

Annex 1

Meeting	Cabinet Resources Committee
Date	28 February 2012
Subject	Regeneration Review – Action Plan and Next Steps
Report of	Leader of the Council, Cabinet Member for Regeneration
Summary	This report sets out the background to and recommendations of the Regeneration Review which was undertaken during autumn 2011 and included an evaluation of existing and planned regeneration schemes to ensure current approaches are capable of delivering cross-cutting regeneration objectives.

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Status (Public or Exempt)	Public
Wards affected	All
Enclosures	Appendix A – Regeneration Review and Action Plan
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	N/A

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1. RECOMMENDATIONS

It is recommended that Cabinet Resources Committee:

1.1 Agree the findings of the Regeneration Review and the proposed next steps (as set out in the detailed Action Plan attached as Appendix A) with the following actions delivered as a priority:

- (i) A review of the structure and skill set of the Regeneration Service to be concluded by end of March 2012
- (ii) A major review of programme management to include Member involvement in the Regeneration Board, and establishment of a new, internal Regeneration Programme Board and reconstituted Project Boards to be completed by end of March 2012
- (iii) The development of a Corporate Property Strategy and asset register to be completed by May 2012
- (iv) A Skills, Employment and Enterprise Strategy to be prepared with particular focus on 16-24 year olds and post riot actions for adoption by Cabinet April 2012

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet 22 November 2004 (item 8) approved the Three Strands Approach: Protect, Enhance and Grow as the basis for planning, development and regeneration of the borough.
- 2.2 Cabinet 6 September 2010 (item 6) approved the publication version of the Local Development Framework Core Strategy.
- 2.3 Cabinet 14 September 2011 (item 6) approved the draft Regeneration Strategy.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Council's Regeneration Strategy sits within the context of two other key documents, the Council's Sustainable Community Strategy and the Local Development Framework (LDF) - the Borough's spatial development strategy. It supports the 'successful London suburb' corporate priority and is a key part of delivering the 'enhance' and 'consolidated growth' elements of the Three Strands Approach outlined in the LDF. It also sits alongside the Council's Housing Strategy.
- 3.2 In attracting significant private sector investment, the regeneration in the borough supports the Council's corporate priority 'better services with less money'.
- 3.3 It also captures our ambition to ensure that residents and businesses in the borough can take responsibility for sharing in Barnet's success, which supports the Council's corporate priority of 'sharing opportunities, sharing responsibilities'.

4. RISK MANAGEMENT ISSUES

- 4.1 Although there is significant private sector investment planned for the borough, we recognise that our regeneration was planned in a different economic climate. Delays in our estate regeneration programme associated with the current economic downturn could result in additional financial demands on the Housing Revenue Account to manage and maintain housing stock on the regeneration estates over an extended period. The Regeneration Strategy provides a coherent framework to respond to evolving government and Council

objectives and the changing funding agenda. The scope of the Regeneration Review specifically covers analysis of this risk and how it should be mitigated.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Generally, Barnet is a diverse and successful place with residents able to achieve their aspirations. Within this overall picture there are areas where this may not always be the case and the regeneration strategy is targeted to address this.
- 5.2 The Regeneration Strategy will ensure that regeneration develops cohesive communities, meeting the needs of all that live within them. The regeneration schemes are working in partnership with key stakeholders and local residents to:
- create more homes - particularly family homes - with rebalanced housing tenure and more mixed communities
 - create new school places to meet the needs of the growing younger population
 - ensure services are available to support our increasing older population
 - maximise employment and training opportunities for those furthest from the labour market to access new job opportunities resulting from regeneration
 - provide new and accessible community facilities and open spaces for all residents to use
- 5.3 The Regeneration Review makes recommendations to ensure due regard to equality and diversity considerations for regeneration in the borough.

6. USE OF RESOURCES IMPLICATIONS

- 6.1 The Regeneration Strategy recognises that our regeneration schemes were planned in a different economic climate meaning that there are new challenges around delivery. The Regeneration Strategy asks key strategic questions about the delivery of successful regeneration schemes for Barnet and sets out what will enable us in delivering our strategic objectives ensuring that we respond to the changing financial context.
- 6.2 The Regeneration Review has examined the Council's and partners' delivery capacity in relation to regeneration and identified gaps in both capacity and technical skills. It also considers project and programme management arrangements including budget management and cost recovery, ensuring optimum use of resources.
- 6.3 The Regeneration Review is funded from existing Regeneration resources.

7. LEGAL ISSUES

- 7.1 The recommendations that have been set out in this report are aimed at achieving greater efficiencies around the Council's regeneration activities. The Council currently has 3 executed Principal Development Agreements and a co-operation agreement for its Regeneration or Regeneration type schemes. In implementing the recommendations in this report and the action plan the Council must have regard to its obligations under these long term agreements and should ensure that it continues to meet its obligations within the agreements and that any changes to the agreements accord with the change mechanisms within the respective Agreements.

8. CONSTITUTIONAL POWERS

- 8.1 Constitution (Part 3) – Responsibility for Functions – Section 3.8

9. BACKGROUND INFORMATION

- 9.1 Regeneration in Barnet is estimated to be bringing £6 billion of private sector investment into the Borough over the next 25 years. This investment will bring benefits to the Borough through attracting new businesses and promoting business growth and economic vibrancy; providing new and existing residents with new schools, community facilities, and improvements to open spaces. There will also be improvements to public transport and road networks to the benefit of all who live, work in or visit Barnet.
- 9.2 However, there are a number of challenges to managing change and maximising these opportunities. The external environment has significantly changed since Barnet's regeneration was originally planned with the economic downturn affecting commercial viability, and public expenditure being reduced. At the same time new models of funding have been proposed which give local areas more flexibility to generate revenue and provide a potential opportunity.
- 9.3 The demography of the Borough also continues to change rapidly including an influx of new communities and increasing birth rates in many communities leading to a growth in our young population with pressure on services, particularly primary school places.
- 9.4 Cabinet approved a new Regeneration Strategy for the borough in September 2011 which sets out a number of strategic objectives for the borough and its regeneration schemes. These are to:
- Enhance Barnet as a Successful London Suburb through delivery of quality new places and neighbourhoods in the areas of the borough in greatest need of investment and renewal
 - Deliver sustainable housing growth and infrastructure, and improve the condition and sustainability of the existing housing stock
 - Ensure residents in all areas of the borough can share in Barnet's success while taking responsibility for the well-being of their families and their communities
 - Promote economic growth by encouraging new business growth while supporting local businesses and town centres
 - Help residents to access the right skills to meet employer needs and take advantage of new job opportunities
- 9.5 At the same time the consultancy Regenfirst were commissioned to undertake a review of the council's regeneration activity with an assessment of existing and planned regeneration in the borough against the agreed strategic objectives in the Regeneration Strategy. The purpose of the review was to:
- Assess deliverability and viability of the major regeneration schemes
 - Assist the Council in developing appropriate capacity for delivery
 - Assist the Council in developing effective executive and political governance
 - Assist the Council in identifying opportunities to sustain delivery through securing new funding opportunities
- 9.6 The review has identified that significant progress has been made on establishing a clear strategic framework for regeneration in Barnet and in progressing a number of the major regeneration schemes. However, the review identifies a number of key actions to be taken forward to ensure that the opportunities from regeneration are maximised for the borough.
- 9.7 In terms of the broader Strategic Framework the review has identified the need for a greater focus in Barnet on sustainable transport, education provision and infrastructure delivery. The review has also confirmed the need for a clear action plan on enterprise and skills to be developed through close working with partners. The need for an integrated Corporate Property Strategy and Asset Management Plan is also identified.

- 9.8 In terms of the approach to Strategic Funding the review highlights the need to expedite production of the HRA Business Plan and to review relationships with Registered Social Landlords and take a more collaborative, site based approach to delivery of affordable housing with key partners. In terms of specific funding sources to support delivery of infrastructure the review proposes a pragmatic approach to the setting of a Community Infrastructure Levy for Barnet to incentivise growth and the opportunity to pursue a TIF at Brent Cross Cricklewood.
- 9.9 In terms of the detailed review of the viability and deliverability of the individual regeneration schemes the report concludes that the Council has successfully turned around Stonegrove/Spur Road and Dollis Valley over the past two years and that Mill Hill East and Granville Road are at the point of deliverability. However the review concludes that Grahame Park and West Hendon need urgent remedial action and that the viability of Brent Cross Cricklewood is challenged by current market conditions.
- 9.10 The report concludes that there is a need for a renewed focus on delivery which allows for flexibility over the 10-20 year life of the major regeneration schemes. It also proposes a review of leadership within the Council to ensure responsiveness around delivery and a renewed approach to project and programme management to speed up implementation and a clearer approach to the communication and marketing of the regeneration opportunities in Barnet.

10. Next Steps

- 10.1 A detailed action plan is attached as Appendix A which sets out the work streams required to address the issues raised by the review and ensure a fit for purpose approach to delivering regeneration in Barnet. The key next steps in relation to this are:
- A review of the structure and skill set of the Regeneration Service to be concluded by end March 2012
 - A major review of programme management to include Member involvement in the Regeneration Board, and establishment of a new, internal Regeneration Programme Board and reconstituted Project Boards
 - The development of a Corporate Property Strategy and development of an asset register to be expedited
 - A Skills, Employment and Enterprise Strategy to be rolled out with particular focus on 16-24 year olds and post riot actions

11. LIST OF BACKGROUND PAPERS