration functions contained in Part 7A of the GLA Act and section 30 GLA Act powers to do such things to promote economic development and wealth creation in Greater London which in this context are supportive of housing and development; and
- 6.2 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA’s related statutory duties to:
- (a) pay due regard to the principle that there should be equality of opportunity for all people;
  - (b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
  - (c) consider consulting with appropriate bodies.
- 6.3.1 The GLA must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010 (“the Act”);
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.3.2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
  - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
  - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 6.3.3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons’ disabilities.
- 6.3.4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: tackle prejudice; and promote understanding.

- 6.3.5 Compliance with the above duties may involve treating some persons more favourably than others, but that is not to be taken as permitting conduct that would otherwise be prohibited by or under the Act.
- 6.3.6 The relevant protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.
- 6.3.7 A reference to conduct that is prohibited by or under the Act includes a reference to a breach of: an equality clause or rule; or a non-discrimination rule.
- 6.3.8 To this end the Mayor should have particular regard to section 3 (above) of this report.
- 6.4 Officers are reminded that section 120 grants may not be made subject to any conditions upon Tfl's use of the granted funds other than that the funds may not be used for revenue expenditure.
- 7. Planned delivery approach and next steps**

<b>Activity</b>	<b>Timeline</b>
Station urban realm works commence	Early '18
Station handover to operator	By August '18
GLA grant make to Tfl	Mar '19
Tfl contribution to Crossrail	March 19

**Appendices and supporting papers: None**

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

**Part 1 Deferral:**

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

If YES, for what reason:

Until what date:

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Patrick Dubeck has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Fiona Fletcher-Smith has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Jules Pipe 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 15 January 2018.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

Signature

*M.T. [Signature]*

Date 15-01-18

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE

**CHIEF OF STAFF:**

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

Signature

*D. Jellamy [Signature]*

Date 15/1/2018