

MEETING

CABINET RESOURCES COMMITTEE

DATE AND TIME

TUESDAY 17TH JULY, 2012

AT 8.00 PM

OR AT THE CONCLUSION OF THE CABINET MEETING, WHICHEVER IS LATER

VENUE

HENDON TOWN HALL, THE BURROUGHS, NW4 4BG

TO: MEMBERS OF CABINET RESOURCES COMMITTEE (Quorum 3)

Chairman: Councillor Daniel Thomas BA (Hons) (Chairman)

Councillors

Richard Cornelius
Tom Davey

Andrew Harper
Sachin Rajput

Robert Rams

You are requested to attend the above meeting for which an agenda is attached.

Aysen Giritli – Head of Governance

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Media Relations contact: Sue Cocker 020 8359 7039

CORPORATE GOVERNANCE DIRECTORATE

ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of Previous Meeting	
2.	Absence of Members	
3.	Declaration of Members Personal and Prejudicial Interests	
4.	Public Questions	
5.	Grahame Park Regeneration Scheme	1 - 10
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7.	1,3,4,6 and 8 Moss Hall Crescent, N12	37 - 44
8.	Any Items the Chairman Decides Are Urgent	45 - 56
8.	Any Items the Chairman Decides Are Urgent	57 - 64
10.	<p>MOTION TO EXCLUDE THE PRESS AND PUBLIC</p> <p>That under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 9 of Part 1 of Schedule 12A of the Act (as amended):</p>	
11.	1, 2, 4, 6 and 8 Moss Hall Crescent, N12	
12.	Any Other Exempt Items that the Chairman Decides Are Urgent	

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020 8359 2042 jeremy.williams@barnet.gov.uk. People with hearing difficulties who have a text phone, may telephone our minicom number on 020 8203 8942. All of our Committee Rooms also have induction loops.

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Meeting	Cabinet Resources Committee
Date	17 July 2012
Subject	Grahame Park Area Regeneration Project
Report of	Leader of the Council
Summary	<p>The report seeks to update Cabinet Resources Committee on progress with the next phase of the Grahame Park regeneration scheme, including discussions with the Homes and Communities Agency regarding the Get Britain Building programme, and with the Greater London Authority on accessing funds from the London Growth Fund. In addition to any external funding, the report seeks Cabinet approval to invest £5m in the Grahame Park Regeneration Scheme in order to underwrite viability of Phase 1b of the scheme. The report also updates on the proposed relocation of Barnet and Southgate College onto a site within Grahame Park, going forward, the report updates Cabinet on plans to review the master plan and delivery phasing for the next major stage of development at Grahame Park - Stage B - which includes the Concourse.</p> <p>To further underwrite success of the Grahame Park scheme within the context of the wider regeneration of Colindale, the report also seeks Cabinet approval to invest in Colindale Avenue to improve the public realm.</p>

Officer Contributors	Andrew Travers (Deputy Chief Executive) John Hooton (Assistant Director of Finance, Strategic Finance)
Status (public or exempt)	Public
Wards affected	Colindale
Enclosures	None
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in	Not applicable

Contact for further information: Stephen McDonald, Interim Lead Commissioner for Enterprise and Regeneration, 020 8359 7607.

1. RECOMMENDATIONS

- 1.1.1 That the Committee note progress on the Grahame Park regeneration scheme as set out in this report.**
- 1.1.2 That, subject to securing from the Homes and Communities Agency for Get Britain Building equity funding, approval is given for the Deputy Chief Executive to agree the necessary changes to the Grahame Park Principal Development Agreement to allow this funding to be accessed.**
- 1.1.3 That, subject to the receipt of Get Britain Building funding, the Deputy Chief Executive be authorised to agree the terms of the Council investment of up to £5m into the Grahame Park Regeneration Scheme to be match funded by Choices for Grahame Park Limited (“CFGP”) to underwrite sales risk.**
- 1.1.4 That the Committee approve the expenditure improvement works to Colindale Avenue to bring forward the regeneration of the area.**
- 1.1.5 That the Deputy Chief Executive be authorised to negotiate (in conjunction with the Council’s development partner for the Scheme, CFGP) with Barnet and Southgate College the terms to deliver i) a new college in the area known as Phase 1b of the Grahame Park Estate Regeneration Scheme and ii) a land swap agreement to develop the existing Barnet College site for residential development to ensure retention of the College in the area as a key element in the regeneration of Colindale.**
- 1.1.6 Subject to 1.1.5, that the Leader of the Council and the Deputy Chief Executive be authorised to agree the variation of the Grahame Park Principal Development Agreement to facilitate the relocation of the Barnet and Southgate College within Grahame Park (site 1b).**
- 1.1.7 That the Committee note the proposed review of the masterplan for the next stage (Stage B) of the Grahame Park Regeneration Scheme.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Planning and Environment Committee, 8 September 2004. (Decision item 8) – approved outline planning permission for the regeneration of Grahame Park, with the completed Section 106 Agreement securing substantial local community and infrastructure benefits signed on 23 January 2007.**
- 2.2 Cabinet, 24 July 2006 (Decision item 5 and Decision item 11) – authorised the entering into a Principal Development Agreement (PDA) with Choices for Grahame Park (CfGP) Limited (or subject to the approval of the Deputy Chief Executive in consultation with the Cabinet Member for Regeneration and Development, an alternative company within the Genesis Housing Group) and Paddington Churches Housing Association for the regeneration and redevelopment of the Grahame Park area.**
- 2.3 Cabinet, 22 February 2010 (Decision item 9) – approved and recommended to Council to adopt the Colindale Area Action Plan (AAP), which includes strategic planning policy and targets for the regeneration of the Grahame Park Estate and wider Colindale Area.**
- 2.4 Council, 2 March 2010 (Decision item 146) – approved and adopted the Colindale AAP as a statutory planning document within the Local Development Framework.**

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Grahame Park is a key element of the regeneration of Colindale, which will result in the provision of 10,000 new homes over the next 15 years. Colindale represents one of Barnet's priority regeneration areas, consistent with our overall objective of *protecting, enhancing and growing* the borough.
- 3.2 Specifically, the proposals in this report will bring forward development along Colindale Avenue and the highly visible junction of Lanacre and Grahame Park Way thereby driving confidence in the regeneration in Grahame Park in particular and Colindale in general. Conversely, without a major investment in Grahame Park, the estate would continue to deteriorate and be left behind as new developments, such as neighbouring Beaufort Park, transform the rest of Colindale
- 3.3 Investment in Grahame Park is also consistent with the Council's ambition to build a stronger economy in Barnet and through this underscore the Council's financial position as local authority funding moves to a risk and reward basis. Within this new environment, it is imperative that the Council does everything within its power to foster growth. Specifically, bringing forward development at Grahame Park as proposed in this report will improve the Council's Business Rate base and increase Housing Bonus revenue.
- 3.4 The regeneration of the Grahame Park estate supports the Corporate Plan 2012-2013 priority of 'A successful London Suburb' and the strategic objective under this priority to *sustain Barnet as a successful place through regeneration, and supporting enterprise and employment*.
- 3.5 The regeneration of the Grahame Park regeneration estate also supports the 'One Barnet - A Sustainable Community Strategy for Barnet 2010–2020' through the following objectives:
1. A new relationship with citizens - the new developments will offer more choice and promote independence by providing a number of different housing options such as shared ownership to residents and those in the wider community.
 2. A one-public-sector approach - the Council is working together with other public sector partners to ensure the delivery of the schemes.
 3. A relentless drive for efficiency - the Council is working with development partners to ensure that the schemes are delivered in the most cost effective way.
- 3.6 The regeneration scheme also complies with strategic objectives in the Council's Housing Strategy 2010-2025 which include:
1. Increasing housing supply, including family sized homes, to improve the range of housing choices and opportunities available to residents; and
 2. Promoting mixed communities and maximising opportunities available for those wishing to own their home.

4. RISK MANAGEMENT ISSUES

- 4.1 The Grahame Park Regeneration Scheme has reached a critical point. While the economy remains fragile, elements of the next phase of Grahame Park – notably Phase 1b(ii) and 1b(iii) remain sub-viable. Hence, progress at Grahame Park will continue to stall if the parties to the scheme, notably Genesis (through CfGP) and the Council, along with the Homes and Communities Agency (HCA), do not make a further investment in the scheme to maintain momentum. Consequently, the proposals contained within this report are designed to mitigate this risk.

- 4.2 Investment proposals in this report are predicated on Grahame Park securing Get Britain Building (GBB) funding. If GBB is not awarded, Genesis has indicated that it will not proceed with Phase 1b (ii) and (iii). Discussions with the HCA have been very positive to date; a report is being prepared for HCA's Board once financial due diligence has been completed and Heads of Terms have been agreed.
- 4.3 A key risk associated with bringing forward all the sub-phases in Phase 1b at once is the increased sales risk. At present private sales rates at Grahame Park are low and this is affecting the ability for Genesis to internally recycle capital within the scheme to commence later phases of the project. The introduction of a more extensive shared equity product (see paragraph 9.1.13) is specifically designed to significantly mitigate this risk. In addition, relocating the Barnet and Southgate College to Phase 1b (see paragraph 9.1.25 below) reduces this risk by reducing the number of homes for private sale by 57.
- 4.4 There is a risk that the Council will not recoup all of its Shared Equity investment if there is a reduction in the value of the properties at the time they are sold. The Council does not anticipate this risk as significant, as shared equity owners are unlikely to seek to sell their property unless capital values have been maintained or improved. Moreover, it is the purpose of the interventions proposed in this report to underwrite value growth at Grahame Park (and Colindale more generally), thereby further mitigating the risk of reductions in capital values.
- 4.5 There is a risk that the relocation of Barnet and Southgate College to the Phase 1b site cannot be facilitated within the European Procurement Regulations and/or a legally acceptable variation to the terms of Grahame Park Principal Development Agreement. The transfer is currently subject to rigorous legal scrutiny and Council officers will act in accordance with that advice.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The Grahame Park regeneration scheme will replace 1,314 homes and deliver a mix of 2,977 affordable, intermediate and private sale flats and houses with new community facilities, including a library, health centre, children's centre and community centre. The Council will have 100% nomination rights to the new affordable housing units and re-housing offers will be made to all the existing secure tenants on the existing housing estate. The regeneration scheme will provide a new area of mixed tenure housing and will make this part of the Borough a better place to live, leading to improved community cohesion in an area with a highly diverse population.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1 Finance

- 6.1.1 To ensure that Stage A can be delivered in full, the report requests investment of up to £5m into the scheme, funded from a combination of HRA headroom and General Fund capital resource.
- 6.1.2 The expenditure of £5m on improvement works to Colindale Avenue will unify the public realm, linking the development at Grahame Park with the old hospital site and with Beaufort Park. This is to be funded initially from the infrastructure reserve. There are

mechanisms in place to reimburse this reserve if funding is granted for the Growing Places Fund and S106 payments.

- 6.1.3 Any capital investment contributed to the Phase 1b of the Grahame Park Regeneration Scheme will be financed from a combination of HRA headroom and General Fund capital resource.

6.2 Procurement

- 6.2.1 It is intended that the proposals set out in this report will be taken forward by means of a variation to the existing Principal Development Agreement. The Deed of Variation will be subject to detailed legal advice in respect of any procurement issues.

6.3 Performance and Value for Money

- 6.3.1 The proposal to sell Plot A8 to Barnet and Southgate College will be disposed of at open market value, thus ensuring value for money. The proposal is that the sale would be carried out by CFGP, but the terms of the sale would be subject to and determined by the principles of the proposed Deed of Variation to the PDA for Grahame
- 6.3.2 All the new homes for private sale, including those that may be offered for sale under a Shared Equity product will be independently valued to ensure open market value is achieved.

6.4 Staffing, IT, Property and Sustainability

- 6.4.1 There are no issues to report around staffing, IT, property and sustainability.

7. LEGAL ISSUES

- 7.1 Section 1 of Chapter 1 of the Localism Act 2011 was brought into force by the Communities and Local Government Department by means of *Localism Act 2011 (Commencement No.3) Order 2012*. This legislation provides local authorities with a broad power to do anything that individuals may do subject to any specific restrictions on local authorities contained in legislation. The Council has the power under this section to do the things that it proposes to do under this report, as long as its actions do not contravene any specific restriction on other legislation.
- 7.2 The Council's promotion of the development and regeneration of Grahame Park includes the promotion and/or improvement of the social and environmental well-being of the Grahame Park area for the benefit of its residents.
- 7.3 The Council, in addition to the power referred to in 7.1 above, accordingly has power to enter into the proposed Deed of Variation to Grahame Park PDA for the purpose of facilitating the regeneration of the Grahame Park Estate and any other related agreement by virtue of its 'well-being power' as more particularly set out in Section 2 of the Local Government Act 2000, but in relying on this power, it has to have regard to its sustainable community strategy as required by section 2(3) of the Local Government Act 2000.
- 7.4 It is very important that the Council secures the appropriate legal provisions and safeguards with regard to the detailed terms of any agreement and any legal obligations including risk apportionment and statutory requirements in any Deed of Variation or related agreement which may result from the proposals in this report.

7.5 The Council should ensure that it takes appropriate legal advice on the EU procurement issues and all likely state aid issues during the course of its negotiations and should ensure that the final version of the resultant agreement comply with relevant legislation

7.6 The proposal in 9.1.26 would result in a “financial assistance and gratuitous benefit” to CFGP and prior to completing the Deed of Variation or using the receipts of the sale, for the scheme, the Council will have to obtain consent from the Secretary of State under Section 25 of the Local Government Act 1988.

8. CONSTITUTIONAL POWERS

8.1 Constitution – Part 3 Responsibility for Functions – Section 3.6 Functions delegated to the Cabinet Resources Committee – all matters relating Capital and revenue finance, forecasting, monitoring, borrowing and taxation.

9. BACKGROUND INFORMATION

Context

9.1.1 In January 2001 the Council embarked upon a scheme for the regeneration of the Grahame Park estate which aimed to transform it into a thriving, 3,440-home mixed-tenure community with improved transport links and enhanced community facilities. Grahame Park forms a key part of the Colindale regeneration area, supported by the Area Action Plan adopted in March 2010.

9.1.2 A small demonstration phase of 32 new homes was completed in October 2007 and the construction of a replacement children’s facility known as the Greentop Centre was completed in December 2008.

9.1.3 The first major phase, comprising 319 mixed tenure homes started on site in July 2009. All 319 new homes are on track for completion this summer. This phase also included significant improvements to the open space which were completed in April 2011 when the open space was opened to the public (renamed Heybourne Park).

9.1.4 Planning permission was granted in February 2012 for the next major Phase, known as Phase 1b, which is located at the southern end of the estate, bounded by Lanacre Avenue to the west and Grahame Park Way to the south. This phase comprises 446 new homes (including 373 for private sale), a new library, community centre, shops, housing office, a public square and part of a new park. Due to the size of this phase, it is split into three sub-phases (i, ii, iii) due to be delivered between August 2012 and 2017.

Grahame Park Business Plan and Viability

9.1.5 The Grahame Park Business Plan is structured in such a way that any surplus generated from one phase is rolled forward to underwrite viability in the next phase, with minimum viability hurdles required to be met in order for a phase or sub-phase to proceed. However, the surpluses expected to be generated from Phase 1a and Phase 1b are substantially less than what was forecasted when the Grahame Park Principal Development Agreement (PDA) was signed in 2007, due mainly to significantly reduced private sales income, as well as increasing costs.

Get Britain Building Equity Fund

9.1.6 In a bid to improve the financial viability of Phase 1b, Genesis was awarded £5.94m Recycled Capital Grant Funding from the Homes and Community Agency to expedite delivery of 54 rented homes in the first sub-phase of 1b. Furthermore, Genesis, with the

support of the Council, has been shortlisted for £5.08m equity based funding from the Get Britain Building (GBB) Fund, administered by the HCA. The terms of the funding are still being agreed with the HCA and are due to conclude shortly.

- 9.1.7 Notwithstanding this welcome additional funding, the Genesis Business Plan were showing Phase 1b(ii) and 1b(iii) as not viable, as defined in the PDA. Consequently, CfGP is not obliged under the terms of the PDA to commence Phase 1b(ii) and (iii).

Council Investment in Phase 1b

- 9.1.8 The Council commissioned KPMG to undertake due diligence work on the Genesis business Plan. The viability gap for Stage A as at March 2012 was £8.5m and in light of the Business Plan analysis, Grahame Park is at serious risk of stalling. As a result of GBB funding and reduced financing costs this figure now stands at £3.3m surplus. Hence, Council officers have been in discussion with Genesis to agree terms for bringing forward development. The table below shows that a cumulative surplus is made on the phases within 1b however only the first sub-phase passes the viability hurdle as set out in the PDA. As part of this agreement Genesis are agreeing to build out sub-phases 1bii and 1biii even though under the existing PDA they do not have to and these two sub-phases are loss making.

Choices for Grahame Park Stage Viability Test (per PDA) - Stage A base model May 2012	Sub-phase 1bi	Sub-phase 1bii	Sub-phase 1biii
Cumulative Stage A surplus £m	7.6	4.9	3.3
Viability Hurdle £m	(3.8)	(7.0)	(6.2)
Overall	3.8	(2.1)	(2.9)

- 9.1.9 The proposals within this report recommend the council underwriting up to £5m of sales risk. This investment will be matched by Genesis
- 9.1.10 The proposal is for Genesis to proceed with developing all of Phase 1b (i, ii, iii), thereby waiving the viability tests on each of the three sub-phases, subject to (1) confirmation of Get Britain Building funding and (2) an equal investment by both parties to underwrite sales risk.
- 9.1.11 To date sales on Grahame Park have been disappointing. There are a number of reasons for this, including the size of the flats for sale, which Genesis is addressing in subsequent phases, and the location of the current phase and the appearance of the approach to the development, which the Council is proposing to address in terms of investment to Colindale Avenue (see para 9.1.20).
- 9.1.12 In the first instance, Genesis will proceed to develop out the site along the agreed proportions of 316 private for sale (this takes account of proposed Barnet and Southgate College site), 18 shared ownership and 55 affordable rent units.
- 9.1.13 In the event that required private sales rates are not achieved, the proposal is for the Council to fund the conversion of up to 25% of the new homes for sale to a Shared Equity (SE) product which will be aimed at first-time buyers. The cap on the Council's investment will be set at £5m.
- 9.1.14 The SE product would be offered through equity loan funding of 20% of the purchase price, with purchasers raising funding for 80%. Staircase arrangements would apply,

along the lines of the HCA's First Buy scheme where a requirement to begin to repay the 20% does not take effect for the first six years from date of purchase of the property. In effect, therefore, new homes are being offered at a 20% market discount, significantly increasing affordability to first-time buyers and, at the same time, marketability and, hence, reducing sales risk to Genesis. This is evidenced by the fact that SE units have been selling well at Grahame Park to date.

9.1.15 Under the principles of the SE product, the purchaser's mortgage would be secured as a first charge on the property in the usual way and ranks ahead of the equity loan charge. The Council would take a second charge over the property to secure its interest. The Council would then receive 20% of the market value of the property when sold.

9.1.16 The form of CFGP's match funding has yet to be finalised. Genesis will either mirror the Council's investment through providing up to a further 25% of private for sale units being converted to SE, or to convert private sale units to private rental.

Grahame Park Stage B

9.1.17 The Grahame Park Regeneration Scheme is broadly divided into two major Stages – A and B. This report deals, in the main, with presenting proposals that will ensure Stage A can be completed. Plans for Stage B are currently contained within the masterplan for Grahame Park which was agreed in 2007. Since that time, the market downturn and experience from Stage A has led the Council and its partners to concur that a review of the masterplan for Stage B, particularly with a view to revisions to improve viability and, therefore, deliverability of Stage B is warranted. Consequently, the Council has commissioned a review of the masterplan with the objective of producing a new delivery plan for Stage B. The outcomes of this review will be reported to Cabinet in the autumn.

Council Investment in Area Improvement

9.1.18 One of the major impediments to promoting Colindale is the impression created on arrival at Colindale Underground Station. Major public realm works are required to transform the 'look and feel' of Colindale Avenue, improving marketability in the area to prospective residents while fostering confidence in the continuing improvement of the area to existing and new residents.

9.1.19 Consequently, the Committee is asked to approve the Council investing £5m in public realm works along Colindale Avenue. The form of those works are being worked up, but will unify the public realm linking the development at Grahame Park with that at the old hospital site and with Beaufort Park through such interventions as 'de-cluttering', resurfacing of the footpath, proper way-marking, etc.

9.1.20 Much of these works would be forthcoming as new developments are built out through Section 106 contributions. The purpose of proposing the investment now is to bring forward development – thereby improving the appearance and therefore marketability of Grahame Park and Colindale in general to prospective buyers. Consequently, part of this investment will be recouped by the Council through a strengthening in the quantum (adding to the Council's Home Bonus) and value of sales (which, in the case of Grahame Park, are then recycled into further development of Grahame Park). Therefore, investment in Colindale Avenue is seen as a further way for the Council to underwrite the viability of Grahame Park while also showing its tangible support to the further regeneration of the area.

9.1.21 Furthermore, it is the intention that this seed funding will be recouped when the S106 contributions fall due in time, and can then be recycled later into further investment in the public realm within the area. In this way, we not only kick start public realm

enhancements, but increase the overall quantum to the benefit of the local community and to the advantage of the overall development at Colindale.

London Growth Fund Bid

9.1.22 The Council, with the support of partner public sector agencies, community organisations, private companies and town centre partnerships, has bid for a Revolving Infrastructure Fund to operate across the west of the borough. £9m of the London Growth Fund (LGF) has been bid for. The fund is administered by the Greater London Authority who anticipate making its first announcement of successful bids in the autumn 2012. Should the Council be successful, the funds would be applied to replenish reserves applied in funding the cost of the Colindale Avenue improvements and to bring forward further works to further propel the pace of regeneration in Colindale.

Barnet and Southgate College Proposal

9.1.23 It is the shared ambition of the Barnet and Southgate College and the London Borough of Barnet to facilitate a relocation of the College's Grahame Park campus within Grahame Park. The existing facility on Grahame Park Way is no longer fit for purpose.

9.1.24 The proposal is to relocate the College within the proposed Phase 1b, of the Grahame Park Regeneration scheme, the area known as Plot A8 (at the southern end of the site, adjoining the existing roundabout), which currently has planning permission for 57 homes for private sale, retail space, a new library, and the option for additional space for a Centre for Independent Living (CIL), which would replace the existing specialist service provided at Flightways Centre in the Concourse.

9.1.25 To facilitate the relocation, it is proposed that the Council seek consent from the Secretary of State to transfer Plot A8 to Choices for Grahame Park at nil value but explaining that the variation to the PDA enables CFGP to sell the land directly to Barnet and Southgate College at market value for the express purposes of designing and constructing a new college. The proceeds from the sale will be recycled into the Business Plan, in line with purposes of the current Principal Development Agreement.

9.1.26 This proposal ensures the retention of the College within Colindale, and particularly at the heart of the regeneration of Grahame Park, bringing additional vitality and economic activity to the area. In addition, it provides for a new college facility and releases the existing college site for residential development and, essentially, a new primary school. It is further proposed that the new college incorporates the new library and, potentially, the CIL and provision of a youth centre (currently provided on the existing College site), providing opportunities for synergies and efficiencies in provision of these services to the wider community.

9.1.27 Facilitating the relocation of the College on site 1b will necessitate a change in the Principal Development Agreement. Consultation on the proposal with local residents will commence prior to presentation to Cabinet Resources Committee.

9.1.28 All three parties to the relocation – the College, the Council and Genesis – are working actively towards achieving the relocation. It is anticipated that a Heads of Terms will be in place between the parties to effect the relocation by the end of June.

9.1.29 Locating the new college facility on Plot A8 is dependent upon the sale of the existing college site at Grahame Park Way for funding. the redevelopment of the Grahame Park Way site is therefore to be considered as enabling development. The Council has land interests on the Grahame Park Way site which it seeks to exchange for a parcel of land within the Grahame Park Way site on which the Council would build a primary school in

the future as per the Colindale Area Action Plan strategy. The commercial details of the proposal are tabled in the Exempt Report.

10. LIST OF BACKGROUND PAPERS

10.1 None

Legal – TE

CFO – JH

Meeting	Cabinet Resources Committee
Date	17 July 2012
Subject	Consultation on proposed changes to the funding formula of Children's Centres
Report of	Cabinet Member for Education, Children and Families
Summary	This report summarises the results of the public consultation on proposed changes to the formula funding for Children's Centres, which would redirect funding to areas of greatest need and remove the subsidy for childcare.
Officer Contributors	Jay Mercer, Deputy Director of Children's Services Stav Yiannou, Divisional Manager, Early Intervention & Prevention Team Zahid Parvez, Business Manager, Early Intervention & Prevention Team Suzy Whatmough, Business Project officer, Early Intervention & Prevention Team
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix 1: Equalities and Impact Assessment (outward) Appendix 2: Proposed Children's centres financial allocations
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable
Contact for further information: Zahid Parvez, Business Manager, 020 8359 7394 zahid.parvez@barnet.gov.uk	

1. RECOMMENDATIONS

- 1.1 That the Committee, after giving careful consideration to the consultation process, the responses to the questionnaires and the Equalities Impact Assessment (EIA) appended to this report, give approval to the proposal to redirect Children's Centres' funding allocation into areas of greatest need, remove the subsidy for childcare and reward Children's Centres successfully in reaching vulnerable families through payment by results.
- 1.2 That the Committee give approval for this proposal to be implemented on 1 September 2012 and for Children's Centres that have childcare to receive transitional funding enabling them to plan for cost neutrality by 2014/15.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet Resources Committee 28 February 2012, Decision item 24: **Consultation on proposed changes to the funding formula of Children Centres.**
- 2.2 Cabinet Resources Committee 14 February 2011, Decision item 5 C: **Proposed reduction and redesign of Children's Centres and related services in Barnet.**
- 2.3 Delegated Powers Report no: 1663, **an increase in places offered under the Free Education for less advantaged Two Year Olds Scheme**
- 2.4 General Functions Committee on 28 June 2012, Decision item 10: **'Staffing Arrangements in Children's Centres'** resolved:
 - To note that the findings from the public consultation concerned with the proposed move to cost neutral childcare will be presented to the Cabinet Resources Committee on 17 July 2012.
 - To note the staffing implications of the proposed move to cost neutral childcare has been subject to statutory consultation with staff and Trade Unions in compliance with the Council's 'Managing Organisational Change' policy.
 - To agree, subject to Cabinet Resources Committee approval on 17 July of the move to cost neutral childcare, that the Assistant Director for HR be instructed to arrange with the Director for Children's Services for redundancy letters to be issued to those employees who have been made redundant as result of this funding scheme change.
- 2.5 Safeguarding Overview and Scrutiny meeting on 2 July 2012, **'Update on public consultation'** recommended:

The Cabinet Member for Education, Children and Families was requested to provide the 17 July 2012 Cabinet Resources Committee report on Consultation on Proposed Changes to the Funding Formula for Children's Centres to Safeguarding Overview and Scrutiny Committee Members, with a follow up report added to the Committee work programme if necessary.

A report on the Payment by Results mechanism would be added to the work programme for reporting to a future meeting of the Committee.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Children's Centres contribute to the priorities outlined in the Children and Young People Plan 2012/13, especially the commitments to:
- intervene early to strengthen families, ensuring the early identification of children and families to enable appropriate preventative interventions through the Common Assessment Framework (CAF);
 - ensure every child has a good start to life by providing access to high quality early years provision and support;
 - promote access for all children and young people to positive activities;
 - reduce economic disadvantage through tackling child poverty:
 - a) Ensuring access to affordable and suitable childcare;
 - b) Supporting parents to build confidence and skills;
 - c) Addressing health, including mental health, both as a cause and consequence of poverty.
- 3.2 Children's Centres also contribute to the priorities outlined in the draft Health and Wellbeing Strategy for Barnet 2012 – 15;
- Work in collaboration with partners in the statutory, commercial and third sectors, and with stakeholders in the community, to enhance individual and family self-reliance;
 - Narrowing the gap in terms of health and social care outcomes;
 - Expand the Family Nurse Partnership initiative to support families who are experiencing significant challenges;
 - Supports strategies aligned to the health and well-being related to young children.
- 3.3 The early intervention work carried out in Children's Centres helps to reduce the need for more intensive support later on, thereby improving life chances for children. This contributes towards the key Corporate Plan (2012/13) priorities 'better services with less money' and 'a successful London suburb'.

4. RISK MANAGEMENT ISSUES

- 4.1 The proposals, if implemented, would redistribute the Children's Centre budget, with consequent "winners" and "losers". The period for phased implementation is intended to minimise the need for redundancies. However, the timescales are tight as the first phase of the new proposed funding is intended to take effect from 1 September 2012. This could result in some staff working and being paid through their notice period. This applies in particular to teachers on one term's notice who would work through until December 2012. This presents a financial risk to the council. To help mitigate this all staff affected would be redeployed accordingly, where possible and subject to selection criteria in line with the council's "Managing Organisation Change" policy.
- 4.2 There is a potential reputational risk to the authority due to the high profile and sensitive nature of the project. Regular communication and engagement has taken place with all stakeholders including local families who use the centres, staff, advisory boards of Children's Centres, the wider community, service providers that may be affected including voluntary organisations and private sector providers, the Cabinet Member for Education, Children and Families, and trade unions. Please see section 9.7 for details on the methods of consultation.
- 4.3 If the proposed changes to the allocation of funding are implemented, two Children's Centres will be making changes to childcare delivery from 1 September 2012. Wingfield Children's Centre and Newstead Children's Centre are both reducing the number of weeks of childcare provision from 48 weeks to 38 weeks. This is due to a low take-up of

childcare during the school holidays, for example over the easter break in 2012, Wingfield CC had 3 children and Newstead CC had 23 children accessing a childcare place over this 2 week period. In addition, Wingfield Children's Centre will be reducing the opening hours of childcare provision from 8am-6pm to 8.30am-3.30pm. Both centres will be increasing the number of childcare places for certain sessions. All Children's Centres will continue to be open to deliver community based activities for 48 weeks per year.

- 4.4 To minimise the impact to families, the Council has provided business support to Children's Centres for planning their childcare provision. If these proposals are agreed, Children's Centres will also receive transitional funding for two years (2012/13 and 2013/14) to minimise the impact on families. Where necessary, the Council will support affected families in finding alternative childcare provision.
- 4.5 A total of 55 children may be affected by the proposed changes in Wingfield and Newstead Children's Centres. Out of these children, 13 receive funded childcare places as part of the Early Years Vulnerable Children (EYVC) scheme. These families will be supported in finding an EYVC place at an alternative setting. In September 2012 we are planning a pilot to extend the EYVC funding to Private, Voluntary and Independent early year's providers. The Council will be able to place EYVC in early years provision within easy reach of the families home.
- 4.6 There is a potential risk that Children's Centres with onsite childcare may need to increase their childcare fees if the childcare subsidy is removed as part of the proposed changes to the allocation of funding for Children's Centres. This may have an adverse financial impact on some parents of younger children or who purchase additional hours. However, disadvantaged 2 year olds and all 3 and 4 year olds will continue to be entitled to up to 15 hours a week of free childcare and low income parents will continue to be entitled to the Working Tax Credits which subsidise childcare.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Barnet Children's Service operates in line with Barnet's Equality Scheme and equalities legislation. The Barnet Children and Young People Plan 2012-2013 states that 'All partners in Barnet's Children's Trust are committed to ensuring that children and young people, regardless of ethnicity, religion, disability, economic status or other differences, are able to access opportunities and activities, and are enabled to achieve their potential.'
- 5.2 An Equalities Impact Assessment (EIA) on the potential impact to children and families accessing childcare has been carried out (Appendix 1). The data has identified Black and ethnic minority families, lone parents, low income families, Muslims and Christians as groups which are at risk of being disproportionately affected if proposed changes to the allocation of funding are implemented. However, we will support all families in finding suitable alternative childcare provision where necessary.
- 5.3 The council has a legal requirement to have sufficient childcare provision across the borough and would want to minimise any impact of a reduction in service. The council's latest Childcare Sufficiency Assessment (CSA) in 2011 found that across the borough there is sufficient childcare provision. In the summer term of 2011 we had a total of 98% 3 and 4 years taking up their free early year's provision in a range of early year's settings. Over the period April 2011 – March 2012 we have seen 12 new early years providers register (an increase of 500 new places for 3-5 year olds) and 4 early years setting close (a reduction of 59 places for 3-5 year olds) in Barnet.

5.4 An Equalities Impact Assessment on the potential impact on staff in Children's Centres that could be affected has been completed. The make up of the workforce is predominantly female, which reflects the national profile in this area of work (early years and childcare focussed work). In addition, the workforce is predominantly born between 1951 and 1965, White, Christian and Heterosexual, which reflects the profile of workers in Barnet Council.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property and Sustainability)

6.1 The total budget for Children's Centres is contained within the early intervention and prevention budget in Children Services with some funding from the Dedicated Schools Grant.

6.2 The council is proposing a 2012/13 budget and spend for Children's Centres of £4.3m. There is no change from 2011/12 budget.

6.3 The proposal is to redistribute the £4.3m budget to Children's Centres activities based on local need/deprivation and remove the existing childcare subsidy in Children's Centres that provide childcare.

6.4 The proposed reallocation of funding would result in some Children's Centres securing additional funding. Children's Centres that have childcare on site would see a reduction in funding. This is largely driven by the funding formula removing the subsidy of childcare. Appendix 2: Proposed Children's centres financial allocations

7. LEGAL ISSUES

7.1 The council has an overarching duty to secure sufficient childcare provision in its area to meet the requirements of working parents pursuant to section 6 of the Childcare Act 2006. Childcare provision is an important function of the council and this duty is partially met through provision of childcare in children's centres. The sufficiency of childcare provision is addressed in the body of this report.

7.2 With regard to the consultation process the principles are well established in law. Consultation must be fair and can only be considered as proper consultation if the following are satisfied: (1) comments must be genuinely invited at the formative stage, (2) sufficient reasons for the proposal must be given to enable those being consulted to be properly informed and to enable them to give an informed response, (3) sufficient time must be given to allow those consulted to consider the proposal and give a considered response, (4) there must be a mechanism for feeding back the comments and those comments must be taken into account by the decision maker when the final decision is made. The methods of consultation as well as the responses, comments and suggestions are contained within the body of this report.

- 7.3 Equality and diversity issues are a mandatory consideration in decision making in the council. This requires officers and members to satisfy themselves that equality considerations are integrated into day to day business and that any proposal has properly taken into consideration what impact, if any, there is on any protected group and what mitigating factors can be put in place. The results of consultation together with the analysis of any potential impact on a protected characteristic must be considered before reaching a final decision on this proposal. The Equalities and Impact assessment is appended to this report.

8. CONSTITUTIONAL POWERS

- 8.1 The council's constitution in Part 3, Responsibility for Functions, paragraph 3.6 states the terms of reference of the Cabinet Resources Committee.

9. BACKGROUND INFORMATION

Free childcare for 2, 3 and 4 year olds

- 9.1 The Childcare Act 2006 requires local authorities to make available 570 hours a year of free early education over no fewer than 38 weeks of the year. All three and four year olds are eligible for up to 15 hours of free early years provision up to 38 weeks per year (term time only) free of charge. Children become eligible the term after their third birthday. The free early years provision can be accessed in accredited childminders, pre-schools and nurseries, Children's Centres and maintained nursery classes/schools. As at 31 May 2012 a total of 248, 3 / 4 years olds were accessing their 15 hours of free early years provision in Children's Centres and a total of 2936, 3 / 4 year olds, in private, independent and voluntary early years provision.
- 9.2 Eligible two year olds are able to access up to 10 hours per week of free early years provision up to 38 weeks per year (term time only) free of charge. Children must meet a range of criteria based on their economic circumstances and child/family characteristics. Children who meet the criteria are eligible the term after their second birthday. The free places can be accessed in selected childminders, pre-schools and nurseries and Children's Centres. As at 31 May 2012, 54 two years olds accessed childcare in Children's Centres through the two year old scheme and 123 two year olds accessed the childcare in private, independent and voluntary early years provision.
- 9.3 Funding for the 2 year offer has been allocated through the Early Intervention Grant. We are planning to offer up to 500 free childcare places in Children's Centres and private, independent and voluntary early year's provision by September 2013 to the most disadvantaged 2 year olds.
- 9.4 Barnet Council operates the Early Years Vulnerable Childcare (EYVC) scheme which offers up to 15 hours additional free childcare for vulnerable children aged 2 – 5. Currently families can access childcare at a Children's Centre, and from September 2012, we are planning to roll this offer to private, voluntary and independent early years childcare providers. This will enable Barnet Council to reach more families and make the offer within easy reach of these groups of families.

Review of Children's Centres

- 9.5 The Government has committed to a national network of Children's Centres refocusing them to their original purpose to meet the needs of the most vulnerable and maintaining a universal offer.

The Government have indicated an increased participation of voluntary and community sector involvement with children's centres – ensuring good accountability arrangements, and increasing the use of evidence-based interventions whilst operating payment by results (outcomes) methodologies.

Therefore the 'reform' of children's centres must include:

- Increased voluntary and community sector involvement in provision;
- improved accountability arrangements;
- increased the use of evidence based interventions;
- Increased focus on the 'most needy', i.e. through greater targeting;
- Introduction of payment by results based on outcomes.

9.6 In 2010/2011 the Council undertook a review of Children's Centres and related Commissioned Services, to explore and develop a business plan for alternative models that would meet the coalition governments plans and the Council's objectives, and reduce the need for acute and specialist provision. The business plan proposed the journey of Barnet Children's Centres as follows:

Stage 1

To refocus Children's Centre to meet the needs of the most vulnerable communities whilst maintaining a universal offer.

In April 2011, following the review, Barnet Council established a network of 13 full Children's Centres and eight linked outreach venues, providing borough wide coverage to children under 5 and their families. As part of this network the Council provided integrated education and childcare in seven Children's Centres (Coppetts Wood Primary School and Children's Centre, The Fairway Primary School and Children's Centre, The Hyde Primary School and Children's Centre, Newstead Children's Centre, Parkfield Primary School and Children's Centre, Underhill Infants School and Children's Centre and Wingfield Children's Centre). These centres provide onsite childcare between 8am – 6pm, (10 hours per day), 5 days a week over 48 weeks of the year. This was continued despite the Government no longer requiring Children's Centres to offer childcare as part of their core offer.

Stage 2

To reconfigure the funding formula so that is targeted and better serves vulnerable communities.

The review recommended that the funding formula be more closely aligned to the number of children, areas of highest deprivation and cost neutral childcare provision to reflect this shift in policy. Officers subsequently convened a working group, including representation from Children's Centre Managers, a Headteacher and a School Governor to discuss proposals, test ideas, and develop a new proposed funding formula for Children's Centres that reflected these objectives. This work resulted in the proposed changes to the formula for funding Children's Centres, which is the subject of this report

As a result, Children's Centres that are receiving an increase in their allocations will be using this extra money by employing additional family support staff to reach out to more vulnerable families in their respective communities. This will be further encouraged through the targets agreed for payment by results. This will mean communities from the more deprived areas will be better served with a wider range of services tailored to their needs. Children's Centres that are seeing a reduction in their allocation will be running

the same level of community based activities as they currently are. There will be no change to the childcare offer in 5 of the Children’s Centres who offer childcare. Two Children’s Centres, Newstead and Wingfield are re-aligning their childcare offer.

Stage 3

The review recommended exploring the different service delivery mechanisms for delivery of Children’s Centres, incorporating the voluntary and community sector. The scope of this work will begin in the financial year 2012/13

9.7 Methods of consultation

The consultation on the proposed changes to the Children’s Centre funding formula commenced on 4 May 2012 and ended on 15 June 2012. A series of consultation activities and events were planned throughout the consultation period. The consultation activities and events were publicised in advance and Children’s Centres (managers and staff/Heads/Governors/ parents), stakeholders and Barnet residents were invited to attend. This helped to ensure that any concerns raised by those involved in Children’s Centres were discussed and, where possible, addressed at an early stage. Consultation was carried out through a number of methods;

- Key stakeholders were emailed a consultation paper containing information about the proposed funding formula for Children’s Centres and how to respond to the consultation. The distribution included schools with a Children’s Centre onsite, staff working in a Children’s Centre, Trade Unions, Early Years professionals and voluntary organisations working in a Children’s Centre.
- Hard copies of the consultation paper on the Children’s Centres funding formula were distributed to all Children’s Centres and all libraries in the borough with an accompanying cover letter.
- A series of meetings were held for stakeholders.
- Consultation meetings for parents / carers were publicised in the local press.
- Responses could be made by email, post or by completing an online survey.
- Queries could be raised by email, post, telephone or at the consultation meetings.

9.7.1 Consultation meetings with stakeholders were held during the consultation period. This ensured that any concerns raised could be discussed and, where possible, addressed at an early stage. The table below details the meetings and attendance.

Stakeholders	Date and time	Venue	Number of attendees
Staff and Trade unions	Tues 8 May 6.30-7.30pm	North London Business Park	8
Governors and Advisory Board members	Wed 9 May 6.30-7.30pm	North London Business Park	11
Staff and Trade unions	Tues 15 May 6.30-7.30pm	North London Business Park	9
Early Years Professionals	Wed 16 May 2-3pm	North London Business Park	5
Parents / Carers	Tues 22 May 7-8pm	Edgware library	1
Parents / Carers	Wed 23 May 6.30-7.30pm	Chipping Barnet Library	5
Voluntary sector	Wed 30 May 2-3pm	North London Business Park	7

Parents / Carers	Wed 30 May 6.30-7.30pm	Hendon Town Hall	1
Parents / Carers	Thur 31 May 6.30-7.30pm	Mill Hill Library	5
Parents / Carers	Thur 7 June 6.30-7.30pm	North London Business Park	3
Total			55

9.8 Consultation question responses

9.8.1 The question asked was:

“Do you agree that the proposed method for funding Children’s Centres is a fairer way of targeting resources to meet the needs of vulnerable families and the local community?”

The total number of responses received was 579.

Overall, 347 (60%) respondents disagreed with the proposal, 197 respondents (34%) agreed, 29 (5%) neither agreed nor disagreed and 6 (1%) did not know.

9.8.2 The make up of respondents to the questionnaire were:

- 322 parents / carers, of which one third (34%) agreed with the proposal.
- 94 Children’s Centre / School staff, of which almost half (47%) agreed with the proposal.
- 68 Barnet residents, of which one respondent agreed with the proposal.
- 95 others (includes governors, advisory board members and not stated), of which 45% agreed with the proposal.

The table below summarises responses by stakeholder type.

Stakeholder type	Agree	Neither/ Don't know	Disagree	Total
Parent / Carer	109	23	190	322
Children's Centre / school staff	44	4	46	94
Voluntary Sector	4	0	4	8
Governor / Advisory Board member	7	0	4	11
Resident	1	1	66	68
Other	7	3	11	31
Not stated	15	4	26	45
Total	197	35	347	579

9.8.3 From all responses received, a total of 168 respondents stated their postcode. The largest group of respondents were from the N2 postcode area (46), followed by the HA8 postcode area (26).

- In N2, all 46 respondents disagreed with the proposals
- In HA8, 26 respondents were received of which 18 respondents agreed with the proposals

9.8.4 The responses varied from the stakeholders at each Children’s Centre. The Children’s Centres which had the highest numbers of stakeholders responding were:

- Newstead Children’s Centre had 157 respondents, of which 153 respondents disagreed with the proposal

- Underhill Infants School and Children’s Centre had 68 respondents of which 58 respondents disagreed with the proposal
- Fairway Primary School and Children’s Centre had 62 respondents of which 43 respondents disagreed with the proposal

These three Children’s Centres offer childcare and are seeing a reduction in the proposed funding allocation.

Overall, stakeholders from Children’s Centres that would see an increase in funding tended to agree with the proposal, whereas stakeholders from Children’s Centres that would see a reduction in funding tended to disagree with the proposal.

9.8.5 Stakeholders that agreed with the proposals commented that it was a fairer way to distribute the allocations and agreed it focussed on targeting and work with the most vulnerable and disadvantaged families. Stakeholders that disagreed with the proposals tended to disagree with the childcare subsidy being removed, although some commented that they did agree that funding should take into account the level of deprivation and the number of under 5s

9.8.6 Equality monitoring data was collected for respondents who submitted on the online survey (162 respondents). The analysis found no particular associations between certain equality groups agreeing or disagreeing with the consultation question.

9.9 Queries and comments raised by stakeholders

Consultation response - queries/comments		Local Authority response
Community Activities and Payment by Results	Children’s Centres potentially gaining additional funding can increase services and reach more families. But there might be fewer community activities delivered in other centres.	The proposal ensures funding is fairly distributed according to the level of deprivation and the number of under 5’s in each of the Children’s Centre reach areas, enabling more vulnerable families to be reached.
	Payment by Results won’t lead to improved service delivery.	The Local Authority will mutually agree with the Children’s Centre the targets in advance, and the Centres will be supported in achieving their targets.
	The total budget is being cut and Children’s Centres might close.	The total budget is the same and all 13 Children’s Centres and linked venues will remain open.
Childcare	Staff redundancies in Children’s Centres.	Four Children’s Centres will be making changes to staffing. A total of 32 “at Risk” letters have been sent to Children’s Centre staff. Affected staff will be ringfenced to apply for other Children’s Centre roles. In total the proposal is that 4 posts will be deleted from the structure, the remainder are to be restructured.
	Potential impact on childcare delivery.	Only two Children’s Centres have proposed changes to childcare delivery from September 2012. All other Children’s Centres with childcare will remain the same.

	Adequate provision of childcare which would impact on parents' ability to work full-time.	We have a legal duty to ensure that there is sufficient childcare provision across the borough. We have reviewed this in March 2011 and there is sufficient provision. We would support the families to find alternative childcare.
	Private, voluntary and Independent sector providers may not offer the same support for vulnerable families.	Barnet has a total of 122 private, voluntary and independent providers offering free early years provision of which 15 are Ofsted graded 'outstanding', 76 are graded 'good', 24 are graded 'satisfactory' and 7 are due a first inspection. In addition we have 404 childminders offering childcare.

9.9.1 Suggestions made by stakeholders

Consultation response – suggestions	Local Authority response
Merge Children's Centres to reduce running costs and to ensure that all remaining centres can offer a full range of services including childcare.	Barnet Council reconfigured the Children's Centres in 2011 from 21 Children's Centres to 13 Children's Centres and 8 linked venues.
Reduce funding for 8 linked outreach venues.	The allocation takes into account the linked outreach venues and this represents 8% of the total Children's Centre budget.
Target funding towards the provision of childcare for vulnerable families.	There is a range of support available for families accessing childcare including the free early years provision for three and four year olds, targeted funding for 2 year old childcare places, additional funded hours for vulnerable children and working tax credit for low income families.
Consider charging / increasing charges for other Children's Centres activities.	We are currently exploring a model for charges of community based activities in Children's Centres. School based Children's Centres, with childcare are able to set their fees at the market rate, whilst Council managed Children's Centres will increase their charges according to the Council framework for fees and charges, annually.

9.9.2 Conclusion

This proposal is intended to benefit more families through transferring resources into additional outreach and community activities. 15 hours of free childcare a week (for up to 38 weeks) will still be provided through government funding for 3 and 4 year olds and 10 hours funding (for up to 38 weeks) for eligible 2 year olds. Vulnerable children who require additional hours will continue to be funded by the Council, low income working

parents will still be able to claim working tax credits to offset the cost of additional childcare hours for their children. A relatively small number of parents on higher incomes might have to pay higher charges for additional childcare if centres decided they need to raise more income.

The consultation has not revealed any further unplanned-for negative implications of the proposed changes that cannot be mitigated. Where identifiable, responses linked to Children's Centres who would gain budget show a very high proportion in favour of the proposal with a low proportion against. Responses linked to Children's Centres who would lose budget show a high proportion against the proposal. On balance therefore, in view of the wider benefits for significant numbers of families, it is recommended that the proposal should proceed.

10.0 LIST OF BACKGROUND PAPERS

10.1 None.

Legal- HP

Finance- JH/MC

Children's Service Equality Impact Assessment (EIA) Questionnaire

1. Details of function, policy, procedure or service:	
Title of what is being assessed: Proposed changes to the funding formula of Children's Centres	
Is it a function, policy, procedure or service?: Service	
Department and Section: Early Intervention and Prevention	
Date assessment completed: Interim-consultation assessment – June 2012 Post-consultation assessment to be completed September 2012	
2. Names and roles of officers completing this assessment:	
Lead officer	Stav Yiannou
Stakeholder groups	Children's Centre Managers, School Headteachers with on-site Children's centres, Children's Centre staff, parents/carers.
Representative from internal stakeholders	Stav Yiannou
CS Equalities Network rep	Elaine Tuck
HR rep (for employment related issues)	Not applicable – there is a separate assessment for staff
3. Full description of function, policy, procedure or service:	
<p>Why is it needed?</p> <p>In 2011 the council undertook a review of Children's Centres and a key recommendation was to review the funding formula giving consideration to the number of children, areas of highest deprivation and achieving cost neutral childcare. Council officers set up a working group, with representation from Children's Centre Managers, a Headteacher and a School Governor to develop a new funding formula for Children's Centres. The proposed funding formula will build on targeting the most vulnerable communities in Barnet.</p> <p>What are the outcomes to be achieved?</p> <p>If the proposed changes are made the new formula will retarget funding towards the provision of community based activities delivered in Children's Centres. This will enable an increase in the delivery of activities. In addition, payment by results will further encourage Children's Centres to engage the most vulnerable families.</p> <p>Under the proposed funding formula, Children's Centres offering childcare will be operating on a cost neutral basis, so that the revenue from running childcare covers their costs. This would mean that from the financial year 2014/15, the proposed financial allocations will not be used to</p>	

fund childcare.

Who is it aimed at and who is likely to benefit?

The proposed changes to the formula will further enable Children's Centres to work with the vulnerable families and increase the provision of community based activities.

If the proposed changes are implemented, families accessing childcare in Barnet's Children's Centres may be impacted as a result of the removal of the childcare subsidy.

Out of 13 Children's Centres in Barnet, seven have childcare provision (Wingfield Children's Centre, Newstead Children's Centre, Coppetts Wood Primary School and Children's Centre, The Fairway Primary School and Children's Centre, The Hyde Primary School and Children's Centre, Parkfield Primary School and Children's Centre and Underhill Infants School and Children's Centre). These Children's Centres provide onsite childcare between 8am – 6pm, (10 hours per day), 5 days a week over 48 weeks of the year.

Children's Centres that have onsite childcare may take one of the following actions:

- Reconfigure service delivery of childcare;
- Close childcare;
- Review childcare and make changes in the future;
- Commission a childcare provider to deliver the childcare on site.

The council has provided business support for Children's Centres with childcare to minimise any impact to families.

For the financial year 2012/13, only two Centres are planning to make changes to their childcare offer in September 2012. These changes would only take place if the proposed changes to the funding formula are implemented. They are:

- Wingfield Children's Centre
- Newstead Children's Centre

Both of these Children's Centres plan to reduce childcare delivery from 48 weeks to 38 weeks. This is due to a low take-up of childcare during the school holidays. In addition, Wingfield Children's Centre will be reducing the opening hours of childcare provision from 8am-6pm to 8.30am-3.30pm. Where necessary, the council will support affected families in finding alternative childcare provision.

Both centres will also be increasing the number of childcare places for some sessions.

The Children's Centres will continue to deliver community based activities for 48 weeks per year.

The council has a legal requirement to have sufficient childcare provision across the borough and would want to minimise any impact of a reduction in service. The council's latest Childcare Sufficiency Assessment (CSA) in 2011 found that across the borough there is sufficient childcare provision.

In addition, there is a potential risk that Children's Centres with onsite childcare may need to increase their childcare fees to ensure that they can continue to provide childcare if the subsidy is removed. This may have an adverse financial impact on some parents paying for childcare. To mitigate this, there are a number of local and central government schemes to support families in accessing childcare:

- Working Tax Credits which subsidise childcare costs for low income families;
- Targeted two year old scheme which currently offers 10 hours of free childcare; increasing to 15 hours in 2013.
- Universal three and four year old free entitlement scheme which offers 15 hours of free childcare;
- Extra hours of free childcare for vulnerable children;

The proposed changes will be introduced over the next two financial years (2012/13 and 2013/14). Therefore Children's Centres with childcare would continue to receive a subsidy until April 2014, allowing them time to develop a sustainable business plan for childcare.

How have needs based on race, gender, disability, age, religion/belief, sexual orientation or carers been taken account of?

Children's Centres providing childcare were asked to submit data on families currently accessing childcare, as at March 2012. The data is recorded in the table below.

If the proposed changes to the funding formula for Children's Centres are implemented, Wingfield and Newstead Children's Centres are proposing changes to childcare delivery from September 2012.

Please note that the total number of children affected is 55 which is a small percentage of children accessing childcare both in Children's Centre and across the borough.

Columns 3 and 4 provide details on children and families accessing childcare at these two centres at March 2012. Columns 5 and 6 provide details on the children and families which would be affected by the proposed changes at these Children's Centres.

Equality Strand	1) Number of children across all Children's Centres (in March 2012)	2) % of children across all Children's Centres (in March 2012)	3) Number of children in March 2012 (Wingfield and Newstead)	4) % of children in March 2012 (Wingfield and Newstead)	5) Number of children affected by proposed changes in Wingfield and Newstead	6) % of children affected by proposed changes in Wingfield and Newstead
Children accessing childcare						
Number of children	412	n/a	130	n/a	55	n/a
Race						
Number of children from BAME group	234	57%	88	68%	44	80%
Not known	11	3%	0	0%	0	0%
Gender						
Number of females	198	48%	61	47%	30	55%
Number of males	214	52%	69	53%	25	45%
Disability						
Number of children with disability	35	8%	11	8%	6	11%
Age of child						
Number of children under 2	14	3%	0	0%	0	0%

Number of 2 year olds	118	29%	41	32%	16	29%
Number of 3-5 year olds	280	68%	89	68%	23	42%
Religion/Belief						
Jewish	1	0%	0	0%	0	0%
Hindu	4	1%	1	1%	1	2%
Muslim	51	12%	39	30%	12	22%
Catholic	29	7%	17	13%	10	18%
Christian	57	14%	36	28%	12	22%
Jehovah's Witness	1	0%	1	1%	1	2%
Atheist	2	0%	6	5%	5	9%
Not known / other	267	65%	24	18%	12	22%
Teenage parents						
Teenage parents	0	0%	0	0%	0	0%
Not known	132	32%	0	0%	0	0%
Children in care						
Children in care	3	1%	0	0%	0	0%
Lone parents						
Lone Parents	41	10%	31	24%	22	40%
Not known	227	55%	0	0%	0	0%
Those on low incomes						
Low Income	47	11%	47	36%	34	62%
Not known	264	64%	0	0%	0	0%

Ways people can find out about and benefit from the proposals.

A six week public consultation has been carried out to enable stakeholders, including parents/carers, to give feedback on the proposed changes to the funding formula of Children's Centres.

Stakeholders were able to respond by email, post, by completing an online survey and at consultation events. The consultation opened on 4 May and closed on 15 June 2012.

Respondents were asked to provide information on which organisation they were replying on behalf of or to provide the name of their local Children's Centre so that we could assess if any particular group was over or underrepresented.

There were a variety of stakeholder consultation meetings held, including five meetings for parents/carers. These were held at different locations across the borough to ensure that all communities have the opportunity to attend a meeting. The following table details the meetings and attendance.

Stakeholders	Date and time	Venue	Number of attendees
Staff and Trade unions	Tues 8 May 6.30-7.30pm	North London Business Park	8
Governors and Advisory Board members	Wed 9 May 6.30-7.30pm	North London Business Park	11
Staff and Trade unions	Tues 15 May 6.30-7.30pm	North London Business Park	9
Early Years Professionals	Wed 16 May 2-3pm	North London Business Park	5

Parents / Carers	Tues 22 May 7-8pm	Edgware library	1
Parents / Carers	Wed 23 May 6.30-7.30pm	Chipping Barnet Library	5
Voluntary sector	Wed 30 May 2-3pm	North London Business Park	7
Parents / Carers	Wed 30 May 6.30-7.30pm	Hendon Town Hall	1
Parents / Carers	Thur 31 May 6.30-7.30pm	Mill Hill Library	5
Parents / Carers	Thur 7 June 6.30-7.30pm	North London Business Park	3

4. How are the equality strands affected? This table refers to the children and families affected at Wingfield and Newstead Children's Centres if proposed changes are implemented on 1 September 2012.

Equality Strand	Affected?		Explain how affected	What action has been taken already to mitigate this?
	Yes	No		
Race	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	44 children from Black and minority ethnic groups could be affected by proposed changes on 1 September 2012 (80%), leading to a disproportionate impact to this group.	If the proposed changes are implemented, affected families will be supported in finding alternative providers, including those from BAME groups.
Gender	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Neither male nor female children would be disproportionately impacted from proposed changes. However, there could be a greater impact on mothers as they are more likely to be the primary carers and a reduction in the hours of childcare offered could impact on their ability to work if alternative childcare is not found.	If the proposed changes are implemented, these families will be supported in finding alternative provision to help support working mothers and fathers.
Disability	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	A total of 6 children with disabilities would be affected by proposed changes. This is 11% of all children affected, and approximately reflects the proportion of disabled children accessing childcare across all Children's Centres.	If the proposed changes are implemented, these families will be supported in finding alternative provision which meets the additional needs of the children affected.
Age	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	The ages of children affected by proposed changes are:	Barnet has a mixed childcare provision for 0-5 year olds. If childcare was to close, these

			<ul style="list-style-type: none"> • 16 aged 2 • 23 aged 3-5 	families will be supported in finding alternative provision.
Sexual Orientation and gender reassignment.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	We do not anticipate that the changes would disproportionately affect service users of different sexual orientations or those who have had a gender reassignment..	If the proposed changes are implemented, families will be supported in finding alternative provision regardless of their sexual orientation or gender reassignment.
Religion or belief	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	<p>The religion/beliefs of families affected by proposed changes are:</p> <ul style="list-style-type: none"> • 1 Hindu • 12 Muslims • 12 Christians • 10 Catholics • 1 Jehovah's Witness • 5 Atheists <p>Children of Muslim faith (12 children) are overrepresented in this group (22%) compared with all those attending children's centres (12%) and with the Barnet under-16 population (8.7% (Census 2001)). If proposed changes are implemented, there may be a disproportionate impact on this group. Those of Christian and Catholic faith (22 children, 40% of cohort) are broadly in line with Barnet's population, but overrepresented among children's centre users (21%), It should be noted that religion is not known for the majority of all children's centre users.</p>	<p>Barnet has a mixed provision of childcare and new providers are encouraged to assess the local community when setting up provision in order to meet local demand.</p> <p>Childcare in Children's Centres are inclusive of all religions/beliefs. If proposed changes are implemented, families of all religion and beliefs will be supported in finding suitable alternative providers.</p>
Teenage parents	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	No teenage parents will be affected by the proposed changes.	No actions
Pregnancy and maternity	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	The proposals may impact on those who are pregnant or have new borns as they could be future user group of childcare services.	The council has a legal responsibility to ensure that there is a sufficient supply of childcare in the borough. We will continue to monitor demographic changes and to ensure that there is a sufficient

				provision of childcare.
Those on low incomes	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	There are 34 families known to be on low incomes which would be affected by proposed changes. This is 62% of all families affected, and therefore there would be a disproportionate impact on this group.	Families will be supported in finding alternative providers which offer funded places. 196 childcare providers in Barnet offer the universal free early years entitlement for 3 and 4 year olds. 82 childcare providers in Barnet currently offer childcare places in the targeted 2 year old funded childcare scheme. The council also offers additional funded hours of childcare to vulnerable children. From September 2012, we are looking to extend this offer to private providers. Families eligible for Working Tax Credits continue to be eligible for support with the cost of childcare.
Children in care/care leavers	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	No children in care will be affected by the proposed changes.	No actions
Lone Parents	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	There are 22 known lone parent families which would be affected by proposed changes. This is 40% of all families affected, and therefore there would be a disproportionate impact on this group.	If proposed changes are implemented, families will be supported in finding alternative provision. Payment by Results targets will further encourage Children's Centres to engage the most vulnerable families, including lone parents. This group of families maybe eligible for Working Tax Credits for support with the cost of childcare and two year old funding.

5. What will be the impact of delivery of any proposals on satisfaction ratings amongst different groups of residents

The proposed changes to the funding formula will increase the financial resources available to Children's Centres in providing community based activities. Payment by Results targets will further encourage Children's Centres to engage the most vulnerable families and communities. Therefore the proposals aim to raise satisfaction ratings amongst the most vulnerable families and communities.

The proposed changes would lead to childcare provision reducing from 48 weeks to 38 weeks in Wingfield and Newstead Children's Centres. In addition, Wingfield Children's Centre would reduce opening hours of childcare delivery from 8am-6pm to 8.30am-3.30pm. These changes would affect a total of 55 children. This would mean that affected families would need to seek alternative childcare provision, and could result in lower levels of satisfaction among service users and potential service users.

However, this will be mitigated as the council has a legal responsibility to ensure that there is a sufficient supply of childcare in the borough. Out of the 55 children, 13 receive funded childcare places as part of the Early Years Vulnerable Children (EYVC) scheme. These families will be supported in finding an EYVC place at an alternative setting. In September 2012 a pilot is being held to extend the EYVC funding to Private, Voluntary and Independent providers. All 55 families will be supported by the council in finding alternative provision, if necessary.

6. How does the proposal enhance Barnet's reputation as a good place to work and live?

The proposal will enable families to access more community based services, which are specifically targeting vulnerable groups. This follows in line with the national government in re-focusing Children's Centres to meet the most vulnerable groups and communities.

Although proposals may create a risk to childcare in Children's Centres, there has been a growing interest in new providers setting up childcare provision in Barnet with 11 new private providers setting up between October 2011 and March 2012.

7. How will members of Barnet's diverse communities feel more confident about the council and the manner in which it conducts its business?

The proposed changes are subject to public consultation. A variety of stakeholders were invited to attend consultation meetings. There were five meetings held for parents in a variety of locations across Barnet. In addition, meetings were held for staff, trade unions, early years professionals, school governors, school advisory boards and the voluntary sector. These meetings enabled the council to engage with a variety of stakeholders and to hear the views of Barnet's diverse communities.

Officers will fully consider all consultation responses as part of a clear and transparent decision making process. Care will be taken to ensure that all communities feel confident about the manner in which the council is conducting its business.

All consultation responses will be considered and responses will be issued where questions and suggestions are made.

8. What measures and methods have been designed to monitor the application of the policy or service, the achievement of intended outcomes and the identification of any unintended or adverse impact? *Include information about the groups of people affected by this proposal. Include how frequently will the monitoring be conducted and who will be made aware of the analysis and outcomes? Include these measures in the Equality Improvement Plan (section 13)*

There are a total of 55 children affected as a result of a reduction in childcare delivery if proposed changes are implemented.

An initial Equalities Impact Assessment (EIA) has been carried out to monitor current users of childcare in Children's Centres. This EIA is an update following the close of the consultation. This report will be public information and will be attached to the Cabinet Resources Committee report on 17 July 2012.

In addition, all Children's Centres will continue be monitored since they could make changes to their childcare provision in future years. They are required to inform and seek agreement with the local authority of any proposed changes, and we will engage with them to make sure no particular groups are being disadvantaged.

9. How will the new proposals enable the council to promote good relations between different communities? *Include whether proposals bring different groups of people together, does the proposal have the potential to lead to resentment between different groups of people and how might you be able to compensate for perceptions of differential treatment or whether implications are explained.*

The council has engaged with all communities in the consultation. We are assessing the impact and will be working with families where applicable. Children's Centres are required to consult under the Apprenticeships, Skills, Children and Learning Act 2009 with their local communities on proposed changes to their service delivery.

10. How have residents with different needs been consulted on the anticipated impact of this proposal? How have any comments influenced the final proposal? *Please include information about any prior consultation on the proposal been undertaken, and any dissatisfaction with it from a particular section of the community.*

The consultation was widely advertised both in the local press and on the Barnet Engage website. All parents accessing childcare were given a copy of the consultation paper, and Children's Centres ensured that consultation papers were available to all other parents accessing services. The consultation paper was distributed to all Children's Centres and libraries in Barnet. It was also distributed at all public consultation events and was available online. We therefore reached a wide range of communities through the different channel points.

Data on residents responding to the consultation has been collected as part of the consultation process. This will be analysed to assess whether or no there has been any dissatisfaction with the proposed changes from a particular section of the community. This information will be included in the update of this report in September 2012.

11. Decision:			
No Impact <input type="checkbox"/>	Positive Impact <input type="checkbox"/>	Neutral Impact <input checked="" type="checkbox"/>	Negative Impact or Impact Not Known ¹ <input type="checkbox"/>

12. Comment on decision
<p>The total budget is to remain the same at £4.3 million. The proposed changes are intended to retarget the budget towards the most vulnerable families by increasing the financial resources available to Children's Centres in providing community based activities. Payment by Results targets will further encourage Children's Centres to engage the most vulnerable families which is likely to have a positive equalities impact on these families. This will target, for example, lone parents, teenage parents, parents with health issues, families with domestic violence, low income families and families with drug and alcohol misuse.</p> <p>We have consulted with a range of stakeholders to seek their views on the proposed funding formula.</p> <p>The proposal would impact a total of 55 children accessing childcare in Wingfield and Newstead Children's Centres. In particular, the data has identified Black and ethnic minority families, lone parents, low income families, and Muslims as groups which are at risk of being disproportionately affected if proposed changes to the funding formula are implemented. However, we will support all families in finding suitable alternative childcare provision where necessary. We have taken into account the need to ensure a sufficient number of childcare places both for fee paying families and funded childcare places are available.</p>

¹ 'Impact Not Known' – tick this box if there is no up-to-date data or information to show the effects or outcomes of the function, policy, procedure or service on all of the equality strands.

13. Equality Improvement Plan

Please list all the equality objectives, actions and targets that result from the Equality Impact Assessment (continue on separate sheets as necessary). These now need to be included in the relevant service plan for mainstreaming and performance management purposes.

Equality Objective	Action	Target	Officer responsible	By when
Ensure all families continue to be able to access childcare if childcare closes	Work with Children's Centres to offer business planning support. Provide advice and support to families who might need to access alternative provision.	Where childcare places are reduced or where childcare closes, ensure that all families requiring alternative provision secure a childcare place.	Zahid Parvez	Formal review April 2013. Will review each case with each Children's Centre that proposes to make changes to their childcare.
Ensure childcare remains affordable for all families currently accessing provision	As above. In addition, continue to monitor the take-up of funded childcare places and carry out a formal assessment through the Childcare Sufficiency Assessment	Where childcare fees increase, ensure that all families can continue to access childcare from their current Children's Centre provider or in alternative provision. Work with Children's Centres to ensure families are accessing their Working Families Tax credit.	Zahid Parvez	Ongoing
Ensure financial resources are targeted towards the most vulnerable families	Children's Centres performance will be monitored against a range of targets. There will be specific Payment by Results Targets which encourage Children's Centres to target the most vulnerable families	To monitor the performance of Children's Centres against their targets and to support them where necessary. To implement Payment by Results for the financial year 2013/14.	Zahid Parvez	Ongoing April 2013
Ensure ongoing clear communication with stakeholders	Ensure a clear and transparent consultation is held with the public. Ensure that the	Advertise the consultation and stakeholder meetings in the local press and on the Engage	Zahid Parvez	15 June 2012

Equality Objective	Action	Target	Officer responsible	By when
	consultation is advertised to all stakeholders and in all communities.	website. Take into account the views of all stakeholders made during the consultation process.		
Ensure any equalities impacts are identified and addressed	Continue to monitor and analyse data on families accessing childcare and on the Children's Centre business plans for the provision of childcare	A post-consultation EIA in September 2012. In addition, another CSA will be published in 2013 and will be monitored by a CSA Action Group.	Zahid Parvez	These will be addressed and dealt with as they occur

1st Authorised signature (Lead Officer)	2nd Authorised Signature (Member of SLT)
Date:	Date:

Proposed Children's Centre financial allocations

		Proposed funding					Draft 2013/14	Draft 2014/15
		Current		Proposed funding				
		2012/13 funding		7 months (1 Sep 2012 to 31 Mar 2013)	12 months (1 Apr 2012 – 31 Mar 2013)			
Children's Centre	2011/2012							
Barnfield	£306,093	£127,539	£191,083	£318,622	£340,101	£349,050		
Bell Lane	£276,585	£115,244	£159,013	£274,257	£270,266	£268,603		
Childs Hill	£201,053	£83,772	£139,220	£222,992	£260,601	£276,271		
Coppetts Wood	£374,318	£155,966	£206,639	£362,605	£342,524	£334,158		
Fairway	£376,473	£156,864	£197,312	£354,176	£315,953	£300,027		
Hampden Way	£201,053	£83,772	£131,468	£215,240	£236,321	£244,141		
Newstead	£441,054	£183,773	£211,412	£395,184	£316,550	£283,786		
Parkfield	£440,569	£183,570	£214,041	£397,611	£323,968	£293,284		
St Margaret's	£201,053	£83,772	£125,564	£209,336	£226,629	£234,754		
Stonegrove	£157,171	£65,488	£141,740	£207,228	£293,040	£328,795		
The Hyde	£394,583	£164,410	£203,016	£367,426	£320,872	£301,474		
Underhill	£395,576	£164,823	£207,203	£372,026	£331,655	£314,834		
Wingfield	£419,356	£174,732	£221,792	£396,524	£357,384	£341,076		
Subtotal	£4,184,937	£1,743,724	£2,349,503	£4,093,227	£3,935,864	£3,870,253		
Business rates/Other				£206,773				
Payment by Results					£364,136	£429,747		
Total allocations				£4,300,000	£4,300,000	£4,300,000		

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Meeting	Cabinet Resources Committee
Date	17 th July 2012
Subject	1,3,4,6 and 8 Moss Hall Crescent, N12
Report of	Cabinet Member for Resources and Performance
Summary	To report the terms agreed for the renewal of the Lease of the above properties to Tally Ho Housing Co-Operative Limited for a term of 49 years.

Officer Contributors	Nick Elsley– Principal Valuer
Status (public or exempt)	Public (with a separate exempt report)
Wards affected	West Finchley
Key Decision	No
Reason for urgency / exemption from call-in	n/a
Function of	Executive
Enclosures	Appendix A – Plan No. 24413

Contact for further information: Nick Elsley ext 7369 nick.elsley@barnet.gov.uk

1. RECOMMENDATIONS

- 1.1 That, subject to the prior consent of the Secretary of State (if required), the Council grant a new lease including nomination rights of the properties at 1, 3, 4, 6 and 8 Moss Hall Crescent, Finchley N12 to Tally Ho Housing Co-Operative Limited on the terms set out hereunder and in the accompanying exempt report.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 None.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Corporate Plan 2010-2013 commits the Council to delivering 'Better services with less money'. A key principle of the medium term financial strategy is to continually review the use of Council assets so as to reduce the cost of accommodation year on year and to obtain best consideration for any surplus assets to maximise funds for capital investment and/or the repayment of capital debt. This proposal does this by providing Tally Ho Housing Co-Operative Limited (Tally Ho) with the security of a long lease to enable it to continue to provide accommodation for social housing tenants. It will also provide for the long-term care and maintenance of these properties.

4. RISK MANAGEMENT ISSUES

- 4.1 If a new lease is not granted, as freeholders the properties will revert to the Council on expiry of the current lease. The Council will then become responsible for managing the properties and liable for all repairs and other outgoings. The tenants would become secure tenants of the Council and, subject to their meeting statutory criteria, they would acquire the right to buy.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Pursuant to the Equality Act 2010, the Council and all other organisations exercising public functions on its behalf must have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; Sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.
- 5.2 The Council is committed to improving the quality of life and wider participation for all in the economic, educational, cultural, social and community life of the Borough.
- 5.3 It is not considered that the proposal will give rise to any issues under the Council's Equalities policies and that they do not compromise the Council in meeting its statutory equalities duties.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 There are no procurement, performance and value for money, staffing, IT or sustainability implications. The financial and property implications are set out in paragraph 9 below and in the accompanying exempt report. The Council's Property Services and Valuation Manager is satisfied that the proposed premium represents the best price reasonably obtainable by the Council.

7. LEGAL ISSUES

- 7.1 Section 123 of the Local Government Act 1972 allows the council to dispose of land in any manner it wishes. However, the ability to dispose of land is not unfettered. Section 123 of the 1972 Act requires the council to dispose of land at the best price reasonably obtainable.
- 7.2 The site is held for housing purposes under Part II of the Housing Act 1985. Section 32 of the 1985 Act provides that a local authority may dispose of land held by them for the purposes of Part II in any manner but only with the consent of the Secretary of State. General consents issued by the Secretary of State under section 32 prescribe those situations where the specific consent of the Secretary of State is not required. The General consent has been recently amended and clarification as to whether specific consent is still required is being sought. If it is determined that specific consent under section 32 is required from the Secretary of State an application will be made prior to the grant of the new lease.
- 7.3 Under paragraph 4 of Schedule 5 to the Housing Act 1985, the right to buy does not arise unless the landlord owns the freehold or has an interest sufficient to grant a lease, where the dwelling-house is a flat, a term of not less than 50 years. The grant of a lease to Tally Ho for 49 years will therefore, prevent tenants from acquiring long leases under right-to-buy legislation.

8. CONSTITUTIONAL POWERS

- 8.1 Constitution – Part 3 - Responsibility for Functions – Section 3.6 Functions delegated to the Cabinet Resources Committee – All matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

9. BACKGROUND INFORMATION

- 9.1 These five properties were purchased by the former Greater London Council ('GLC') in 1976. The GLC granted a lease to Tally Ho for a term of 35 years from 22nd November 1977 at a peppercorn rent, for a premium of £73,250. The properties are shown shaded red on the attached plan. The Council also owns the highway amenity land facing the properties. This is not included in the lease demise.
- 9.2 In accordance with the lease terms, Tally Ho then converted each house into 4 flats with the assistance of a Housing Association Grant paid by the Housing Corporation. The GLC received 50% nomination rights to the 20 flats.
- 9.3 On abolition of the GLC the freehold of the properties vested in the Council by virtue of the Greater London Council (Transfer of Land and Housing Accommodation) Order 1980.

9.4 Tally Ho carried out major repairs to the properties with the assistance of a grant of £149,262 approved by the Council's Housing and Environmental Services Committee on 17th December 1990.

9.5 The lease expires on the 21st November 2012, and the Council has the following options:

9.5.1 Allow the lease to expire in November 2012.

The properties will revert to the Council which will become responsible for managing, insuring, maintaining and repairing them. The tenants would become secure tenants of the Council and, subject to their meeting statutory criteria, they would acquire the right to buy.

9.5.2 Grant a new lease on the proposed terms.

This results in the continued management and maintenance of the properties by Tally Ho. Tally Ho's tenants will not acquire the right to buy because of the limited lease term. During the term of their existing lease Tally Ho has managed the properties in an effective way, and the properties are now in good repair and fully let. Tally Ho is made up of the tenants of the flats who work together to manage and maintain their units and the buildings as a whole. This has provided a very successful provision of social housing and a further 49 year term will provide Tally Ho with the opportunity of continuing to provide accommodation independently from the council.

The Housing Department have been consulted and confirmed that the continuation of a lease to Tally Ho would be the preferred option. Accordingly this is considered to be the most effective option for the council.

9.6 Terms have been provisionally agreed with Tally –Ho for the grant of a new lease on the following terms:

9.6.1 The lease to be for a term of 49 years from expiry of the existing lease.

9.6.2 The rent under the lease to be a peppercorn.

9.6.3 A premium, as detailed in the accompanying exempt report, will be payable by Tally –Ho on the grant of the new lease.

9.6.4 Tally –Ho will be responsible for all repairs, insurance and maintenance of the buildings and grounds.

9.6.5 Tally –Ho will be responsible for all rates and taxes and the payment of all utility costs.

9.6.6 The use will be restricted to residential social housing for Tally Ho members only in accordance with Tally –Ho corporate objectives as a Registered Social Landlord.

9.6.7 The council will have nomination rights for 75% of 2 or more bed units and 50% of the 1-bed units

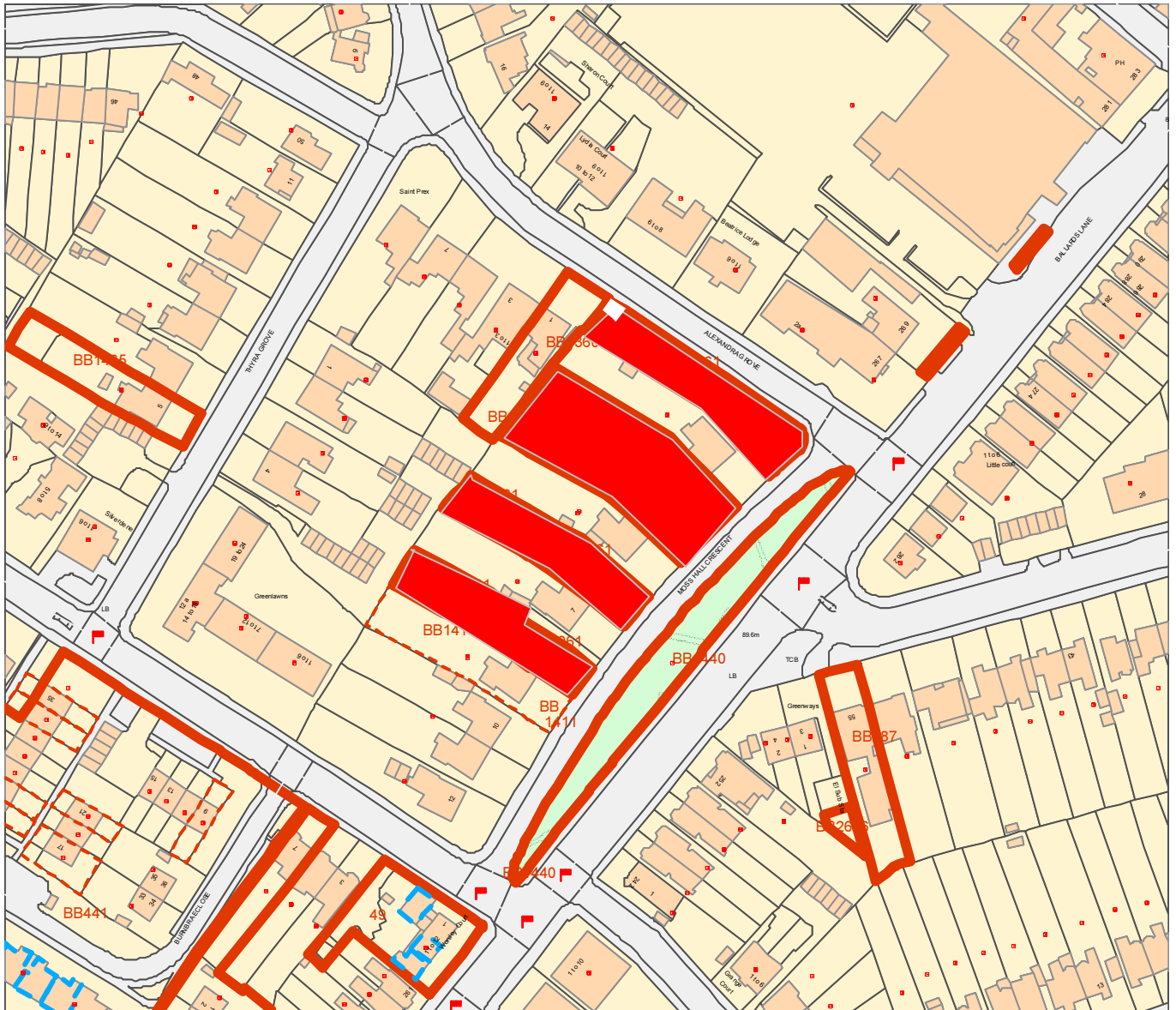
9.6.8 Tally –Ho will not acquire the right to buy and they will not be able to dispose of any units for a premium.

9.7 It is the view of the Council's Property Services and Valuation Manager that the proposed disposal would be in accordance with the Council's statutory duty to receive the best consideration reasonably obtainable.

9.8 The Housing and Environmental Health and Regeneration Departments has been consulted and have indicated that they have no objections to the proposed grant.

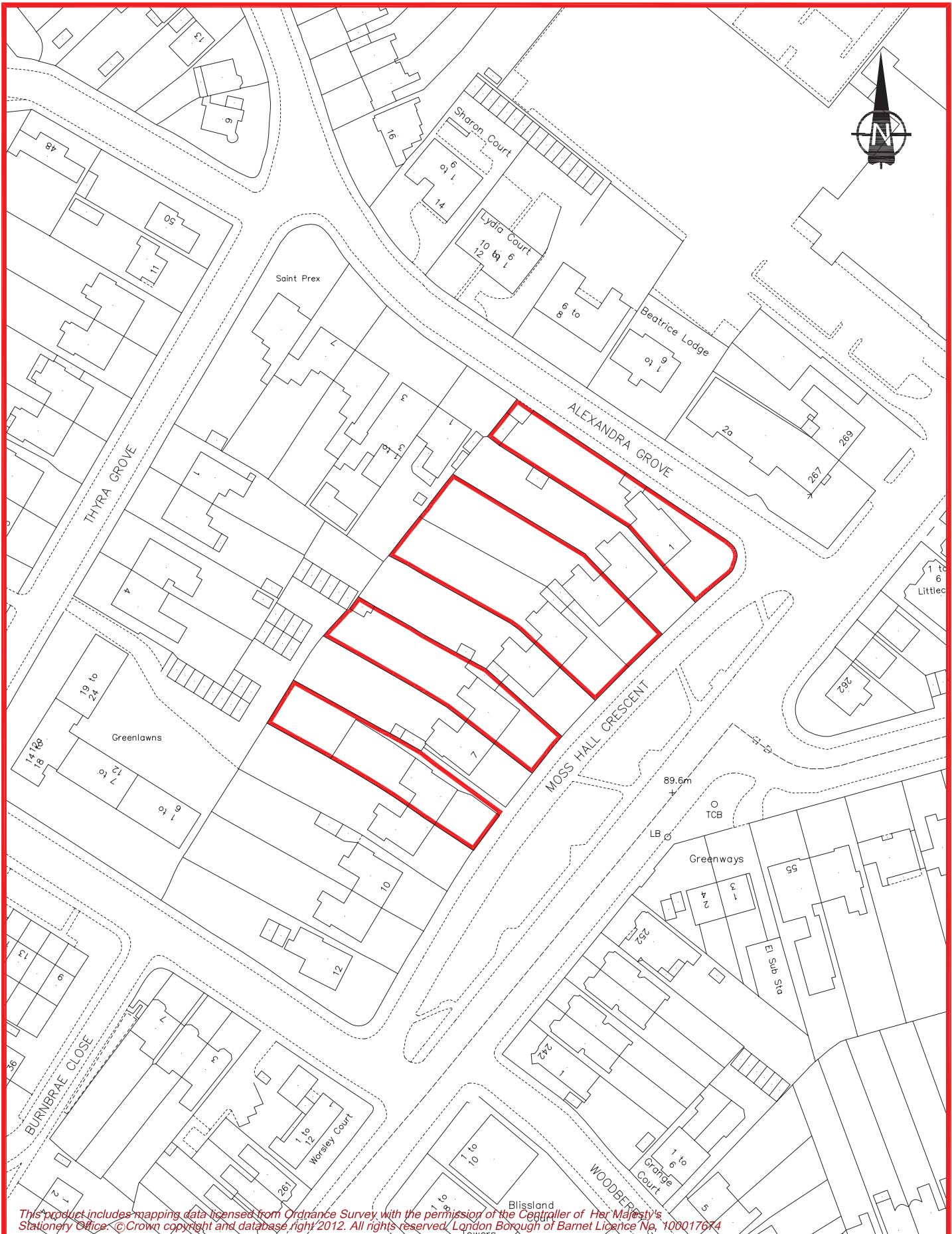
10. LIST OF BACKGROUND PAPERS

10.1 None.



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Initiated by J.E.	SCHEME: 1,3,4,6,& 8 MOSS HALL CRES. NORTH FINCHLEY, N12	Craig Cooper, Commercial Director.	
Drawn by K.E.B.	TITLE: LEASE PLAN	London Borough of Barnet, North London Business Park, Oakleigh Road South, New Southgate, London, N11 1NP. Tel. 020 8359 2000	
Checked by J.E.			24413
Date 09/07/12	Scales 1:1250		43

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Annex B

Meeting	Cabinet Resources Committee
Date	17 July 2012
Subject	The Sale of the freehold interest in the former Hendon Football Club Ground and adjoining land Claremont Road, Hendon
Report of	Cabinet Member for Resources and Performance
Summary	Following the granting of an injunction and an application for judicial review the report reconsiders the decision to sell the freehold interest in the Hendon Football Club site and proposes a fresh decision.
Officer Contributors	Judith Ellis – Valuation Manager, Richard Malinowski – Principal Valuer
Status (public or exempt)	Public, with exempt report
Wards affected	Golders Green Ward
Enclosures	1) Copy of Injunction 2) Email from Chief Inspector Nigel Ward 3) DVS Addendum (Exempt only)
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency/ exemption from call-in (if appropriate)	N/A
Contacts for further information:	Judith Ellis, 020 8359 7364 and Richard Malinowski, 020 8359 7359

INTRODUCTION

As members will be aware the decision of the Committee dated 28 February 2012 to sell the freehold of the Hendon Football club site to Montclare Limited is currently the subject of a judicial review, and an interim injunction has been granted by the Court to stop the sale going ahead. The Claimant for the judicial review is the London Jewish Girls High Limited, which is referred to below as “the School”. In these circumstances the Council has been advised by leading counsel to reconsider the decision to sell, and to make a fresh decision.

Reference is made below to earlier reports, being the Delegated Powers Report of 25th November 2011 and the decision by Cabinet Resources Committee on 28th February 2012. The relevant facts and issues are set out in this and also the exempt report.

1. RECOMMENDATIONS

1.1 That the Cabinet Resources Committee takes into account the information contained in the public and the exempt reports to give the authority to complete the sale of the Council’s freehold interest in this site to Montclare Limited on the terms authorised by the Director for Commercial Services in consultation as set out below.

- a) For a consideration of £2.8 million**
- b) Overage payment as set out in the exempt report**
- c) The provision of £4.1 million worth of Affordable Housing in the borough**
- d) Community Infrastructure Levy and Section 106 contributions**
- e) Nomination rights on the Affordable Homes as valued in the exempt report**

2 FACTUAL HISTORY

2.1 The site is leased to Hendon Football Club Limited from 28 October 1997 for a term of 99 years. On 18 September 2003 the Council approved the principle of the sale of the freehold for residential development and appointed marketing agents. The Council had first worked with the Arbiter Group Limited and then Montclare Developments Limited, who took over the site from Arbiter in August 2008 as potential development partners. The Council granted itself outline planning permission on 18 October 2004 for 162 two bedroom flats and a care home, and it worked with Montclare Developments Limited to move the football activities from the site pending redevelopment. The playing of football at the site was discontinued at the end of the 2007/08 season.

2.2 The Council negotiated with Montclare Developments Limited the terms of selling its freehold interest and in a delegated powers report dated 25 November 2011 approval was given for a sale at £2.8 million. An independent external valuation of the site was commissioned from the DVS Valuation Office Agency (DVS) which concluded that the terms agreed between the Council and Montclare Developments Limited were the best terms reasonably obtainable.

- 2.3 On 12 February 2012 the School made a bid for the freehold. Its offer was £3.5million.
- 2.4 On 28 February 2012 the Cabinet Resources Committee accepted the recommendation that the Council should complete the sale of the freehold of the site to Montclare Limited.
- 2.5 The School issued judicial review proceedings and on 31 May 2012 obtained a without notice injunction preventing disposal of the site pending determination of the litigation.

3 RELEVANT PREVIOUS DECISIONS

- 3.1 Cabinet Resources Committee (CRC), 18th September 2003 – approved in principle the freehold sale of the Hendon Football Club site for residential development.
- 3.2 CRC, 8th July 2004 – approved terms, (amongst other matters) to the ultimate transfer of the freehold interest in part of the site to Ealing Family Housing Association for the building of an elderly persons care home and day centre.
- 3.3 On 18th October 2004 – Outline Planning Consent was granted for 162 two-bedroom flats and a care home.
- 3.4 CRC, 26th September 2005 – approved terms for the sale of the freehold of the site to the developer Kings Oak North London, subject to extensive conditions safeguarding the Council's objectives and the future of Hendon Football Club.
- 3.5 CRC 6th December 2006 – agreed to proceed with conditional contracts to Oracle Homes Ltd and City and Docklands Property Group on their offers for the sale of part of the Hendon Football Club site, subject to various conditions.
- 3.6 CRC 14th January 2008 – approval was given to the sale of this Council's freehold interest to the lessee, the Hendon Football Club Ltd
- 3.7 CRC 28th July 2011 – approval was given to proceed with negotiations with Montclare Developments Ltd and for the final terms to receive approval of the Commercial Director in consultation with the Chair of the Cabinet Resources Committee.
- 3.8 Delegated Powers Report DPR 1467 dated 25th November 2011 – gave authority to proceed with the sale on the terms agreed to Montclare Developments Limited and noted in the exempt part of the report.
- 3.9 Business Management, Overview and Scrutiny Committee (BMOSC), on 9th January 2012 – referred the decision back to the decision maker (Commercial Director (in consultation with the Cabinet Member for Resources & Performance)), for reconsideration to investigate different uses for the land, taking into account the demand for local community use and retention of open space.
- 3.10 CRC 28th February 2012 confirmed authority to sell the freehold interest in the site to Montclare Limited on the terms authorised by the Director for Commercial

Services in consultation with the Chairman of the CRC as set out in the DPR of 25 November 2011.

4. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 4.1 Under the Corporate priority 'Better Services with Less Money', the Council has committed to 'Better use Council assets'.
- 4.2 The Council's Estates Strategy 2011-2015 sets out our commitment to continually review the use of council assets so as to reduce the cost of accommodation year on year and to obtain best consideration for any surplus assets to maximise funds for capital investment and/or the repayment of capital debt. The recommendation supports this, by producing a capital receipt for the Council in line with this objective.
- 4.3 The recommendation aligns with the Council's objectives for regeneration in the Borough as set out in the Council's Local Development Framework. The Regeneration Service has been consulted and their observations are included below.

5. RISK MANAGEMENT ISSUES

- 5.1 When disposing of land, Section 123 of the Local Government Act 1972 requires local authorities to achieve the best consideration reasonably obtainable. The proposed sale arose out of on-going negotiations with Montclare Developments Ltd who are the holding company of the lessee company, the Hendon Football Club Limited. A valuation has been undertaken by an independent third party, the DVS Valuation Office Agency and the report has confirmed that the agreed price and terms are the best consideration reasonably obtainable. The DVS report contains commercially confidential information, and is attached to the Exempt Report.
- 5.2 The site has been subject to long-standing problems with squatting, largely by East European Nationals. Indeed we have informed that people are being transported to the site immediately after arrival to the United Kingdom. Furthermore the site is an eyesore causing concern among local residents. Although the majority of the buildings have been demolished by the leaseholder and the council the squatters are rebuilding shelters using the materials on site. Instructions have been given to a contractor to demolish the remaining structures and remove any materials that can be used in re-construction. There are concerns that these structures could collapse and seriously injure the people living inside. The police have also raised concerns (email from police attached) that this location and occupants are crime generators and most recently there was an incident of Grievous Bodily Harm resulting from a fight between the squatters. Police are monitoring and had obtained a warrant to carry out searches.
- 5.3 The fact of the judicial review also creates risks for the Council, and the issues that arise from the judicial review are referred to in this report and the Exempt Report.

6. EQUALITIES AND DIVERSITY ISSUES

- 6.1 Under the Equality Act 2010, the Council must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is

prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination

6.2 The proposals have been considered and will not give rise to any issues under the Council's Equalities Policy and do not compromise the Council in meeting its statutory equalities duties.

7. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for money, Staffing, IT, Property, Sustainability)

7.1 It is anticipated that a capital receipt will be receivable by this Council although the current rent receivable will cease. Details of the estimated capital receipt are referred to in the exempt report and the DVS report addendum.

8. LEGAL ISSUES

8.1 The School on 31 May 2012 obtained an Injunction Order from the High Court that the Council be restrained from disposing of its freehold interest in the site to Montclare Limited until the determination of the Claimant's application for Judicial Review that was lodged on 20 May 2012. In light of the judicial review advice from Leading Counsel the decision as to whether to sell to Montclare Limited should be made afresh.

9. CONSTITUTIONAL POWERS

9.1 Constitution, Part 3, Responsibility for Functions - paragraph 3.6 states the functions of the Cabinet Resources Committee which includes all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

9.2 Constitution, Overview and Scrutiny Procedure Rules – section 15 details the call-in procedure

10 BACKGROUND INFORMATION

10.1 The background that follows deals with the situation that has developed since approval was given to proceed with the sale. To assist Councillors a copy of the 28 February 2012 report is attached.

10.2 Following the 28 February 2012 decision the appropriate Delegated Powers and Cabinet Resources Committee reports were forwarded to the Council's legal department with Instructions to proceed with the preparation of the sale documents. A draft contract was prepared and submitted to the purchaser's solicitors on 29 March 2012. However the sale has now been put on hold due to the grant of an injunction.

10.3 The process that led to the injunction started a month after the Cabinet Resources Committee approved the sale to Montclare Limited. On 30 March a letter was sent

by Fladgate a firm of solicitors acting on behalf of the School alleging that the decision to sell to Montclare Limited was unlawful. The reasons for the alleged unlawfulness have varied but the essential point was that the offer from the School was not properly considered, and that the offer from Montclare was not the best financial bid.

10.4 The School's arguments can be summarised as follows;

- The leaseholder, namely the Hendon Football Club Limited, are in default of a loan from their Bank and as such the lease will be sold on the open market, and the School could buy it. The School would then be in a position to buy the freehold from the Council and redevelop the site.
- The School's bid is higher consideration than the value of Montclare Limited's bid.

10.5 Since receiving the various correspondence from the School's solicitors, and the judicial review claim form, the Council has made strenuous efforts to establish the factual position, and to ensure that the advice on best consideration remains sound.

10.6 Clearly the opportunity to develop the site requires the acquisition of both the leasehold and freehold interests. During the past year the Council has given the School every opportunity to meet and convince the leaseholders (in effect Montclare Developments Limited as owners of Hendon Football Club Limited) to sell their interest. Nevertheless the Council were informed by the leaseholder that they would not sell their interest to the School and leaseholders had informed the School of their position on several occasions. Accordingly one of the reasons officers stated in the earlier reports for selling to Montclare was that the leasehold was not available for the School to buy.

10.7 The position is somewhat complicated because the leaseholder has an outstanding loan which is now being dealt with by Irish Bank Resolution Corporation (IBRC), the combined entity of the Anglo Irish Bank Corporation and the Irish Nationwide Building Society and the School had suggested that that loan was in default. When the school submitted their offer on the 6 February 2012 they attached an email dated 20 December 2011 from Michael Monteith of the IBRC. The email stated "*It is intended that the leasehold interest will be put on the market in the new year once the selling agent is appointed*". A copy of an article headed "*NAMA says rules prevent buy-back from defaulters*" was also submitted, with the inference that the tenant had defaulted, that the bank were about to call in the loan that the leasehold would be put on the market. As a result officers have attempted to establish the factual position.

10.8 The Council's legal department responded to Fladgate on 23 April stating the claim had no merit and set out the salient facts to explain the reasoning. During negotiations with Montclare Developments Limited officers discussed with the School the possibility of a transaction involving both the freehold and leasehold and stressed it was essential for the School to acquire the leasehold interest. Officers had also carried out enquiries into the background of the Hendon Football Club Limited and Montclare Developments Limited.

10.9 Following correspondence between the Council's legal department and Fladgate, officers carried out further checks on the Hendon Football Club Limited, Montclare Developments Limited and Montclare Limited. The director of Hendon Football Club Limited submitted an email he received from the IBRC in April 2012. This stated *"Please note that IBRC / NAMA have not enforced their security against Hendon Football Club Ltd at this time and both parties continue to work together in a co-operative manner towards the likely disposal of Hendon Football Club Ltd's long-leasehold title over land & property at Hendon Football Club, Claremont Road, London"*. A comprehensive check has also been carried out on the National Asset Management Agency (NAMA) web site which publishes lists of receiverships, bankruptcies and companies in administration and a list of properties subject to enforcement action. Neither the Hendon Football Club Limited nor Montclare Developments Limited nor Montclare Limited have appeared on NAMA's list of receiverships, bankruptcies nor are they in administration. Furthermore the leasehold interest of the site is not on NAMA's list of properties for enforced sale.

The position between IBRC, the leaseholder and Montclare is not completely clear. However, it seems unlikely that IBRC will force a sale as long as there is a realistic possibility of development coming forward.

10.10 Officers were informed on the 22 June 2012 by the Commercial Banking Manager at the IBRC that *"it is not the Bank's policy to comment on Borrower's accounts. I would point out that the proposed purchaser of the Freehold is not in default with NAMA and they are not a Borrower."*

10.11 In these circumstances it appears to be the case that Montclare can continue to refuse to sell the leasehold to the School and there can be no certainty that the School would be able to proceed with any redevelopment.

10.12 However, given the considerable uncertainty over this issue, the Council decided to seek further advice from the DVS on the question of best consideration and whether the terms offered by Montclare Limited have complied with section 123 of the Local Government Act 1972. The DVS were also provided with the details of the offer from the School and an addendum to the original valuation report has been obtained. The addendum provides information on both offers and is attached to the exempt report.

10.13 In essence the DVS has confirmed that package offer received from Montclare Limited was still the best proposal under section 123. This advice is in terms of the capital receipt, the higher level of certainty in proceeding with Montclare rather than the School, and the wider community benefits through likely CIL and section 106 contributions. In addition to the cash offer and overage being offered by Montclare Limited, their proposal will provide Community Infrastructure payments and section 106 contributions and an affordable homes development valued at £4.1 million. Furthermore the Council will be in a position to secure nomination rights over the affordable housing.

10.14 It is the conclusion of Council officers that best consideration under section 123 continues to be met with a sale to Montclare Limited for the following reasons.

1. The DVS's advice set out above on the financial value and the wider benefits of the Montclare Limited bid.
2. Uncertainty over whether the School's bid will be maintained at its current level.

3. Uncertainty over whether the planning permission would be forthcoming for the School proposals.
4. The inevitable, and considerable delay, inherent in the School's bid and the consequences for the management of the site.

10.15 It should be noted that on 28 February 2012, the CRC reconsidered the decision to sell the Council's freehold interest to a company referred to as Montclare Limited. The name of the company was not correctly reported as negotiations had taken place with Montclare Developments Limited and Montclare Limited was not incorporated until 30 March 2012. Thus the 28th February 2012 decision should have confirmed the sale to Montclare Developments Limited and not Montclare Limited.

10.16 Council officers requested additional information on the connection between the companies. The purchasers solicitors informed the Council in correspondence stating:

"I confirm that the ultimate beneficial shareholders in Montclare Developments Limited are Nicholas Fisher and Andrew Landesberg..." and "the ultimate beneficial shareholders in Montclare Limited at the time of exchange with the Council will be Nicholas Fisher and Andrew Landesberg ..."

In accordance with the above, the shareholders of Montclare Developments Limited and Montclare Limited namely Mr Nicholas Fisher and Mr Andrew Landesberg are the beneficiaries of all the shares in both companies, Montclare Developments Limited being the holding company of Hendon Football Club Limited. Companies House checks were carried out by the Council's legal department on the three companies which confirmed the following –

(a) **Name and Registered office:**

Montclare Limited, 35 Peter Street Manchester M2 5BG

Company No: 08013673,

Date of Incorporation: 30.03.2012

Status: Active

Director: Mr Nicholas Fisher

(b) **Name and Registered office:**

Montclare Developments Limited, 30 City Road London EC1Y 2AB

Company No: 06657091

Date of Incorporation: 28.07.2008

Status: Active

Director: Mr Andrew Landesberg

(c) **Name and Registered office:**

Hendon Football Club Limited, 4 Rowan Walk London N2 0QJ

Company No: 02944496

Date of Incorporation: 01.07.1994

Status: Active

Directors: Mr Andrew Landesberg and Joanne Rachel Landesberg

10.17 All past negotiations have involved both Mr Fisher and Mr Landesberg and the connection between the companies is explained above. Thus authority is sought for the sale to Montclare Limited.

11. LIST OF BACKGROUND PAPERS

11.1 Copy of the Injunction

11.2 Email from Chief Inspector Nigel Wray to Steve Murrant dated 21 June 2012

CFO: JH

Legal: CH/JK



In the High Court of Justice

CO/5607/2012

Queens Bench Division Administrative Court

In the matter of an application for Judicial Review

The Queen on the application of

London Jewish Girls High Limited v London Borough of Barnet

versus

London Borough of Barnet

On the application for permission to apply for interim relief

Following consideration of the documents lodged by the parties

Order by the His Honour Judge Thornton, Q.C.

Order

Application for interim relief allowed with permission to apply

1. The defendant be restrained from disposing of its freehold interest in the land known as "The Hendon Football Club site" at Claremont Road, London, NW2 until the determination of the claimant's application for permission to apply for judicial review or further order.
2. Claimant has permission to register this order as a pending action or any other appropriate registration in the Land Registry as accepted by the Registrar.
3. The defendant is to serve an acknowledgement of service and grounds and, if it wishes to contest the Interim Injunction, to set out its grounds and all facts and matters relied on to seek a discharge or variation of the interim injunction. These documents are to be served within 21 days of the service of this order on the defendant.
4. Claimant to serve a reply document within 14 days of the service of this order.
5. Papers to be put before a judge of the Administrative Court to consider the claimant's application for permission and, if permission is granted, to consider whether and, if so, with what terms if any, to vary or discharge the interim injunction.
6. If permission is refused, the judge is to consider whether to extend the interim injunction further until the claim is dismissed or withdrawn or any renewed application has been determined.

Reasons

It is appropriate to preserve the land from disposal pending the consideration of the claimant's permission application and to consider that issue and any extension of the injunction at the same time as the permission application. The claimant has permission to

From: Nigel.R.Ward@met.pnn.police.uk [mailto:Nigel.R.Ward@met.pnn.police.uk]
Sent: 21 June 2012 18:14
To: Murrant, Steve
Cc: Adrian.Needley@met.police.uk; Pete.J.Hewitt@met.police.uk; Mark.Strugnell@met.police.uk
Subject: Hendon Football Club

Steve

As you are already aware this situation is not new and has already taken up a significant time of the Local authority, LFB, Environmental health and Police both from Safer Neighbourhoods and investigation wing. The venue has been visited by all concerned on many occasions spanning at least 12 months and subjects have been moved off however as the site is unprotected a new group seems to always migrate back there, mainly made up of Eastern Europeans.

There is direct intelligence that this location and occupants are a crime generators and sitting in the centre of the boroughs Burglary hot spot is a serious concern for police and risk to the residents of Barnet. Most recently there was a GBH at the location the result of a fight between squatters. The structures being lived have been erected by the squatters and are completely unsafe, recently there was in fact a fire at the location caused by people cooking on site. There are facilities at the location leading to a significant health risk to the public and the residents. I have a real concern that if prompt action to clear this site is not taken someone could be seriously injured or potentially there could even be a loss of life.

The Safer Neighbourhood team has re-opened the problem solving strategy 302 for the location again and will begin the coordinating of partnership efforts. In the short term however it is essential the Local Authority takes immediate action to clear this site and level the structures as owners to manage and prevent the risks highlighted.

Regards

Nigel

T/ Chief Inspector Nigel Ward

**Partnership, Crime and Disorder Reduction SX BOCU
Colindale Police Station
Grahame Park Way
Colindale
NW9 5TW**

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AGENDA ITEM 9

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