

<b>Meeting</b>	<b>Cabinet Resources Committee</b>
<b>Date</b>	<b>25<sup>th</sup> February 2014</b>
<b>Subject</b>	<b>Friary House, Friary Park, Friary Road, London, N12 – 9PQ</b>  Proposed change of lay out and re-fit of the vacant first floor within Friary House and letting of the accommodation to Community Focus Inclusive Arts
<b>Report of</b>	<b>Cabinet Member for Customer Access and Partnerships</b>
<b>Summary of Report</b>	To seek CRC approval for: 1) Expenditure to enable a change of the internal lay out and a re-fit of the vacant first floor area of Friary House (currently in a shell condition); 2) To note the proposed letting of the refurbished first floor, vacant top floor office and an external store to Community Focus Inclusive Arts

Officer Contributors	Emma Francies, Building Services George Church, Property Services
Status (public or exempt)	Public
Wards Affected	Coppetts
Key Decision	No
Reason for urgency / exemption from call-in	Not Applicable
Function of	Executive
Enclosures	Drawings 23263-6-3 and 23263-14
Contact for Further Information:	George Church, Property Services, 020 8359 7366, Emma Francies, Building Services, 07765 220883

## **1. RECOMMENDATION**

- 1.1 That Cabinet Resources Committee note the proposal to grant an agreement for lease and lease between the Council and Community Focus Inclusive Arts of the vacant first floor and one of two offices on the top floor of Friary House, plus an external store, following completion of the works required to make the first floor space useable. Once agreed, the letting will be authorised via a Delegated Powers report.
- 1.2 That, subject to completion of the agreement for lease referred to at 1.1 above, the Committee approve the fit-out works to the first floor of Friary House in order to facilitate the occupation of Community Focus Inclusive Arts. The total cost of the works will not exceed £100,000, towards which Community Focus Inclusive Arts will make a contribution of £10,000.

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Cabinet Resources Committee, 28<sup>th</sup> July 2004 (Decision 4) – that, having given proper consideration to representations received, it be agreed that the appropriation of Friary House and the adjoining car parking land from open space to the general purposes of the council should proceed and that the appropriate Chief Officer be instructed to complete the matter in forms to their approval.
- 2.2 Cabinet Resources Committee, 25 March 2008 (Decision 6) – 1. That Friary House be renovated for use as a resource benefiting the voluntary and community sector, subject to satisfactory business plans being signed off by the Executive Director of Resources. 2. That if the project proceeds, the four voluntary organisations currently based at the Friern Park Centre, 1 Friern Park N12, be offered space at Friary House on terms to be agreed.
- 2.3 Cabinet Resources Committee, 23 February 2010 (Decision 8) – 1. That an agreement for lease between the Council and The Metropolitan Police Authority (MPA) of part of the first floor of Friary House will be completed on the terms set out in this report and the exempt section. 2. That, subject to completion of the agreement for lease referred to at 1.1 above, the tender for the refurbishment of Friary House which scored highest on quality and price combined submitted by T&B (Contractors) Ltd in the sum of £497,851.00 plus VAT be accepted and a form of contract be entered into between the Council and the Contractor subject to the approval of the Head of Legal. 3. That the estimated overall cost of the construction project in the sum of £699,000 including fees, set out in this report be noted.

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Council's Corporate Plan for 2013/14 - 2015/16 includes the following strategic objectives:
  - To create the right environment to promote responsible growth, development and success across the borough
  - To support families and individuals that need it – promoting independence, learning and well-being

- To improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.

3.2 A strong and vibrant community and voluntary sector is an important contributor to these objectives. Community Focus Inclusive Arts (Community Focus) provides support to residents with disabilities. The proposal to bring Friary House, which has the potential to be a vibrant community asset back into full usage and to use it to continue the operations of Community Focus, will help the council to meet its objectives as set out in the Corporate Plan.

#### **4. RISK MANAGEMENT ISSUES**

4.1 All possible risks associated with the proposed works to Friary House, such as: working within an occupied premises, fire risk and evacuation procedure, asbestos risk, car park and access for disabled people etc., will be addressed prior to the construction phase on site; through documents such as risk assessment, method statement, fire risk / occupancy assessment, DDA report etc. All measures will be taken during the construction phase to mitigate / eliminate all risks.

4.2 The risk of the fitting out work being carried out and Community Focus not completing the lease will be addressed by a legally binding agreement for lease including the lease, being completed before the building contract is entered into.

#### **5. EQUALITIES AND DIVERSITY ISSUES**

5.1 The Council and all other organisations exercising public functions on its behalf are required under the Equality Act 2010 to 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 for all and wider participation in the economic, educational, cultural, social and community life in the Borough. The Equality Act 2010 also requires the provision of reasonable adjustment to meet the needs of a disabled person where they are different from the needs of non-disabled people in order to provide equal access and equal treatment.

5.3 This commitment can be implemented at Friary House because the 2009/2010 refurbishment of the building included the provision of a platform riser lift for wheelchairs and disabled access from the park into Friary House which will be an important facility for Community Focus. The proposed fitting out work and the letting of the premises to Community Barnet will significantly improve a council property asset to enable it to be used for the benefit of the council and the community, including its disabled members in the future.

- 5.4 Community Focus's wish to take a lease of the accommodation will be beneficial to the community because they are an inclusive multi-arts centre based in Barnet and the premises to be provided will be attractive and appealing for them. Community Focus work to encourage members of the community of all ages, backgrounds and abilities to participate in the arts, to gain confidence and to challenge barriers through integration and innovation. The proposed letting will enable an inclusive organisation to provide education to the local community using principally using the medium of art.

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

- 6.1 The refit is estimated to cost in the region of, but not exceeding, £100,000. This will be funded from the 2013/14 underspend on Big Society Innovation Bank and £55,000 from the 2013/14 service priorities fund.
- 6.2 Tenders for the proposed works are to be invited from suitably experienced specialist contractors under the restricted procedure of the Councils Contract Procedure Rules. Any tenders received will be subject to an evaluation in both quality and price, which is based on a set criterion, to be agreed prior to tendering. The contract period will be 8 weeks from possession of the site by the contractor.
- 6.3 A medium term commercial lease of the premises has been agreed in principle at a rent of £10 per square foot of net lettable floor area. The detailed terms of the agreement for lease and lease will be authorised by a Delegated Powers Report.

## **7. LEGAL ISSUES**

- 7.1 The Council has power to grant leases of land and buildings for the best consideration that can reasonably be obtained under section 123 of the Local Government Act 1972

## **8. CONSTITUTIONAL POWERS (RELEVANT SECTION FROM THE CONSTITUTION, KEY/NON-KEY DECISION)**

- 8.1 The Council's Constitution Responsibility for Functions, paragraph 4.6 states the functions delegated to the Cabinet Resources Committee including 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 Friary House is a Victorian gothic house situated in Friary Park, nearest to the Friary Road entrance to the park. The building is owned freehold by the Council. The terms of the gift of the park and Friary House were that the property should be retained by the Council in perpetuity and that a café be provided in the house for the park users and that rooms be available for the public to meet in the house.

- 9.2 A suite of offices at first floor level was to be let to the Metropolitan Police following the refurbishment of the building in 2010. The police were to fit out the offices at their expense. Immediately prior to the lease being completed, the police decided not to proceed. The offices were left in shell condition, with new services run to the floor but with floors, walls and ceilings left bare of finishes
- 9.3 Following the eviction of Community Focus from their current accommodation at the Arts Depot in Finchley, the Council has been working with the organisation to find alternative premises for them to continue their activities. The Council has agreed drafts heads of terms for Community Focus to move into Friary House – occupying the vacant first floor (following the re-fit), one of the two offices on the top floor and an external store. The proposal for Community Focus to occupy vacant areas within Friary House will not impact other organisations that currently use the building.
- 9.4 The proposed arrangement with Community Focus provides the opportunity to bring Friary House back into full use. Refurbishment work is required to bring the first floor shell into a usable state - new heating, lighting; fire alarm etc equipment and floor finishes need to be installed. To enable a large area to be provided for teaching purposes, two substantial internal walls need to be demolished. This will provide more efficient space, attractive to occupiers into the future. The use of the existing platform lift will be required and therefore the existing entrance/exit door from the lift will require re-opening since it was sealed off during the refurbishment works previously carried out in 2010.
- 9.5 The meeting rooms and kitchen at ground floor level, the two offices at mezzanine level and one office at second floor level will be used by the current occupiers, with the ground floor meeting rooms remaining available for use by the public and the occupiers of the building outside usual office hours. At these times the meeting rooms are available for hire on payment of a hire fee and a charge for the attendance of security personnel.
- 9.6 One office at second floor level is currently vacant and this, together with an external store will also be let to Community Focus.
- 9.7 The total cost of the refit of the first floor – including the reconfiguration of two internal walls – will not exceed £100,000. It has been provisionally agreed with Community Focus that the Council will carry out the principal fitting out work in the Community Focus space for them, at the Council's expense, with Community Focus paying a £10,000 contribution towards the work, including the Council's fees incurred in this regard. This will also help to guard against possible damage to the common parts of the building during the construction phase.

- 9.8 The Council will charge Community Focus a rent of £10 per square foot and service charge of £6 per square foot from the first day of occupancy, through the proposed term of the lease which is 20 years. The detailed lease terms will be authorised under Delegated Powers. This means that the arrangement will provide certainty for Community Focus following their eviction from the Arts Depot and that the upfront cost to the Council will be repaid through the rental after little more than 5 years.
- 9.9 Planning consent for change of use of the offices for educational purposes and building regulation approval will be applied for.

## **10. LIST OF BACKGROUND PAPERS**

10.1 None.

<b>Cleared by Finance (Officer's initials)</b>	AD
<b>Cleared by Legal (Officer's initials)</b>	IDG