



ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 19th March 2015

Title	Stonegrove and Spur Road Estate, Regeneration, Phases 4a and 4b Appropriation to planning and Land Transfer and the grant of a Works Licence for Phase 6a
Report of	Strategic Director for Commissioning
Wards	Edgware
Status	Public
Enclosures	<p>Appendix A - Plan numbered 10930_MP_74F which shows the remaining scheme phasing.</p> <p>Appendix B - Plan 12369_70_12 Rev C entitled "Phases 4a & 4b Land Transfer" showing:</p> <p>The land outlined red that is appropriated to planning, and The land outlined in red, but excluding the land outlined green, that is to be transferred to Barratt Evolution LLP in accordance with the Terms of the PDA and The land outlined green to be transferred to Family Mosaic in accordance with the Terms of the PDA</p> <p>Appendix C – Plan 12369_05_30-A Showing outlined red the land in the next development stage Works Licence</p> <p>Appendix D - Consent of The Secretary of State under s 19 of the Housing Act 1985 to the appropriation of land held in the Housing Revenue Account to other uses, received on 10th January 2014</p> <p>Appendix E – Consent of The Secretary of State under section 25 of the Local Government Act 1980 to the disposal of land at less than best value affording financial assistance, received on 19th December 2013</p>
Officer Contact Details	Peter Bays Peter.bays@barnet.gov.uk Extension 7868

Summary

The Council approved entering into the Principal Development Agreement for the Stonegrove Regeneration Scheme at its Cabinet Resources Committee on 25th March 2008. All conditions precedent of that legal agreement have been satisfied and the agreement, known as the Principal Development Agreement (PDA), which was signed on 24th September 2008 and is now in force between the Council and Barratt Evolution LLP, a joint venture between Barratt and Family Mosaic.

Under the terms of the PDA the development partner, Barratts, must serve a notice requiring the Council to transfer the land needed for the new homes. These Notices are served on a phase by phase basis, upon reaching certain contractual milestones, to enable them to complete their transfer of affordable homes to Family Mosaic and the sale of private sale dwellings in line the agreed program.

To date approximately half of the land has already been transferred by the Council and the formal Acquisition Notice calling for the draw-down of the next phase, known as phases 4a and 4b, was served on the Council on 5th March 2015. Barratts have requested that the Council transfer part of the land directly to the Social Housing provider, Family Mosaic Homes.

Prior to the transfer the Council is required to appropriate the land to Planning to extinguish any private rights. This was approved by Cabinet on 18th June 2007 (Cab. Dec 18/07/2007 – 6). We are not aware of any existing private rights on this land.

This DPR is to appropriate the land in phase 4 a and 4b to Planning and then for consent to complete the transfer the land for the social housing to Family Mosaic Homes and the balance of the land to Barratt Evolution LLP, as required under the Principal Development Agreement.

Decisions

- 1. That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the provisions of Section 122 of the Local Government Act 1972, the land shown outlined red on the attached plan at Appendix C “12369_02_12 Rev C Phases 4a & 4b Land Transfer” is hereby appropriated to planning purposes.**

- 2. That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to the transfer of the land shown outline green on the attached plan at Appendix B “12369_02_12 Rev C Phases 4a & 4b Land Transfer” to Family Mosaic Homes.**
- 3. That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to the transfer of the land shown outline red on the attached plan at Appendix B “12369_70_12 Rev C Phases 4a & 4b Land Transfer”, excluding the land transferred under paragraph 2 above, to Barratt Evolution LLP.**
- 4. That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to entering into a Works licence for the Church, Community Centre, Parsonage and Phase 6a as shown outlined red on the plan at Appendix C**

1. WHY THIS REPORT IS NEEDED

- 1.1 The site is known as the Stonegrove and Spur Road estates, Edgware, London HA8. Stonegrove and Spur Road estates are situated on the edge of the green belt at the very northern edge of the London Borough of Barnet, adjoining the London Borough of Harrow.
- 1.2 The estates were built in the 60s and 70s, and comprise of a mixture of 11-storey tower blocks and four-storey maisonette blocks.
- 1.3 Due to the poor state of repair of the buildings on the Stonegrove and Spur Road estate, their high energy costs, condensation and general structural repair problems the council resolved to regenerate the estates to provide modern homes, and take the opportunity to reconnect this 11.5 hectare site with the surrounding community, and the existing landscape and trees.
- 1.4 In response to the need to address these issues, the council took the decision to work with a registered social landlord to bring about the regeneration of the estates and to meet the Decent Homes standard. To this end, Family Mosaic was approved (December 2001) as the council's preferred development partner charged with working with council officers to progress regeneration proposals.
- 1.5 In February 2006, the council resolved to proceed with the development of proposals for the regeneration of the Stonegrove and Spur Road Estates incorporating the demolition of 603 existing dwellings and the provision of

a maximum of 999 new homes (including the Penniwell Close site).

- 1.6 The Council approved entering into the Principal Development Agreement for the Stonegrove Regeneration Scheme at its Cabinet Resources Committee on 25th March 2008. All conditions precedent of that legal agreement have been satisfied and the agreement, known as the Principal Development Agreement (PDA), which was signed on 24th September 2008 and is now in force between the Council and Barratt Evolution LLP (BEL), a joint venture between Barratt and Family Mosaic. The Regeneration area is shown on the attached plan, numbered 10930_MP_74F which shows the scheme phasing.
- 1.7 The affordable housing is provided and managed by Family Mosaic Housing (under an affordable housing agreement). They are a registered provider and one of the delivery partners for the Stonegrove and Spur Road regeneration scheme with ultimate responsibility for the management of all social rented housing developed under the scheme. The Council has 100% nomination rights to these properties.
- 1.8 Phases 1 to 3 and phases 5 & 6 are either complete or nearing completion and the land has already been transferred to BEL in accordance with the terms of the Principal Development Agreement. The acquisition of all interests phases 4a and 4b, supported by CPO, is complete and the developers are in occupation under a Development Stage Works Licence. All Council tenants have been relocated into new accommodation in the completed phases.
- 1.9 In accordance with the provisions of the PDA Barratts served an Acquisition Notice on the Council on 5th March 2015 calling for the transfer of phases 4a and 4b. Under the terms of the PDA this requires the Council to transfer the land, as shown outlined red on the attached plan 12369_70_12 Rev C entitled "Phases 4a & 4b Land Transfer" to Barratt Evolution Limited, to enable them to complete their transfer of affordable homes to Family Mosaic and the sale of private sale dwellings in line the agreed program.
- 1.10 In Phase 4 there are two blocks of exclusively affordable properties which, under the terms of the PDA, are to be transferred to Family Mosaic. Barratts have instructed the Council to transfer these blocks, shown outlined in green on the plan entitled "Phase 4a and Phase 4b Land Transfer"" directly to Family Mosaic rather than to Barratts.
- 1.11 Prior to transfer of the land the Council must appropriate it to planning to extinguish any private rights that may exist. The Council is not aware of any such rights. As the Council now no longer requires the land in phases 4a and 4b for housing, this DPR requests that the land shown outlined red on the attached plan entitled "12369_70_12 Rev C Phases 4a & 4b Land Transfer" is appropriated to Planning.

- 1.12 Barratts are also progressing construction of the next phase, in accordance with the agreed plans, which includes the church, community centre, parsonage and units in Phase 6a. Under the terms of the PDA the council must grant a works Licence to allow and control the access to build on the Council's land and this has also been requested by Barratts.
- 1.13 This DPR also requests authority, in accordance with the Terms of the PDA, following appropriation, to complete the transfer of the land shown outlined green on the plan at Appendix B to Family Mosaic Homes, to transfer the balance of the land outlined in red to Barratt Evolution LLP and to entering into the Works Licence for the next phase. There is no financial payment for the transfer of the land or entering into the Licence.
- 1.14 In line with the requirements of s25 of the Local Government Act 1980, and to support the application for approval of the Secretary of State to the disposal at less than best value, the Council appointed the District Valuer Service to undertake an independent valuation. In the DVS report for the Council (as supplied to the Secretary of State) dated 26th November 2013 the value of all remaining land in phases 4 to 8 at less than £1, confirming the Council decision to transfer the land at Nil consideration.

2. REASONS FOR DECISIONS

- 2.1 The decision of Cabinet on 18th June 2007 (Cab. Dec 18/07/2007 – 6) resolved inter alia:

Resolution 3.

That subject to the final terms of the Principal Development Agreement and legal arrangements being approved by the Cabinet Member for Regeneration and Development under Delegated Powers; that the necessary legal documentation be completed in order for the scheme to proceed.

Resolution 6.

That, subject to the Principal Development Agreement becoming unconditional, Chief Officers be instructed to appropriate the Council owned lands within the Stonegrove and Spur Road regeneration area from the existing uses to planning purposes pursuant to Section 122 of the Local Government Act 1972.

- 2.2 To complete the transfer of the land and the appropriation the use of the powers delegated under the above decision must be exercised and this report seeks that necessary approval.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3.1 There are no alternative options under the delegated authority.

4. POST DECISION IMPLEMENTATION

4.1 Following the decision the land will have been appropriated to Planning and the Council's Solicitors, HB Public Law will complete the required land transfers.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Stonegrove and Spur Road Regeneration Scheme supports the Corporate Plan 2013-2016 priority 'To maintain the right environment for a strong diverse local economy' and the strategic objective under this priority is to sustain Barnet by 'promoting growth, development and success across the borough'.

5.1.2 The scheme also supports the corporate priorities and the Sustainable Community Strategy 2010-2020 through the following core values:

'Sharing opportunities for success' and 'choice and responsibility' – the new development will provide good quality homes. The development will also offer more choice by providing a number of different housing options, such as shared equity, shared ownership and private homes for sale to residents and those in the wider community

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 Finance

5.2.1.1 All costs incurred in relation to the appropriation and transfer of the land will be recovered by the Council through the provisions of the Principal Development Agreement.

5.2.1.2 In line with the requirements of s25 of the Local Government Act 1980, and to support the application for approval of the Secretary of State to the disposal at less than best value, the Council appointed the District Valuer Service to undertake an independent valuation. In the DVS report for the Council (as supplied to the Secretary of State) dated 26th November 2013 the value of all remaining land in phases 4 to 8 at less than £1, confirming

the Council decision to transfer the land at Nil consideration.

5.3 Legal and Constitutional References

- 5.3.1 Section 122 of the Local Government Act 1972 empowers a local authority to appropriate land held by it from one statutory purpose to another if it considers that the land is no longer required for the purpose for which it is currently held.
- 5.3.2 The Council has carried out an internal consultation with respective departments regarding the use and requirement of the land shown on the attached plan as Housing land, highways and amenity land benefitting the Estate and has decided that the land is no longer required for these purposes and should now be appropriated to planning purposes.
- 5.3.3 The approval of the Secretary of State is required under s 19 of the Housing Act 1985 to the appropriation of land held in the Housing Revenue Account to other uses. An application for consent to appropriate all of the remaining land in the regeneration estate was made in December 2013, subject to the land being appropriated in two phases, only when no longer required for housing. This consent was received on 10th January 2014 (copy of the consent is appended hereto)
- 5.3.4 The Secretary of State is required to approve of financial assistance under section 25 of the Local Government Act 1980. Consent to the disposal of all of the remaining land need to complete the regeneration scheme (phases 4 to 8) was received on 19th December 2013 (copy appended hereto).
- 5.3.5 This decision to grant the works licence is in accordance with the delegated powers as detailed within the Council's Management of Asset, Property and Land Rules.
- 5.3.6 As set out in paragraph 5.3.4 above consent of the Secretary of State is required to the appropriation and disposal of the land. These consents have now been received and accordingly the Council may now appropriate in the Estate to planning purposes and Transfer its interest in the land.

5.4 Risk Management

- 5.4.1 Acquisition of the land in the all remaining phases is underwritten by an approved CPO. Transfer of the land can only take place following the making of the General Vesting Declaration (GDV) for each of the

phases. Under the CPO the Council is exposed to potential Blight claims from owners of properties included in the CPO and acquisition and compensation payments for acquired properties. An indemnity agreement has been entered into between the Council and Barratt Evolution LLP (BEL) whereby BEL indemnifies the Council against any payments made following a blight notice. Additionally, the CPO Indemnity Agreement provides for full reimbursement of Council costs in promoting and implementing the CPO, including professional fees incurred to date.

5.5 Equalities and Diversity

5.5.1 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. The Stonegrove and Spur Road Regeneration Scheme will provide a mix of affordable and private sale properties. The new mixed tenure housing will improve the community cohesion in an area with a highly diverse population. It will provide increased choice and opportunity for Barnet residents. This supports the overall aim of the Council's Equalities Policy and the Council's duties under the Equality Act 2010.

5.5.2 The Stonegrove and Spur Road (SGSR) regeneration will deliver 937 new homes, 389 affordable and 548 private for sale which should assist in fostering community cohesion. The delivery of the regeneration scheme is being conducted in consultation with the SGSR Partnership Board which represents the interests of the residents on the Estates.

5.6 Consultation and Engagement

5.6.1 The Council consulted fully with the local community and other stakeholders prior to Cabinet approval to the masterplan prepared by Unitary Ltd in June 2007 and ahead of its decision to enter into the Principal Development Agreement made at the Cabinet Resources Committee on 25th March 2008.

5.6.2 Subsequent consultation has taken place as part of the planning process for approval of the detailed elements of the scheme.

5.6.3 The local Community continues to be engaged and is represented on the Stonegrove Partnership Board.

6. BACKGROUND PAPERS

- 6.1 Cabinet 18th June 2007 (Cab. Dec 18/07/2007 – 6)
<http://barnet.moderngov.co.uk/Data/Cabinet/200706181900/Agenda/Document%201.pdf>

7. DECISION TAKER'S STATEMENT

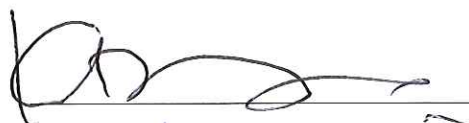
7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

8. OFFICER'S DECISION

I authorise the following action

- 8.1 That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the provisions of Section 122 of the Local Government Act 1972, the land shown outlined red on the attached plan "12369_02_12 Rev C Phases 4a and 4b Land Transfer" is hereby appropriated to planning purposes.
- 8.2 That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to the transfer of the land shown outline green on the attached plan "12369_02_12 Rev C Phases 4a and 4b Land Transfer" to Family Mosaic Homes.
- 8.3 That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to the transfer of the land shown outline red on the attached plan "12369_02_12 Rev C Phases 4a and 4b Land Transfer" excluding the land transferred under paragraph 8.2 above, to Barratt Evolution LLP.
- 8.4 That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to entering into a Works licence for the Church, Community Centre, Parsonage and Phase 6a as shown outlined red on the plan at Appendix C

Signed



Date

27/3/2015