MEETING

COMMUNITY LEADERSHIP AND LIBRARIES SUB-COMMITTEE

DATE AND TIME

THURSDAY 4TH APRIL, 2019

AT 7.00 PM

<u>VENUE</u>

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
4.1	PUBLIC QUESTIONS AND COMMENTS	3 - 8
	Comments from London Baptist Property Board Ltd Comments from Ms Rosalyn Howarth on behalf of Friends of the New Bevan Community Church	

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Response from London Baptist Property Board Ltd regarding the application to list New Bevan Baptist Church as an Asset of Community Value

This response will follow the numbering in the Council's Report.

Summary

Whilst the building is now called New Bevan Community Church, it should be noted that this was a recent sign displayed by the Barnet Christian Fellowship who are currently using the building. In our records the building is still called New Bevan Baptist Church. The Barnet Christian Fellowship placed this sign on the building during the period since the New Bevan Baptist Church formally closed in July 2017. They had an intention to purchase this building (details below) and the Licence they currently hold was issued to allow them time to complete the purchase.

We do not dispute that at present the way the New Bevan Community Church is using the asset furthers the social wellbeing and social interests of the community. We do dispute that it is realistic to think that use of the asset will continue in this way. This is because New Bevan Community Church/Barnet Christian Fellowship will be vacating the building on 14 April. We are selling the property to a group who intend using the property for educational purposes not to further the social wellbeing and social interests of the community.

- 1.17 The future use of the church will not include any of the ideas listed as New Bevan Community Church will not be using this building after 14 April.
- 1.18 We cannot understand why you include information from the nominator without checking it with the asset owner. Both 1.19 and 1.20 contain inaccuracies.
- 1.19 It is the New Barnet Community Church/Barnet Christian Fellowship who have been given notice to vacate the property not the nominators. Notice was given on 15 March directly we accepted an offer on the property to enable us to sell with vacant possession.
- 1.20 Whilst they state that 'the nominating group has previously arranged to purchase the building from the asset owners in 2018' this is not strictly correct and is a manipulation of the truth. Likewise, neither did the Barnet Christian Fellowship 'make a deposit of £90,000 or make payments for boiler and external repairs.' We will now explain the true situation for the benefit of the committee.

New Bevan Baptist Church was the smallest congregation in the London Baptist Association (our parent company) with just three members in 2017. The Baptist Church had allowed the Barnet Christian Fellowship use of the building on an informal basis for a number of years. The membership of New Bevan Baptist Church elected to close their church in Spring 2017 and the London Baptist Association assisted them with that process. The Trust Deed on which the church was established was consulted and the ultimate trustee of the church – pending closure – was the London Baptist Association and the decision for the future of the building rested with them.

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Before the New Bevan Baptist Church closed a representative of a member of Barnet Christian Fellowship (Mr Bryan Doling representing Mr Winston Hendrikse) approached us with a proposal that Barnet Christian Fellowship continue using the building with the intention of Mr Hendrikse buying it. Barnet Christian Fellowship themselves stated they would be unable to accept a full repairing lease at market rent or even to pay any rent due to their lack of resources.

The London Baptist Property Board holds the asset in trust for the London Baptist Association and under Charity Law they are obliged to make the best financial use of any assets if they are not required for the work of the charity. We therefore informed the fellowship we needed to sell the property but agreed to give them a Licence to continue using the property in the interim. This Licence entitles them to use the property with no rent payable although they are responsible for all utilities.

Members of the fellowship (including Mr & Mrs Hendrikse and the pastor, Ms Diane Druce – along with Mr Doling) created a charitable foundation, The Winston and Christine Hendrikse Foundation (Charity Number 1175571) that was willing to purchase the property and enable them to continue their ministry in perpetuity.

The Foundation made an initial offer of £1,250,000 on 9 January 2018 which was accepted on 10 January 2018. However on 12 January 2018 they withdrew this offer due to the absence of access to a side gate which they should already have been aware of. They made a further bid of £950,000 and this was subsequently accepted and Heads of Terms issued on 25 January 2018.

The contract was supplied on 2 February but the progress towards exchange was very slow and on 15 May 2018 ther Foundation even tried to reduce their offer to £740,000 on the same grounds as they had already used to obtain the original reduction. This was rejected and contracts were eventually **exchanged** on 5 July 2018 with **completion** set for 4 October 2018.

The eventual price had been reduced to £932,500 to allow for aforementioned works to the roof (copper theft) and for a new boiler. NB: It should be noted that we are making arrangements to reimburse the Foundation for these works once <u>original invoices</u> are provided and sale proceeds received.

The Foundation failed to provide the funds for completion and asked for a short extension to 18 October 2019. This was agreed but they then asked for another extension. Before this was agreed Mr Hendrikse (the key benefactor in the Foundation) fell seriously ill and tragically died leading to the Foundation stating they would be unable to complete. To end the contract a Notice to Complete was issued on 30 October 2018 and the contract rescinded on 15 November 2018.

In accordance with the terms of the contact the LBPB kept the deposit and reserves the right to sue the trustees of the Foundation in relation to any further loss caused by their failure to complete. We presume that the Foundation has sent a a serious incident report to the Charity Commission in relation to this loss and failed transaction.

After this happened, the Foundation made a reduced offer of £600,000 which was declined. In the following weeks, we continued to negotiate with the Foundation and agreed a sale

price of £810,000 (to include the £90,000 deposit) on 12 December 2018 depending on a reasonable timescale with proof of funds to be evidenced by the end of January 2019. Subsequently the Foundation withdrew this offer on 11 January 2019 saying that Mrs Hendrikse (the benefactor of Mr Hendrikse estate) was no longer willing to pursue the purchase.

It was only then that the property was put on the open market – eighteen months after New Bevan Baptist Church closed. The London Baptist Property Board feels strongly that we have given every opportunity for the Barnet Christian Fellowship/New Bevan Community Church/The Winston & Christine Hendrikse Foundation/Friends of New Bevan Community Church to secure the building. We do not believe it is fair or right to now see them try to stop our disposal of the asset given they withdrew from the purchase through a disengenous attempt to list the building as an ACV.

The marketing exercise resulted in 129 expressions of interest and a large number of bids five of which are over £900,000. You will see that the nominators have already had plenty of opportunity to make a bid and it seems extremely unlikely they will be able to match the offer we have accepted.

- 1.22 We are selling the property to a group who intend using the property for educational purposes not to further the social wellbeing and social interests of the community. Therefore it is unrealistic to think that the current use will continue.
- 1.23 The building will be deregistered as a place of worship on sale.
- 1.24 As we are selling the property to a group who intend using the property for educational purposes not to further the social wellbeing and social interests of the community it is unrealistic to think that the current use will continue.
- 5.2.1 As asset owner we will be entitled to compensation from the council in the event that the building is listed and our sale is postponed. In addition the buyers will be liable to business rates whereas places of worship are exempt.



From: Rosalyn Howarth, Friends of the New Bevan Community Church

2 April 2019

I wonder if you might like to make a correction to paras 1.19 and 1.20 in the agenda pack, since the LBPB is making an issue out of the fact that it refers to the nominating group as having been involved in the purchase proceedings, which, it wasn't, and in my e-mail of 24th March I referred to Winston and Christine Hendrikse and the Barnet Christian Fellowship, not the nominating group. Just to give further clarification, Winston and Christine Hendrikse were members of the BCF. They set up a charity in their name to purchase the church on behalf if the BCF. £90,000 deposit was paid, using their own funds and the private funds of Diane Druce, the pastor of BCF.

My only use of "we" and "our" was in respect of the notice to vacate, and this was because, as well as being the lead member of the nominating group, I am also a member of the BCF, so on that occasion I was speaking in that capacity and not on behalf of the nominating group. Perhaps, to avoid any misinterpretation, I should have stated "The BCF has been given notice to vacate on the 14th April" and subsequent references to "we" and "us" should be amended to "they" and "them".

Furthermore, the charity did not withdraw from the purchase to make way for the ACV nomination, as suggested by the LBPB. They withdrew initially because Barclays Bank withdrew their loan to the charity in October 2018. Winston Hendrikse subsequently passed away. It had then been the hope of Christine Hendrikse to continue with the purchase, using the proceeds from the sale of properties belonging to her late husband, however, probate issues meant that there would be a long delay before these monies became available. Christine Hendrikse therefore reluctantly withdrew from the purchase negotiations altogether in early January 2019, as she was unable to provide proof to the LBPB of the funds being available. I did not begin putting together an ACV nomination until some after that, and when I started, I don't know whether the church had actually been put on the open market.

I probably will now need to say a few words at the committee in view of the LBPB's comments but 3 minutes will not be sufficient to say everything, so I wonder if you could, at least, make the Committee members aware aware of the corrections to 1.19 and 1.20.

