Decision Extract of the Business Management Overview and Scrutiny Committee

31 July 2012

Agenda item 6 - any matters referred by members of the committee relating to key decisions - Decision of the Cabinet Member for Resources and Performance – Sale of the freehold interest in the former Hendon Football Club Ground and adjoining land Claremont Road, Hendon

Members Present:

Councillor Hugh Rayner (Chairman)
Councillor Brian Salinger (Vice-Chairman)

Councillor Maureen Braun Councillor Jack Cohen Councillor Barry Rawlings Councillor Alan Schneiderman – in place of Councillor Alison Moore Councillor Kath McGuirk Councillor Rowan Turner Councillor Andrew Strongolou

Apologies for Absence:

Councillor Alison Moore Councillor Brian Gordon

Also in attendance:

Councillor Richard Cornelius – Leader of the Council
Councillor Sachin Rajput – Cabinet Member for Adults
Councillor Andrew Harper – Cabinet Member for education, Children and Families

Councillor Dean Cohen – Cabinet Member for Environment Councillor Robert Rams – Cabinet Member for Customer Access and Partnerships

- 6. ANY MATTERS REFERRED BY MEMBERS OF THE COMMITTEE RELATING TO KEY DECISIONS Decision of the Cabinet Member for Resources and Performance Sale of the freehold interest in the former Hendon Football Club Ground and adjoining land Claremont Road, Hendon
- 6.1 The Committee considered a call-in by Councillor Jack Cohen of the Cabinet Resources Committee decision of 17 July 2012 on the Sale of freehold interest in the former Hendon Football Club ground and adjoining land Claremont Road, Hendon.
- 6.2 Two representatives from the London Jewish Girls High School provided comments to the committee outlining the case for supporting

- the school's bid to buy the freehold and raising their concerns in relation to the council's decision to sell to Montclare Ltd.
- 6.3 Following the submission of their comments, the representatives from the school provided clarifications and responses to questions raised by the committee.
- 6.4 Following the public comments Councillor Jack Cohen addressed the committee stating the reasons for calling in the item as:
- 1) To ask questions about the status of Montclare Ltd and whether this company has actually made an offer
- To seek information whether the three relevant Companies that are Hendon Football Club Ltd, Montclare Developments Ltd and Montclare LTD are insolvent
- 3) To ask why the Authority is willing to sell to an under bidder and to ask whether this is lawful
- 4) To ask for a detailed response to allegations that Hendon Football Club is in default on its Bank Loan and as a result does not control the destiny of its lease.
- 5) To ask whether Barnet should fight the Judicial Review with the potential for huge costs to the Council Taxpayer and in particular to ask the Cabinet Member to tell me if he has had advice form officers and what advice he has had of the merits of the case and whether he believes fighting the case is a good use of Council Tax payers money.
- 6.5 In response to the questions raised by Councillor Jack Cohen the committee were provided with written responses from Councillor Daniel Thomas, the Cabinet Member for Resources and Performance.
- 6.6 Councillor Richard Cornelius, the Leader of the Council attended in person accompanied by Craig Cooper, Director of Commercial Services, Jeff Lustig, Director of Corporate Governance, Richard Malinowski, Principal Valuer, and Judith Ellis, Valuation Manager, to provide the committee with clarifications to the written answers provided by Councillor Thomas and respond to further questions raised by the committee.
- 6.7 In response to questions raised by the committee clarifications were provided in relation to the process of judicial review, the financial status of the concerned parties, consideration of the broader community benefits in relation to the disposals of the leasehold and land, and the decision of the District Valuer in determining best value.
- 6.7 Following consideration of the responses provided the Committee decided to refer the decision back to Cabinet Resources Committee for further consideration.

Resolved:-

- 1. That the decision be referred back to Cabinet Resources Committee for reconsideration.
- 2. That additional information be provided to the Cabinet Resources Committee prior to their reconsideration of the decision in relation to:
 - The council's obligations under the Equalities Act 2010 in relation to the decision
 - Information on the financial status of Montclare Developments Ltd,
 Montclare Limited and Hendon Football Club Limited
 - Consideration of any wider community benefits of the London Jewish Girls High School bid
- 3. That, subject to the outcome of their reconsideration of the decision, Cabinet Resources Committee ensure that any potential negotiations taking place with the London Jewish Girls High School include consideration of the provision of local community services.