

MEETING

ASSETS, REGENERATION AND GROWTH COMMITTEE

DATE AND TIME

MONDAY 12TH DECEMBER, 2016

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BQ

TO: MEMBERS OF ASSETS, REGENERATION AND GROWTH COMMITTEE (Quorum 3)

Chairman: Vice Daniel Thomas Gabriel
Chairman: Rozenberg

Members

Richard Cornelius	Pauline Coakley Webb	Philip Cohen
Geof Cooke	Rohit Grover	Nagus Narenthira
Peter Zinkin		

Substitute Members

Tom Davey	Val Duschinsky	Paul Edwards
Ross Houston	Alison Moore	Caroline Stock

In line with the Constitution's Public Participation and Engagement Rules, requests to submit public questions or comments must be submitted by 10AM on the third working day before the date of the committee meeting. Therefore, the deadline for this meeting is Wednesday 7th December 2016 at 10AM. Requests must be submitted to Sheri Odoffin: Email: sheri.odoffin@barnet.gov.uk 020 8359 3104

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

Andrew Charlwood – Head of Governance

Governance Services contact: Sheri Odoffin 020 8359 3104 sheri.odoffin@barnet.gov.uk

Media Relations contact: Sue Cocker 020 8359 7039

ASSURANCE GROUP

ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Minutes of the previous meeting	5 - 6
2.	Absence of Members	
3.	Declarations of Members disclosable pecuniary interests and non-pecuniary interests	
4.	Report of the Monitoring officer if any)	
5.	Public questions and comments (if any)	
6.	Members Items (if any)	
7.	Disposal of land for Saracens High School, Colindale, NW9	7 - 14
8.	Upper and Lower Fosters	15 - 26
9.	Relocation of Meadow Close Children's Home and Transformation	27 - 94
10.	Transfer of 80 Daws Lane, NW7	95 - 130
11.	In-London and Out-of-London Acquisitions	131 - 180
12.	Development Pipeline Tranche 3 - Affordable Housing Programme	181 - 206
13.	Entrepreneurial Barnet - Annual Update and Forward Plan	207 - 224
14.	Community Asset Strategy Implementation Plan Update - Report to Follow	
15.	Barnet Museum, Wood Street, EN5 4BE	225 - 258
16.	Lease Renewal Fenella, The Burroughs, NW4 4AX	259 - 264
17.	Rent Review at Hendon Town Hall, The Burroughs, NW4 4AX	265 - 268
18.	Dollis Valley Estate Regeneration	269 - 276

19.	Granville Road New Housing Development Compulsory Purchase Order of Pramsheds and 16 Beech Court	277 - 286
20.	Brent Cross Cricklewood Update Report	287 - 426
21.	Exploring Options to re-locate Donoghue - Update	427 - 436
22.	West Hendon Compulsory Purchase Order 2 & 2a (CPO2 and CPO2a) Communications Update	437 - 442
23.	Committee Forward Work Programme	443 - 452
24.	Any other items that the Chairman decides are urgent	
25.	Motion to exclude the press and public	
26.	Development Pipeline Tranche 3 - Affordable Housing Programme (Exempt)	453 - 502
27.	Exploring Options to re-locate Donoghue (Exempt) - Update	503 - 516
28.	Any other exempt item(s) that the Chairman decides are urgent	

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Decisions of the Assets, Regeneration and Growth Committee

28 November 2016

Members Present:-

AGENDA ITEM 1

Councillor Daniel Thomas (Chairman)
Councillor Gabriel Rozenberg (Vice-Chairman)

Councillor Pauline Coakley Webb Councillor Nagus Narenthira
Councillor Philip Cohen Councillor Peter Zinkin
Councillor Geof Cooke Councillor Caroline Stock
Councillor Rohit Grover

1. MINUTES OF THE PREVIOUS MEETING

2. ABSENCE OF MEMBERS

Apologies were received from Councillor Richard Cornelius who was substituted by Councillor Caroline Stock.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS

None.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

None.

6. MEMBERS' ITEMS (IF ANY)

None.

7. BUSINESS PLANNING 2017/18 TO 2019/20

The Chairman introduced the Business Planning report and referred Members to Appendix A which outlined where ARG Committee's savings were planned over the next three financial years across three opportunity areas.

Committee Members were invited to discuss the report and officers to assist with responses.

Councillor Narenthira did not agree that there will be no adverse impact on customer satisfaction in relation to Colindale Library.

Councillor Cohen sought further clarification on the Accommodation Strategy. The Chairman confirmed that it was still being developed and a report will come back to ARG Committee with more detail.

Councillor Zinkin asked for a schedule of the existing floorspace of each library which the Chairman agreed would be useful.

Councillor Narenthira disagreed that an equalities impact assessment was not required with regards to the rental opportunity at Colindale library.

Following the debate, the Chairman asked the Committee to vote on the report recommendations.

It was **resolved**:

- 1. That the Assets, Regeneration and Growth Committee agreed to the savings programme set out in Appendix A for recommendation to Policy and Resources Committee.**
- 2. That the ARG Committee agrees to the public consultation on the priorities and revised savings proposals contained within this report commencing immediately following the Policy and Resources Committee on the 1st December 2016, before the Policy and Resources Committee are asked to approve the final priorities and savings proposals on 23rd February 2017.**


Votes were as follows:

In favour	5
Against	4
Abstain	0

8. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None

The meeting finished at 7.50 pm

	AGENDA ITEM 7 Assets, Regeneration and Growth Committee 12th December 2016
Title	Disposal of land for Saracens High School, Colindale, NW9
Report of	Director of Resources
Wards	Colindale
Status	Public
Urgent	No
Key	No
Enclosures	Plan – outline drawing of site 1 and site 2
Officer Contact Details	Chris Munday, Commissioning Director, Children and Young People and the Director of Children’s Services Chris.munday@barnet.gov.uk Anisa Darr Director of Resources Anisa.darr@barnet.gov.uk Val.white Programme Director, Education and Learning val.white@barnet.gov.uk

Summary

This report seeks in principle agreement to Lease the land shown coloured, blue, green, pink and yellow on the attached plan to the Saracens High School Trust to enable the construction of a new secondary school in Colindale, funded by the Department for Education. Saracens High School, to be sponsored by Saracens High School Trust will provide a comprehensive secondary educational offer for 1,300 children and young people in the Colindale area and is a critical part of the infrastructure required to support the growth in new homes. The school will help meet the basic need for school places in Barnet

and the proposal is to let the land on a 125 year Academy lease at a peppercorn rent and no premium will be payable. All construction costs of the school are to be fully funded by the Department for Education.

The report seeks delegated authority for the Director of Resources to negotiate and agree the terms of a 125 year lease, based on the Department for Education's standard Academy lease.

Recommendations

- 1. That the Assets, Regeneration and Growth Committee agree in-principle, subject to the Council acquiring any interest or consents to enable them to do so, and taking any decisions necessary to enable this, to exchange an agreement for lease and grant a lease of land (two sites as set out in the attached plan) to the Saracens High School Trust at a peppercorn rent with no premium to enable the provision of a new secondary school in Colindale, funded by the Department for Education through the national free school programme.**

- 2. That the Assets, Regeneration and Growth Committee authorise delegation to the Director of Resources to negotiate the detail of the legal documentation for the transfer of land, based on the Department for Education's standard Academy lease.**

1. WHY THIS REPORT IS NEEDED

- 1.1 Since 2009, the council and central government have been investing to meet the very significant growth in demand for school places through expanding schools and building new schools. During this period, more than 8,000 extra school places have been delivered in the borough. Each year, the Children, Education, Libraries and Safeguarding Committee review the strategy for ensuring that there are sufficient school places and consider progress. At its meeting on the 21st September 2016, the annual school places report set out that the main focus now is to ensure that there will be sufficient secondary school places as the very significant increase in the number of primary pupils moves through to the secondary sector. As the borough continues to grow, there is a particular focus on education provision in areas of regeneration and new housing development, as good schools and sufficiency of school places are critical elements of the infrastructure required to ensure the development of successful and sustainable communities.

- 1.2 Colindale is an area of significant housing growth and to date, new primary provision has been developed as part of expanding and rebuilding Colindale School and the Orion School, expanding Blessed Dominic, St Mary's and St John's, St Joseph's and the new Watling Park primary free school that has opened in Burnt Oak. The need now is to ensure sufficient secondary provision is available as children in these schools move through to the secondary sector. Copthall Girls School has been expanded and plans are in

progress to expand St Mary's and St Johns and St James Catholic High. However, there is a pressing need for more co-educational comprehensive school places in this area. The council has been working in partnership with Saracens to support its application to the Department for Education to open a free school. Saracens were supported by Ashmole Academy in developing their bid and also worked closely with the Orion Primary School in Colindale. The bid was successful and the Department for Education (DfE) has tasked its Education Funding Agency (EFA) to deliver the new school.

- 1.3 The proposal is for the Saracens High School to be developed across two sites, subject to planning. The scheme will comprise of a year 7-11 school and sixth form, provided over the two sites, built to BB101 standards (government guidelines for space standards in schools). The sites are constrained and a full feasibility will be undertaken to explore which design and planning options will best suit the school given the availability of land. Given the constrained size of the sites, off-site playing facilities will need to be identified for the use of the school.

Site 1 – Lanacre Avenue NW9 5FN

- 1.4 Site 1 currently hosts Besthub training centre operating out of the old Orion school building. This is being used by Cambridge Education but will be vacated during 2018, when required. It also hosts Blessed Dominic primary school on land, leased to the Diocese. The council is working with the Diocese, Blessed Dominic and St James on the re-building and re-location of Blessed Dominic to co-locate with St James. This project will also see the expansion of St James and is being funded by the council. As part of the investment in catholic places, the lease to the Diocese on site 1 – Lanacre Avenue will cease and the land will be released for inclusion in the Academy lease to Saracens High School.

Site 2 – Trinity Square NW9 5RA

- 1.5 Site 2 forms part of the re-development of the site on Grahame Park Way that previously hosted Barnet and Southgate College. A new housing development is under construction by Barratt Homes with an area set aside for educational provision, which is a section 106 requirement and requires the transfer of the yellow land to the Council for nil consideration. This site is scheduled to be available by April 2017.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The recommendations in this report enable the provision of a new secondary school to meet the needs of children and young people in the Colindale area.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Within the Colindale area, no other parcels of land have been identified of sufficient size or appropriate location to host a new secondary school.

4. POST DECISION IMPLEMENTATION

4.1 The report seeks agreement that the Assets, Regeneration and Growth Committee authorise delegation to the Director of Resources to negotiate the detail of the legal documentation for the transfer of land, based on the Department for Education's standard Academy lease. The DfE/EFA are responsible for developing the school buildings from feasibility through to completion. Subject to planning consent, the aim of the DfE/EFA is to have the school building complete in 2019.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

The quality of the education offer is at the heart of Barnet's continuing success as a place where people want to live, work and study. It plays a crucial part in making Barnet family friendly, with many families attracted to the area by the good reputation of Barnet's schools. Excellent educational outcomes and ensuring children and young people are equipped to meet the needs of employers are key to deliver the Council's vision set out in its Corporate Plan 2015-20 for:

- Barnet's schools to be amongst the best in the country, with enough places for all, and with all children achieving the best they can
- Barnet's children and young people to receive a great start in life and
- For there to be a broad offer of skills and employment programmes for all ages

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

5.2.1 The proposal set out in this report would lease two sites to the Saracens High School Trust at a peppercorn rent at no premium to enable the construction of a new secondary school. Indicative valuations of the sites, based on educational use are:

Site 1 Lanacre Ave (NW9 5FN)	Circa 1.56 hectares	£3,198,000
Site 2 Trinity Square (NW9 5RA)	Circa 1.6 hectares	£3,280,000

5.2.2 The Department for Education/Education Funding Agency will be funding the construction costs of the school and facilities in line with Government building guidelines, contained in Building Bulletin 101. Until feasibility work has been undertaken it is difficult to provide an estimate of the costs that will be met by the DfE/EFA. An indication is provided by considering the cost to the Council in re-building East Barnet secondary school which was in the region of £34m. Although space requirements for schools have been reduced over time, East Barnet school was completed in 2010 and since this date, building costs are have risen in London.

5.2.3 The provision of education land by the council at a peppercorn rent with no premium, enables the construction costs of the school to be met by the DfE's free school programme. Due to the pressing need for new secondary provision in this part of the borough to support the new housing growth, if this new free school was not provided by the Department for Education, the cost of constructing an alternative option could fall to the council.

5.3 Legal and Constitutional References

5.3.1 Council Constitution, Responsibility for Functions, Annex A – The Assets, Regeneration and Growth Committee has responsibility for “Asset Management – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council and the approval of non-statutory plans that concern asset management matters. . Certain matters are further delegated to officers but such delegations do not include disposals at undervalue.

5.3.2 Section 2.1 of The Management of Assets, Property and Land Rules, contained in the Council's constitution states that The Management of Asset, Property and Land Rules provide the governance structure within which the Council may acquire, lease, act as landlord, licence, develop, appropriate, change use of, or dispose of Assets within its Asset Portfolio. A disposal of property (which includes a lease) at undervalue generally requires the consent of the Department for Communities and Local Government, due to the requirements of section 123 of the local Government Act 1972 but section 123 does not apply in relation to leases to academies under the Academies Act 2010, provided an academy order is made.

5.3.3 Under the Council's Constitution, functions within the Terms of Reference for the Children's Education, Libraries and Safeguarding Committee responsibility include:

- planning the adequate provision of school places in the Borough
- investment in educational infrastructure to meet the needs of the Borough's learners
- to be responsible for those powers, duties and functions of the Council in relation to Children's Services (including schools)
- duties and functions of the Council in relation to Children's Services (including schools).

Under the Council's Constitution at 15 Responsibility for Functions, Annex A, the terms of reference for both the Assets, Regeneration and Growth Committee and the Children's Education, Libraries and Safeguarding Committee provide that if any report comes within the remit of more than one committee, to avoid the report being discussed at several committees, the report will be presented and determined at the most appropriate committee. If this is not clear, then the report will be discussed and determined by the Policy and Resources Committee.

5.3.4 The Council has a statutory duty under the Education Act 1996 to ensure the provision of sufficient schools for primary and secondary education in their area. Under s.14 of the Education Act 1996, a local authority shall secure that

sufficient schools for providing primary and secondary education are available in their area. Sufficient means sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. In meeting this duty, a local authority must do so with a view to securing diversity in the provision of schools and increasing opportunities for parental choice.

5.3.5 State funded schools are split into schools maintained by the Local Authority and those directly funded by Central Government. The former are split into a number of categories, including foundation, community and voluntary aided schools. The latter encompass Academies and free schools (which are Academies which did not convert from a maintained school). For maintained schools, there are prescribed requirements in order to make specific alterations. This includes expanding existing schools to add additional form groups. The requirements are set out in the Education and Inspections Act 2006 and associated regulations. Academies do not have to follow the same requirements in order to expand, but are expected to seek the approval of the Secretary of State. Section 6A of the Education and Inspections Act 2006 requires that local authorities seek proposals for the establishment of an academy if they think that a new school is required in their area. There are only limited circumstances when a local authority will be able to publish proposals to establish a new maintained school.

5.3.6 The Academies Act 2010 enables the Secretary of State to make a scheme in relation to land that is held by a local authority, either as a freehold or leasehold, if at any time in the last 8 years the land has been wholly or mainly used for education.

5.4 Risk Management

5.4.1 In relation to Site 1, Lanacre Avenue, there is risk that the project to re-locate Blessed Dominic is not successful. The transfer of the land will not be enacted until the council is in a position to release the site.

5.4.2 There is a risk that if a site cannot be identified for the Saracens High School, the free school project would be discontinued by the DfE/EFA. As the statutory duty to secure sufficient school places rests with the council, the cost of meeting this need could fall entirely to the council.

5.4.3 There is a risk that the Secretary of State makes a scheme under The Academies Act 2010 for the freehold interest in the sites – (paragraph 5.4.3).

5.5 Equalities and Diversity

5.5.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010; advance equality of opportunity between people who share a relevant protected characteristic and those who do not foster good relations between people who share a relevant protected characteristic and those who do not.

5.5.2 The broad purpose of this duty is to integrate considerations of equality into

day to day business and to keep them under review in decision making, the design of policies and the delivery of services.

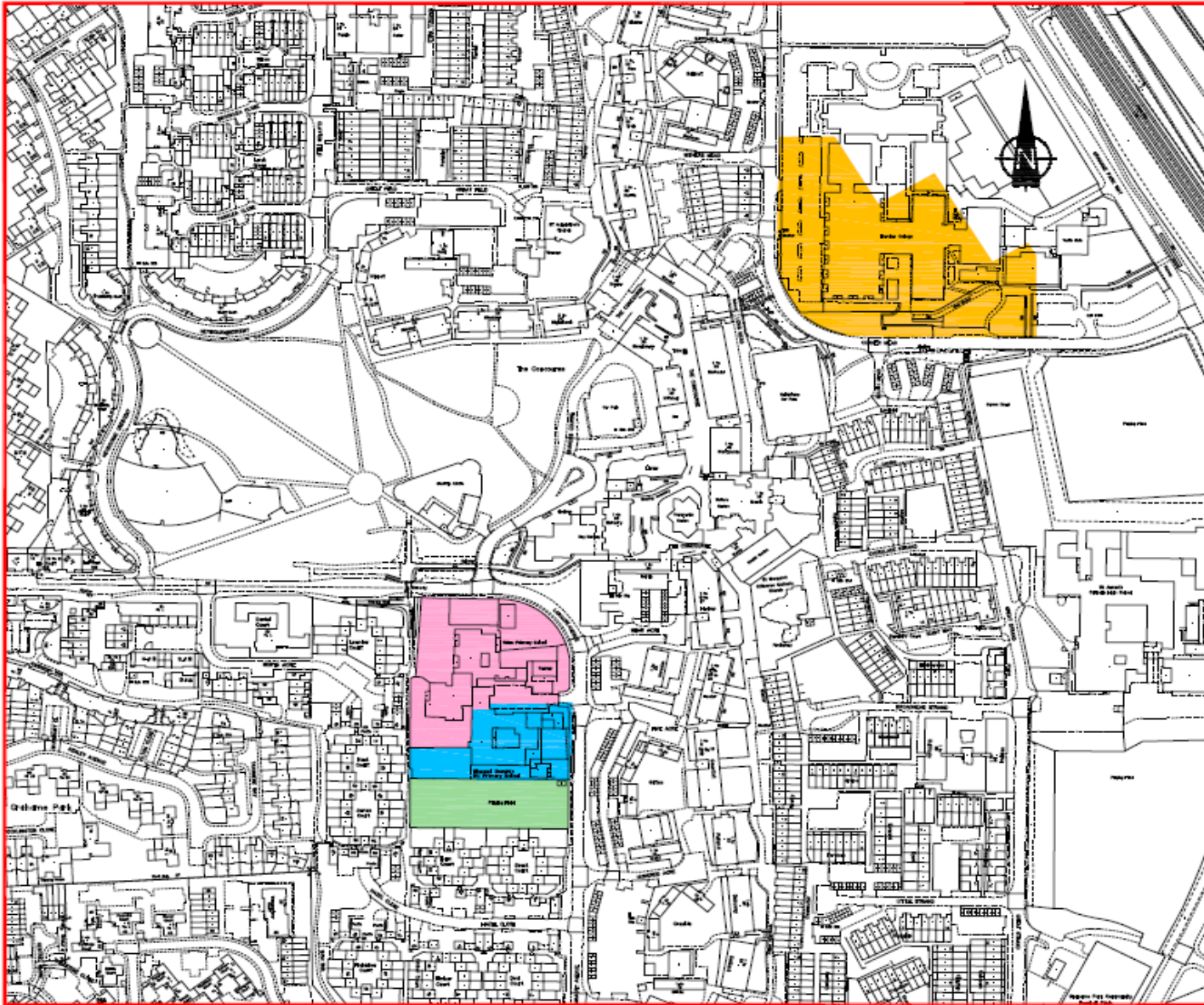
5.5.3 The new Saracens High School will provide a comprehensive, inclusive education for children and young people in the Colindale area.

5.6 Consultation and Engagement

The Saracen's High School Trust undertook consultation and engagement with the local community as part of developing its application to establish a free school in Colindale which demonstrated support from the local community for the education offer proposed by this new free school. Demonstrating this support is a critical part of the DfE's process for the approval of a free school to be established.

6. BACKGROUND PAPERS

Children, Education, Libraries and Safeguarding Committee, 21st September 2016 *Planning for new school places 2017/18 to 2019/20*



NOTES:


- FORMER ORION SCHOOL
- BLESSED DOMINIC SCHOOL
- SHARED PLAYING FIELD
- TRINITY SQUARE

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Revision and Date	Description	Initial

Steve Dunevaln,
Director of Estates.

London Borough of Barnet,
Barnet House,
1255 High Road,
Whatstone,
London, N20 0EJ
Tel, 020 8359 2000




SCHEME:
PROPOSED SARACENS ACADEMY SCHOOL
LANACRE AVENUE, COLINDALE, NW9

TITLE:
LOCATION PLAN

Scale:	1:2500	Date:	30/11/16
Prepared:	J.E.	Drawn:	K.E.B.
		Checked:	J.E.

DRAWING NO:

24704

	<p>Assets, Regeneration and Growth Committee</p> <p>12 December 2016</p>
<p style="text-align: right;">Title</p>	<p>UPPER & LOWER FOSTERS</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director, Growth and Development</p>
<p style="text-align: right;">Wards</p>	<p>Hendon</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>Yes</p>
<p style="text-align: right;">Key</p>	<p>Yes</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A – Upper & Lower Fosters Estate Plan, Red Line Drawing</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Stephen McDonald, Director of Place (Re) Stephen.McDonald@barnet.gov.uk. 0208359 7607 Abid Arai, Development Programme Director (Re) Abid.Arai@barnet.gov.uk 0208359 4980 Derek Rust, Deputy Chief Executive The Barnet Group Derek.Rust@barnet.gov.uk 0208359 4826</p>

<h3>Summary</h3>
<p>Upper and Lower Fosters is a typical post-war council estate comprising high-rise tower blocks and low-rise apartment buildings (comprising 211 units) within large areas of grassed communal space. The estate presents the opportunity to create additional new housing and an improved streetscape, enhance the existing stock, and create associated community facilities through a best practice community co-design process, to benefit current and future residents, and the wider community.</p>

<h3>Recommendations</h3>
<ol style="list-style-type: none"> 1. That committee notes the initiation of this project and the community co-design concept. 2. That the committee notes the initial scheme development expenditure, up to full planning stage, to a maximum budget of £1.5 million subject to approval of funding by Policy and Resources Committee.

- | |
|--|
| <p>3. Subject to the approval of funding the committee authorises procurement, should provision through Re not be feasible, of the required multi-disciplinary professional team, including master planning and design services, to design a new residential scheme in collaboration with the resident community.</p> |
| <p>4. That committee agrees to delegate authority to the Commissioning Director Growth and Development to make appointments following the conclusion of the procurement exercise.</p> |

1. WHY THIS REPORT IS NEEDED

- 1.1 Upper and Lower Fosters estate is in Hendon Ward, and contains 211 existing homes. There are 57 units in two low rise terraced blocks (Foster Court and Cheshire House) including sheltered housing, 88 units in two high rise point blocks (Upper Fosters) and 66 units in 5 low rise point blocks (Lower Fosters). 60 of the units are leaseholders. A community hall (Cheshire Hall) is also located on the estate.
- 1.2 The estate sits immediately adjacent to Brent Street town centre which has a strong sense of local community and provides a range of shopping amenities and community/educational facilities. It is well served by public transport being close to Hendon Central Underground Station, as well as a network of frequent bus routes.
- 1.3 One of the key Council objectives is to encourage responsible growth and regeneration activity across the borough including schemes that support key town centres.
- 1.4 The Local Plan, in particular, seeks to consolidate growth within Barnet's existing built environment around the most accessible locations, such as town centres and areas in need of renewal and investment. In the London Plan, the Mayor has highlighted London's town centres as a strategic focus for new development and for intensification, including residential uses.
- 1.5 Barnet's Local Plan also emphasises that new homes in and around town centres can help contribute to vitality and viability by increasing trade for business and enhancing levels of natural surveillance and activity. Town centre homes also offer their occupiers ready access to services, goods, facilities and public transport; thereby reducing the need to travel by car.
- 1.6 This estate provides an exciting opportunity in a town centre setting to provide new high quality infill development, and deliver significant local environmental improvements. We propose to adopt a community co-design approach, in which we work with residents to understand what is important to them about the existing estate and what they would like to see in a future development. This approach demonstrates best practice in estate regeneration approaches and maximise social value from the development process. It can provide transferable lessons for future projects initiated by LBB.

- 1.7 The intention is to increase the provision of good quality housing on this site by releasing value through private-for-sale units to cross subsidise the provision of affordable housing (including Extra Care housing), and shared ownership homes. This will help meet, in particular, the high demand for affordable accommodation.
- 1.8 Barnet Homes and Re will to work together to deliver the master plan in collaboration with the local community. It is anticipated that additional affordable units will be owned and managed by Opendoor Homes (a subsidiary of the Barnet Group).
- 1.9 The first stage of the project is to procure a suitably experienced design team who will work with residents on the masterplanning process. This team will be led by an architect/urban design practice with demonstrated experience and skills in community involvement within regeneration and master planning projects. This report seeks approval to commence this procurement exercise.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Barnet has the largest population of any London borough with 393,000 residents. This figure is expected to grow by 76,000 over the next 25 years; an increase of 19%. With a third of the borough designated green belt, Barnet Council has to be innovative in how more homes can be built in the borough whilst retaining the borough's distinctive outer London character.
- 2.2 Initially developed in the 1960s with a "land hungry" low density design typical of the time, the Upper and Lower Fosters estate contains 211 existing homes set within a 3.06 hectare site; managed by Barnet Homes.
- 2.3 As detailed in the Housing Strategy (2015-2025), and in response to the need for more housing in Barnet and in London as a whole, Barnet Council has committed to increasing the supply of housing in the borough, particularly affordable whilst maximising the Council's land resources. With this in mind a Development Pipeline Programme was established identifying Barnet owned sites that could provide locations for housing development schemes. The programme directly supports the Corporate Plan objective of responsible growth and regeneration.
- 2.4 On 9th July 2014 the Assets, Regeneration and Growth Committee approved the approach to, and the principles underpinning, the creation of a Development Pipeline, and that an initial list of potential development options and projects be tabled at the September Committee.
- 2.5 The initial sites identified were:

Tranche 0 – Council funded new build housing for social rent.

Tranche 1 – Surplus Council land identified for disposal and housing redevelopment.

Tranche 2 – A range of projects that are targeted to meet specific policy objectives.

2.6 In December 2014 an initial options analysis and capacity study was undertaken for Upper & Lower Fosters which considered all available options in outline:

1. Infill
2. Renewal of some existing buildings
3. Estate regeneration

This initial study established that the site would support a viable level of additional homes through infill development with options to be considered for the replacement of sheltered accommodation with modern extra care homes.

2.7 The community co-design process proposed for this project will support our commitment to responsible growth and regeneration through the full involvement of the local community in the development of the scheme from the beginning.

2.8 Co-design means involving the local community in defining what will be built, where, and for whom. Consequently, residents' needs are actively addressed, and thereby, residents' issues and uncertainty is addressed. Better community engagement will also de-risk the delivery of the project, particularly through the planning stage, by designing a scheme that is respectful of residents' requirements.

2.9 It is anticipated that the masterplan will be taken through to full planning stage.

2.10 The total estimated budget is c£1.5 million up to the planning consent. This estimate will be refined following procurement of the necessary suppliers.

2.11 DCLG funding is being sought for project initiation. A funding bid has been submitted and a determination is currently awaited. The proposed community engagement-led approach has been well received. This proposal seeks to maintain momentum for the scheme, subject to a favourable funding outcome.

2.12 The intention is to procure a masterplanning team with experience and skills in working with local communities to develop an appropriately designed scheme. The procurement of the consultants will be in accordance with LBB contract procedural rules.

2.13 **Key Benefits**

2.13.1 The current ambition is to develop an appropriate and viable number of new mixed-tenure homes on the estate, with the exact number to be developed through the community co-design process. Initial viability studies suggest the scheme could provide around 100-150 additional mixed tenure units, including private-for-sale (potentially including Starter Homes); sub-

market/affordable rent; shared ownership homes; and extra care housing to replace the existing sheltered housing). The scheme is likely to also reprovide the existing community hall.

2.13.2 Residents will benefit from a wide range of improvements across the estate. The exact improvements will be determined by the community co-design process but could include, for example:

- A comprehensive landscaping plan including new, well managed, amenity and play spaces
- A safer environment with well-lit streets/public realm, secure gardens and play spaces, as well as appropriate surveillance measures e.g. to new bike stores
- An improved community offer (leisure/community mix to be determined through the community co-design process)
- Potential improvements to external façades and building cores as part of a co-ordinated response to the improve character of the existing buildings
- Consideration of movement from high-rise flat to new low-rise accommodation for tenants, should this be more appropriate to housing needs
- Improved pedestrian and cycling access making the area a more attractive and successful place to live, work and visit.
- Social value though local employment initiatives arising from the build contracts etc.

2.13.3 Residents and the wider community will benefit from involvement with the design and development process through gaining skills and experience and better social ties and understanding between local community groups. A process that is delivered with integrity means residents will feel a greater sense of ownership, and may be further motivated to assist with other initiatives on the estate or in the wider area, as well as in their care and stewardship of their physical surroundings.

2.13.4 In developing a community co-design process, the Council can benefit through innovating and learning transferable lessons for other estates and development programmes.

2.13.5 The proposal encourages higher densities where appropriate, enabling the Council to make the most efficient use of land to deliver much needed homes, both private and affordable, and key benefits in line with the London Plan and Local Plan objectives.

- 2.13.6 The scheme will provide additional income to the Council through Council Tax and New Homes Bonus, as well as cost avoidance for homelessness by not using more expensive temporary accommodation.
- 2.13.7 In providing additional affordable housing, the Council will make savings in temporary accommodation. The savings will be modelled as part of the business case.
- 2.13.8 The project will better integrate the estate into the surrounding area, resolving physical problems of the estate in terms of its sense of isolation, with surrounding development “turning its back on the estate”.
- 2.13.9 Adding more homes in this location will make Brent Street town centre more viable.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Barnet Council is committed to building new homes and supporting infrastructure to meet the increasing demand for housing locally. All available sites are being considered and proposals are being compiled where viable; Upper and Lower Fosters is such a site. All viable sites are required so an alternative location for this proposal would not be relevant.
- 3.2 A conventional design and consultation process could be undertaken for this site; however this could lead to resident objections and conflicts, consequent programme and delivery risks, and a loss of the current good relationships between the estate residents and the wider community of the area.

4. POST DECISION IMPLEMENTATION

4.1 Pre-Construction Indicative Programme

- **Initial Capacity Study:** Jan – Apr 2016 (complete)
- **Policy & Resources Committee authorisation:** Dec 2016
- **Procurement of required services including masterplanner:** December 2016- March 2017
- **Strategic Outline Case (SOC) and further report to ARG:** June 2017
- **Final Business Case and further report to ARG prior to proceeding with planning application (target):** December 2017
- **Planning application submission (target):** January 2018

The award of any contract will be subject to securing funding.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Corporate Plan 2015-2020 has a strategic objective to “promote responsible growth, development and success across the Borough”. It states that the Council working with local, regional and national partners, will strive to ensure that Barnet is a place of opportunity, where people can further their quality of life and where services are delivered efficiently to get value for money for the taxpayer. The proposed Barnet Development Pipeline project will help meet these objectives by providing good quality private and affordable lifetime homes, through a community co-design process that strengthens community relations and confidence in the Council.

5.1.2 The Growth Strategy for Barnet recognised that growth is vital for ensuring the future prosperity of the Borough, and maintain Barnet as a successful London suburb.

5.1.3 The Council’s Local Plan adopted in 2012, sets out a 15 year ‘vision’ to help shape the kind of place that Barnet will be in the future. It supports the delivery of new homes including affordable dwellings and the use of brownfield land for high quality and sustainable suburban development.

5.1.4 The Council’s Housing Strategy, agreed in 2015 has the overarching objective of providing housing choices that meet the needs and aspirations of Barnet residents and sets out how the Council will deal with a number of challenges including high prices, a shortage of affordable housing and the potential threats to the qualities that make the Borough attractive.

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

5.2.1 The intention is for the project to be jointly delivered between Barnet Homes and Regional Enterprise Ltd (“Re”), the Council’s joint venture enterprise with Capita, which was established in October 2013. This is however subject to the finalisation of commissioning arrangements.

5.2.2 Barnet Council has already provided initial funding of £50,000 for an options study. This work has now been completed and funded by the Housing revenue account (HRA).

5.2.3 A budget of up to c£1.5 million is sought through DCLG, with a funding bid currently under consideration. A capital bid has also been submitted to the Council, for us in the event that funding from the DCLG cannot be secured. This bid is for HRA funded amounts of £0.6m in 16/17 and £0.9m in 17/18.

- 5.2.4 The procurement requirements to support this delivery which cannot be delivered through Re will be undertaken in accordance with Contract Procedure Rules, Appendix 1 Table A. Options for the procurement of the masterplanner will be considered to ensure best value and quality for the specific requirements of the project, in particular expertise in community co-design.
- 5.2.5 By undertaking the project in phases, risks are minimised and best value can be achieved.
- 5.2.6 From experience of progressing schemes of this nature an iterative approach to planning and viability appraisals is the most reliable, which will identify possible constraints and limitations early so they can be addressed in the master-planning stages, and de-risk delivery to ensure that the project maintains viability and is delivered on time.

5.3 **Social Value**

- 5.3.1 The procurement process and community involvement strategy for this project includes an assessment of social value as a key consideration. Tenderers will be required to demonstrate how they will work with the estate residents and local community to develop their proposals with the support of the project team, and the brief for the masterplan team will include the development of meanwhile projects, employment opportunities, and a detailed community strategy for the delivery phases of the project.

5.4 **Legal and Constitutional References**

- 5.4.1 Council Constitution, Responsibility for Functions, Annex A – The Assets, Regeneration and Growth Committee has responsibility for “Asset Management” – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.
- 5.4.2 Section 2.8 of The Management of Assets, Property and Land Rules, contained in the Council’s constitution states that the “Strategic Asset Management Plan” will govern decisions on the future direction and development of the “Council’s Built Environment”.
- 5.4.3 Council Constitution, The Management of Asset, Property and Land Rules, Appendix 2, Table B sets out the acceptance thresholds which provides authority for the action. Financial arrangements in excess of £100,000 must be approved by Assets, Regeneration and Growth Committee.
- 5.4.4 Following the options appraisal process the intention is to retain the existing dwellings as far as possible but optimise the use of the currently underused land to develop up to 200 additional units. Initial option studies suggest that decanting will be limited to the low-rise sheltered accommodation to the northern end of the site, and there is no requirement for the use of compulsory purchase powers (CPO).
- 5.4.5 Where tenants are being decanted the implementation of Grounds 10A will be required.

5.4.6 Given the close proximity of proposed construction to occupied residential property, management of construction will be important, and compliance with Barnet council Environmental Health policies will need to be closely monitoring.

5.5 Risk Management

5.5.1 The initial feasibility costs for any property development is at risk by definition however by undertaking the master-planning process a large amount of uncertainty is removed from the project before a decision to proceed with a full design is made. The work is split into 3 phases with viability gateways after each phase, this will de-risk the project and provide greater cost certainty at an early stage.

5.5.2 Should DCLG funding not be secured

5.5.3 The project will be carefully managed ensuring that viability is maintained. We will put project controls in place to ensure that ongoing viability is regularly verified based on current market data. Gateway reviews will be held at the completion of each work stage, and the viability model will be analysed and robustly challenged by an independent panel of experts. Concurrent engineering techniques (parallel processing of non-critical activities) will be employed whenever possible to add pace to the project and reduce the overall programme whenever possible.

An integrated partnership approach will be taken with regards to engagement and consultation with local residents. The intention is to develop a scheme which is supported by the local community and thereby minimise local objections. This will help to speed up the planning process and delivery.

5.6 Equalities and Diversity

5.6.1 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.

5.6.2 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.

5.6.3 The development at Upper and Lower Fosters will make a significant contribution to the provision of additional high quality intermediate housing in the Borough to assist first time buyers, many of whom are currently priced out of the market. In addition, much needed affordable rented housing will also be provided, as well as promotion of further construction jobs in the borough.

- 5.6.4 At this stage, the proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal, however a full EIA will be considered in due course.

The site is situated in an area with a strong Jewish community presence and the creation of a community forum is proposed. This will enable appropriate community ambassadors to be nominated, appointed and also supported in their position with suitable training. Once trained, the expectation is that community ambassadors act with professionalism and are remunerated for their time. This is good for the project in terms of building trust and respect with residents, de-risking the programme and providing an opportunity for local people to develop new, transferrable skills.

5.7 Consultation and Engagement

- 5.7.1 Barnet Council has a resident engagement strategy which encourages residents to own the improvement proposals from design through to post-delivery. There will be no pre-determined decision making, and we will not be 'imposing' solutions.
- 5.7.2 Re and Barnet Homes understand that to simply 'consult' with communities experiencing regeneration is inadequate. There must be genuine, meaningful involvement that secures relationships built on trust and clear communication channels that can address issues as they arise and mitigate potential 'flashpoints'. A co-design process is proposed for this project, led by a community engagement specialist, and community involvement will be integrated into every stage of the project development, including the procurement of the design team. A stakeholder engagement plan will be developed which will be approved and monitored by the project and programme board.
- 5.7.3 The site is situated in an area with a strong Jewish community presence as part of a wide mix of religious and ethnic groups. The wider community will be involved with the project through representation in the co-design process as well as through information sharing and wider consultation. Community representatives within the co-design process will undergo training and capacity building exercises to ensure they are able to contribute to the fullest possible extent. This is good for the project in terms of building trust and respect with residents, de-risking the programme and providing an opportunity for local people to develop new, transferrable skills.
- 5.7.4 Ward Member engagement will be critical as well as involvement of the Leader, Deputy Leader and Chair of the Housing Committee to address issues arising from broader concerns for the local community.

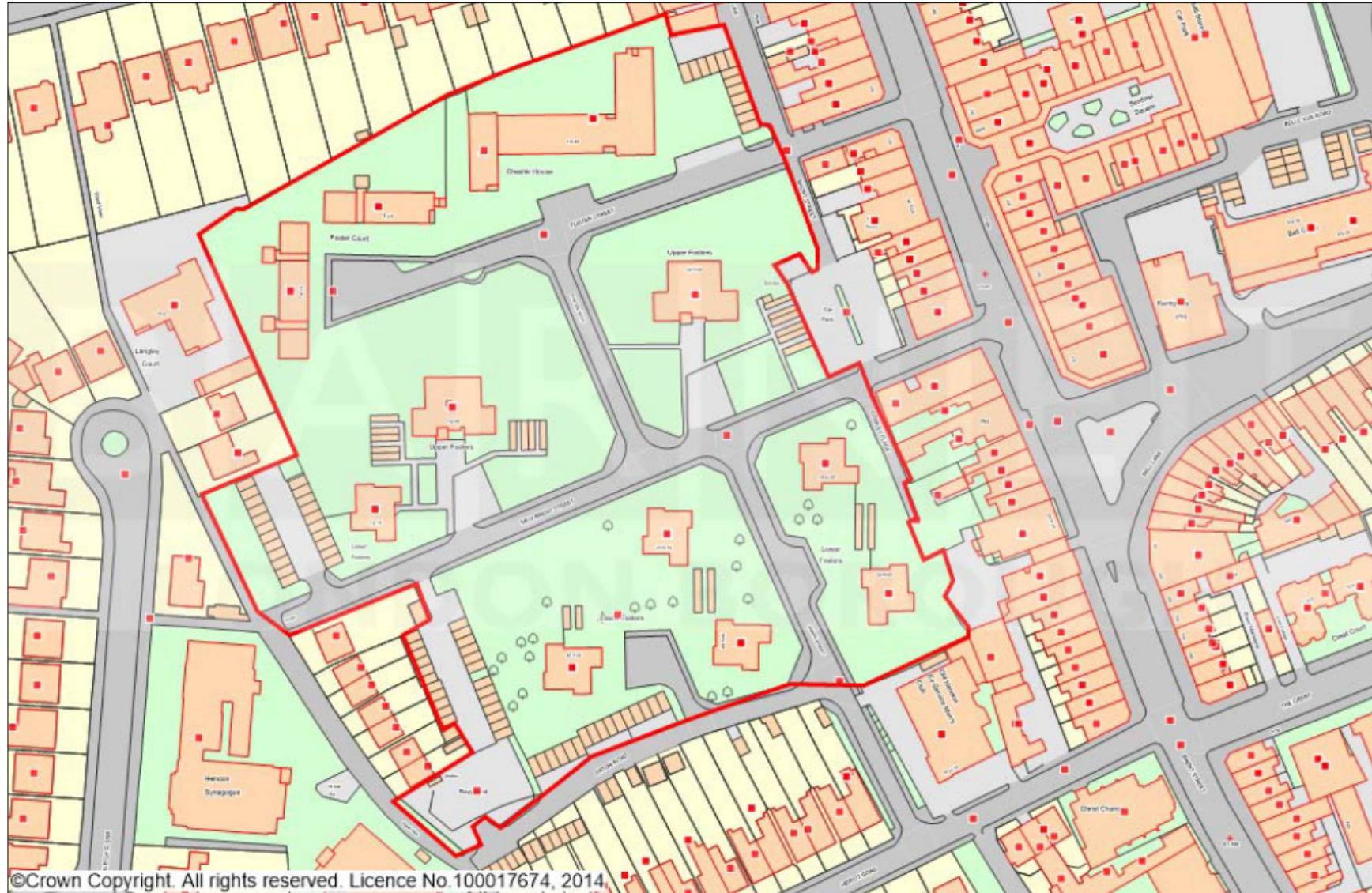
- 5.7.5 A range of engagement techniques will be employed including a core group of highly engaged residents and community members who represent the community within the design process, open meetings, 'surgeries', newsletters, surveys, home visits, and a well-managed web-site for regular updates.
- 5.7.6 Community engagement will need to be sensitively managed. Lessons learnt from other regeneration projects will be used to provide the best form of engagement to ensure:
- Stakeholder buy in
 - The right flow of information
 - A good understanding of the process
 - All residents feel that they can engage and contribute in the process
 - The needs of residents are understood and can be met
 - Expectations are managed
- 5.7.7 Detailed engagement and planning will be required on matters such as parking provision; traffic impact assessment and additional pressure on local social infrastructure e.g. school places.
- 5.7.8 The Council and its partners, have an excellent track record of community engagement through estate renewal scheme. It has just completed a comprehensive programme of engagement on a new master plan and supplement planning document for the second phase of the Grahame Park development in Colindale. With our development partners, we have delivered decant programmes, refurbishment investment and land acquisition on the West Hendon, Dollis Valley, Stonegrove and Granville Road estates. In total these development affect in excess of 10,000 households and the Council has, to date, delivered over 3,000 new dwellings. Planned obligations across regeneration sites in Barnet will offer over 300 apprentice obligations throughout their oncoming construction periods.

5.8 **Insight**

- 5.8.1 No specific insight data has been used in this report.

6. **BACKGROUND PAPERS**

Appendix A – Upper & Lower Fosters Estate Plan, Red Line Drawing



	<p>Assets Regeneration and Growth Committee</p> <p>12 December 2016</p>
<p style="text-align: center;">Title</p>	<p>Relocation of Meadow Close Children’s Home and Transformation</p>
<p style="text-align: center;">Report of</p>	<p>Director of Resources</p>
<p style="text-align: center;">Wards</p>	<p>Underhill, Totteridge</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Urgent</p>	<p>No</p>
<p style="text-align: center;">Key</p>	<p>No</p>
<p style="text-align: center;">Enclosures</p>	<p>Appendix A – Outline Business Case (OBC): Relocation of Meadow Close</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Jo Pymont Assistant Director of Social Care Jo.pymont@barnet.gov.uk 020 8359 6251</p> <p>Megan Hallett Project Manager, Corporate Programmes megan.hallett@barnet.gov.uk 020 8359 4469</p>

Summary
<p>This report sets out the Business Case (BC) for the Council’s proposed relocation of the current Children’s Home at Meadow Close, to 27 Woodside Avenue.</p> <p>The existing premise at Meadow Close is deemed not fit for purpose as it does not meet the current Department for Education (DfE) Children’s Homes Regulations and Standards, specifically Approved Document M, and various best practice standards which comply with accessibility matters such as British Standards 8300:2010, and it is not capable of achieving ‘Outstanding’ in any Ofsted inspection. Relocation would enable provision of a replacement Children’s home that addresses these issues and supports the Council’s</p>

objective to promote the achievement of good outcomes for looked after children.

Relocation of the Children's Home also provides opportunities to create a separate Adolescent Support Hub ("Hub") at the same site, linking to the Family Services 2020 (FS2020) Programme, with its vision for Barnet to be the most family friendly borough in London by 2020.

The Hub would provide a space from which a 'virtual' team would provide targeted interventions for children, young people and their carers to reduce reception into care, support return home from care and encourage a step down from high cost residential placements into suitable local foster care.

This business case has been completed in accordance with HM Treasury's Green Book 'five-case' business case principles and therefore includes the following:

- Strategic Case – setting out the context, arrangements and the case for change, constraints and investment objectives;
- Economic Case – appraising the options for a relocated Children's Home , and the preferred option;
- Commercial Case – indicating the commercial implications of the option;
- Financial Case – indicating how the preferred option could be funded; and
- Management Case – outlining the initial plans for delivery to manage the way forward.

The business case outlines the preferred option of a relocating the Children's Home to Woodside Avenue. This is at a currently estimated at an upper cost of £2.27m, excluding the Hub accommodation provision, to be funded from capital funding assigned for the re-location of the existing Children's Home from Meadow Close. The Hub is subject to planning approval as well and will be funded from the existing budget allocated to the re-provision of the children's home (£2.5m).

Subject to approval the Children's Home and Hub is planned to be completed by Spring 2018 with construction commencing in Summer 2017.

Recommendations

- 1. That the Committee approve the Business Case for the Relocation of Meadow Close Children's Home to 27 Woodside Avenue and delegates the authority of submitting a planning application to the Director of Resources.**
- 2. That the council continues to progress the planning and design work required to provide an Adolescent Support Hub within the site at Woodside Avenue with a view to submitting a planning application and the authority for this is delegated to the Director of Resources.**

- 3. That authority for agreeing the final specification and design of the new Children's Home accommodation and Adolescent Support Hub and procurement and awarding of necessary contracts to deliver the schemes is delegated to the Director of Resources.**

- 4. That authority to appropriate 27 Woodside Avenue for planning purposes for the purpose of a children's home should be given to Head of Estates to be carried out once the necessary conditions have been satisfied.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The current children's home in Meadow Close does not meet with required standards concerning accessibility, fire safety and service delivery and would require significant investment to meet the required building standards. It is also not capable of achieving 'Outstanding' in any Ofsted inspection.
- 1.2 This report is seeking approval to the recommendations in order that a fit for purpose replacement children's home can be provided in Woodside Avenue, along with a separate Adolescent Support Hub to provide targeted interventions with children, young people and carers to support a reduction in the demand for care and high cost placements.

2. REASONS FOR RECOMMENDATIONS

- 2.1 This report recommends that the Assets Regeneration and Growth Committee approve the relocation of the current Children's Home to Woodside Avenue. This would enable delivery of a high quality six-bed residential children's home in Barnet for looked-after young people, replacing the existing home at 68a Meadow Close. The new home will adhere to the current Department of Education Children's Home Regulation and Standards as well as enhance the level of care offered to young people by providing high quality modern living accommodation in a safe and secure environment, which would result in a property capable of achieving an Ofsted rating of 'OUTSTANDING'.
- 2.2 Relocation of the Children's Home to Woodside Avenue also provides opportunities to create an Adolescent Support Hub, linking to the FS2020 Programme. The opportunity afforded by an Adolescent Support Hub would support a model building resilience in families and carers to better manage the challenging behaviours presented by some young people resulting in a reduction in the use of costly external provision.
- 2.3 The strategic review provided within this document concludes Woodside Avenue to be the preferred option. Woodside is a large spacious site with the option to extend and meets all strategic objectives set out by Family Services.

- 2.4 The site is in close proximity to Woodside Park tube station. The station is quite small and the area around is relatively quiet, which will reduce the potential for negative influences compared to a larger transport hub.
- 2.5 The spacious site at Woodside Avenue meets the accommodation requirements of the strategic objectives. The objective is 'to replicate as far as possible a family home environment, with a house style rather than an institutional feel, and in keeping with other properties in the immediate surroundings.' The Woodside Avenue design would enable a 'house feel' as well as providing garden space and there would be no need to significantly change the look of the building.
- 2.6 In terms of the local environment, Woodside Avenue provides improved surroundings, which is in a quiet, spacious and relaxed residential environment. Moreover, the spacious site would help to reduce any noise from the building and less likelihood of any negative impact on neighbours. The redeveloped children's home will improve the young people and staff support spaces including creating better circulation and family space for families to have contact with their children. This will in turn help to benefit some of Barnet's most vulnerable children and young people

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The following options were identified:
 - a. Retain the existing Meadow Close Children's Home
 - b. Relocate Children's Home
- 3.2 Due to the current physical limitations of the existing Children's Home at Meadow Close, the current home does not comply with current Department of Education Children's Homes Regulations and Standards. Furthermore, it will be uneconomical to reconfigure the current site.
- 3.3 In relocating the children's home a number of private sector accommodation and council owned sites have been investigated. The private sector market provided predominantly smaller properties which did not meet the requirement stated in the brief and would therefore require extending subject to planning permission, even if space for teams that support the young people was not included. The cost of acquisition and conversion of private accommodation is an expensive option.
- 3.4 Subsequently, a number of council owned sites including Woodside Avenue were identified through the Development Pipeline Programme Board. These sites were identified as being potentially suitable for extending and adapting to the requirements of the brief as well as being more cost effective than private sector accommodation. Detailed breakdown of these council owned sites, including sites judged less suitable than Woodside Avenue after strategic review, are described and analysed within attached OBC.

- 3.5 For the preferred site at Woodside Avenue a number of options have been considered besides the recommended option. Options to demolish the existing property and rebuild on the site were the most expensive options and would result in loss of architectural character of the building, affect the street scene and potentially lead to planning objections. The remaining refurbishment options were for smaller building areas which would provide reduced circulation space and building efficiencies compared with the preferred option. These options are also described and analysed in the attached OBC.
- 3.6 Analysing these options against the critical success factors of financial sustainability, a fit for purpose solution and alignment with the Council's strategic aims, alongside qualitative and quantitative appraisals, the BC demonstrates that the option proposing a refurbished property at Woodside Avenue and including a separate Hub is the solution that best meets all of LBB's strategic objectives. Although inclusion of a separate Hub takes the project over the current budget, and increases planning risk, the benefits of including a Hub are in the better outcomes for children who would be enabled to return home or stay in local placements rather than in more expensive placements out of the borough.

4. POST DECISION IMPLEMENTATION

- 4.1 The preferred solution is refurbishment of the current property at Woodside Avenue rather than demolition and rebuilding, with the inclusion of a new separately accessed 'Hub' space for targeted intervention work with Families and Young People to help reduce demand for high cost placements.
- 4.2 Subject to the endorsement of the recommendations outlined in this report, officers will finalise the designs of the main Children's Home building and refurbishment works at Woodside Avenue, procure a contractor and commence work on site with a view to works being completed in Spring 2018. The budget allocations for this work have been approved by the Council's Policy and Resources Committee.
- 4.3 Officers will also progress plans and designs for the inclusion of a Hub on the same site at Woodside Avenue. Requirements for the Hub need to be developed further by Family Services and inclusion of the Hub will be subject to meeting planning requirements and sufficient additional funding being in place. A Full Business Case setting out the business justification and benefits of the Hub will be presented to Assets Regeneration and Growth Committee in Spring 2017.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Council's Corporate Plan sets out its vision for delivering its objectives.

5.1.2 The re-provision and re-location of Meadow Close children's home supports organisational objectives and strategy in a number of ways:

- Providing high quality placement provision supports the Council's objective to promote the achievement of good outcomes for looked after children and achieve an Ofsted rating of 'OUTSTANDING'
- Providing placements in or close to Barnet supports the strategy to offer more looked after children local placements. This is in line with the Department for Education (DfE) performance indicator to reduce the number of placements at a distance of 20 miles or more
- In-house placement provision enables LB Barnet to develop closer links with Barnet foster carers to develop pathways for children and young people who are currently in a residential placement to step down to foster care where appropriate
- The provision of places in more affluent areas of the borough in order to increase the children's self-worth and self-esteem.
- The relocation of the home should also provide an opportunity to include a space for the teams that supports young people that reside both within and beyond the home, which will in turn aid to benefit some of Barnet's most vulnerable children and young people.
- The inclusion of space for teams to support the young people will enable staff and families a space for support activities, further enhancing out provision for looked after children.
- The project will enable links to new models of working, demand management that in turn reduce spend in the long term
- The project sits within the Family Friendly Barnet 2020 Programme. Delivery of the project will help support the Barnet Children & Young People's Plan 2016-2020 vision for Barnet to be the most 'Family Friendly' borough in London by 2020.
- The project supports the Barnet Children & Young People's Plan 2016-2020 objective that Children, Young People and their families are safe, healthy, resilient, knowledgeable, responsible, informed and listened to.

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

5.2.1 The Capital Programme currently contains a budget of £2,500,000, as approved at Policy and Resources Committee in December 2015.

5.2.2 The next phase of the project will finalise the design, timescales for implementation and project costs, which are currently estimated at £2,271,542. The estimated cost includes all build and refurbishment works,

professional fees, and other necessary surveys associated with the relocation of the Children's Home to Woodside Avenue. The estimated cost does not include a separate standalone Hub and additional funding will be needed for this element. The breakdown of the £2.28m is as per the table below:

Item	Notes	Cost (£)
Construction Costs	This is upper limit / highest cost, and allows for +40% optimum bias on the construction cost	1,338,542
Staff - Project costs		51,000
Staff -Project manager fees		84,000
Staff - Technical services (design / technical advisors incl QS and CDMC)		321,000
Additional non –core fees		82,500
Surveys		38,500
Planning		10,500
Building Control		4,000
BREEAM	Building Research Establishment Environmental Assessment Method - measure used to describe building environmental performance	10,000
Highways		30,000
Legal		30,000
Diversion work by stats	Risk item to be investigated further, no allowance to date	0*
FF&E allowance		150,000
ICT allowance		50,000
Contingency	10% of project cost	200,000
Total	This is upper limit / highest cost, and allows for +40% optimum bias on the construction cost**	2,271,542

- 5.2.3 The Hub is an essential part of LBBs Family Friendly Barnet aims but costs for a standalone Hub have not been developed to date as the design is still in development. However the costs are not anticipated to exceed the existing budget within Family Services capital programme.
- 5.2.4 Inclusion of a standalone Hub is expected to reduce spend on placements. This will be achieved through targeted interventions to reduce reception into care and encourage a step down from high cost residential placements into suitable foster care. There is good potential for the investment to produce savings in revenue budget from provision of the Hub.
- 5.2.5 Project risks have been assessed and quantified in terms of probability of occurring and potential impact. The council will retain an element of funding as a provision should these risks materialise.

5.3 Social Value

- 5.3.1 The development proposals will make significant contribution to the care of looked after children within Barnet, and social value will be considered as part of the procurement process.
- 5.3.2 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

5.4 Legal and Constitutional References

- 5.4.1 The Council Constitution under Responsibility for Functions sets out the terms of reference for the Assets, Regeneration and Growth Committee which includes:
- Develop strategies which maximise the financial opportunities of growth; and
 - Asset Management – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council Rules in the Council's constitution.
 - To approve any non-statutory plan or strategy within the remit of the Committee that is not reserved to Full Council or Policy and Resources.
 - To authorise procurement activity within the remit of the Committee and any acceptance of variations or extensions if within budget in accordance with the responsibilities and thresholds set out in the Contract Procurement Rules.
- 5.4.2 HB Public Law has been consulted on this matter and their comments incorporated into the body of this report. The procurement of a contractor to undertake building and refurbishment works at Woodside Avenue will be

carried out in accordance with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules.

5.4.3 As set out in Responsibility for Functions, agreeing the capital programme is the reserve of the Policy and Resources Committee, and as per 5.2.2, decision on capital budget will be taken there.

5.4.4 The title to 27 Woodside Avenue should be checked in order to see whether there is anything which impacts on the proposed use of it or proposed works, if this has not yet been done. If 27 Woodside Avenue is currently held in the Council's housing revenue account (HRA) the Council should consider whether the proposed future use is consistent with this. If it is not, 27 Woodside Avenue should be appropriated from housing to the new purpose. This cannot be done until (a) 27 Woodside Avenue is no longer required for the purpose for which it is currently used and (b) consent to the appropriation has been obtained from the Secretary of State for Communities and Local Government ("SoS"). If 27 Woodside Avenue is not currently held for housing purposes, it should still be appropriated to use as a children's home, and item (a) still applies but the consent of SoS is not required to the appropriation. If it is considered appropriate to override any third party rights and covenants affecting 27 Woodside Avenue, it could be appropriated to planning purposes as an alternative to children's home if planning consent is to be obtained for the works; again this cannot be done until it is no longer required for the current use and the consent of SoS is needed if it is currently held in the HRA. The Council Constitution Management of Asset Property and Land Rules should be have regard for the Council Scheme of Delegation with regard to identifying any manager with the right to initiate change to the Asset Portfolio as delegated by their Director.

5.5 Risk Management

5.5.1 Retaining the existing Children's Home in its current location requires a significant amount of investment in the building fabric. The building arrangement is such that the quality of care is being compromised.

5.5.2 In order to mitigate the risk to Young People a replacement Children's Home is regarded as a priority.

5.5.3 The Strategic Risks for LBB to manage and mitigate as it considers the proposed relocated Children's Home are:

- Inability to gain sufficient funding to deliver the preferred option.
- Inability to gain vacant possession at the time required in the programme, which could delay start on site
- Inability to satisfy the planners that the Hub building is appropriate in a residential area
- Objections from the local community about the new Children's Home during planning approval process, which may defer planning consent.

- Potential cost and time overruns resulting in new accommodation not being available on time and budgetary pressures

5.5.4 Detailed risk analysis, with mitigations is found in Section 7, Management Case of the Meadow Close Relocation Business Case.

5.5.5 Project risks have been assessed and quantified in terms of probability of occurring and potential impact. The council will retain an element of funding as a provision should these risks materialise.

5.6 Equalities and Diversity

5.6.1 The development proposal will make significant contribution to the care of disadvantaged young people in Barnet.

5.6.2 At this stage the proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal.

5.6.3 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.

5.6.4 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.

5.6.5 We anticipate that the planned new Children's Home will have a positive impact on equalities because it will provide improved access and circulation for the residents, including an accessible bathroom. The equalities impact will be assessed, and updated as the proposals develop.

5.6.6 The proposed works will comply with all relevant legislation including disability requirements.

5.6.7 The proposed works will enhance the Borough's reputation as a good place to live and work.

5.7 Consultation and Engagement

5.7.1 A detailed communications and engagement plan is in development; however some discussions with key stakeholders have already taken place to support the proposals moving forward.

- **Children living at Meadow Close:** views of the children already living at Meadow Close have been and will continue to be sought during the design process
- **Senior managers within Local Authority (Leader, Lead Member and Chief Executive):** as corporate parents for our children in care, senior leaders have been briefed on the various options that have been considered.
- **Members of Corporate Parenting Advisory Panel:** regular updates and briefings on the progress of this project have been given to members of the panel.
- **Ward Members:** discussions have taken place with ward councillors from Woodside to notify them of the potential move to the locality.
- **Barnet Homes:** Regular discussions have been taking place with Barnet Homes since early this year and these are ongoing. Some of the existing tenants have already vacated the property at Woodside Avenue. Barnet Homes are actively seeking suitable alternative accommodation for those remaining.
- **Local Residents:** local residents will be consulted at the appropriate stage of this project.

5.8 Insight

5.8.1 Ofsted Regulations

5.8.2 Department of Education Children's Homes and Standards and Approved Document M.

5.8.3 British Standards 8300:2010 and Best practice standards which comply with accessibility matters.

6. BACKGROUND PAPERS

6.1 Outline Business Case (OBC): Relocation of Meadow Close

6.2 Ofsted report:

<http://www.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/CARE/SC034134>

6.3 Ofsted report:

<http://www.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/CARE/SC033805>

6.4. Children's Homes Regulation and Standards

<https://www.gov.uk/government/publications/childrens-homes-regulations-including-quality-standards-guide>

6.5 Policy and Resources Committee 16 December 2015, Business Planning – Medium Term Finance Strategy 2016-2020, Appx C Capital Additions 2016-2020 approved budget of £2.5

Outline Business Case (OBC): Meadow Close Relocation

Author:	Megan Hallett
Date:	28/10/16
Service / Dept:	Corporate Programmes

Contents

Executive Summary	iii
1 Introduction.....	1
2 Strategic Case.....	1
2.1 Strategic Context / drivers	1
2.2 Constraints	3
2.3 Dependencies.....	3
2.4 Risks.....	3
2.5 Equalities and Diversity4	
2.6 Conclusion.....	4
3 Economic Case	4
3.1 Critical Success Factors	4
3.2 Introduction to options	5
3.3 Site Option 1 - Retain the existing Meadow Close Children’s Home	5
3.4 Site Option 2 - Relocation to Private Sector site	6
3.5 Overview of Site Options 3 -5 Council owned sites with possible development opportunities.....	7
3.6 Site Option 3: Relocate to 27 Woodside Avenue N12 8AT (see Appendix D for Photos).....	8
3.7 Site Option 3A – Woodside Avenue; Refurbishment of Existing Site and Extension	9
3.8 Site Option 3B– Woodside Avenue: Demolition and Rebuild of Existing Site (including the proposed provision for a space for individual work with children and families).....	11
3.9 Site Option 3C– Woodside Avenue: Demolition and Rebuild of Existing Site (Excluding the proposed provision for a space for individual work with children and families).....	13
3.10 Site Option 3D1– Woodside Avenue – Refurbishment excluding separate space	15
3.11 Site Option 3D2– Woodside Avenue – Refurbishment including separate space	17
3.12 Site Option 3D3– Woodside Avenue – New build including separate space	18
3.13 Site Option 3D4– Woodside Avenue – Exclusion of extension.....	20
3.14 Site Option 3D5– Woodside Avenue – Exclusion of Top Floor.....	21
3.15 Site Option 3D6 – Woodside Avenue – Exclusion of Top Floor and extension.....	22
3.16 Site Option 3D7– Woodside Avenue – New build with reduced area	24
3.17 Site Option 4 – Adamson Court, Hertford Road, East Finchley	25
3.18 Site Option 5 – 80 Daws Lane, Mill Hill, NW7 4SL.....	28

3.19	Conclusion	29
4	Commercial Case	31
4.1	Required services.....	31
4.2	Development sourcing approach.....	32
4.3	Procurement approach and implementation timescales	32
4.4	Management of Children’s Home and separate ‘Hub’ space	33
4.5	Conclusion and next steps	33
5	Financial Case.....	33
5.1	Funding requirements.....	33
5.2	Implementation costs.....	34
5.3	Cost control in construction	35
5.4	Conclusion.....	36
6	Management Case	36
6.1	Overarching governance arrangements	36
6.2	Roles and Responsibilities	40
6.3	Project plan.....	42
6.4	Key milestone dates	43
6.5	Risks and issues.....	44
6.6	Benefits realisation approach	46
6.7	Communications approach.....	48
6.8	Post project evaluation approach	49
6.9	Conclusion.....	49
7	Summary	49

Executive Summary

This document is the Outline Business Case (OBC) for London Borough of Barnet's (LBB) proposed re-location of the Children's Home at Meadow Close.

The existing children's home at Meadow Close does not meet with the current Department for Education (DfE) Children's Homes Regulations and Standards and Ofsted has reported the current home will not achieve a higher rating than 'GOOD' in the future. One of the strategic objectives is to ensure a high quality home for the young people, which would result in an Ofsted rate of 'OUTSTANDING'.

This OBC appraises a number of options, including those reported to Assets and Capital Board (ACB) in July 2015, and in February 2016 and further options subsequently proposed in an Options Appraisal of the preferred site undertaken in March 2016.

The chart overleaf summarises these options.

Previous reports to ACB identified the following options:

- **Retaining the existing Meadow Close Children's Home**
- **Relocating Children's Home, which includes a number of site options.**

Features of each option are summarised as;

Retaining the existing Meadow Close Children's Home

Due to the current physical limitations of the existing Children's Home at Meadow Close, the home does not comply with current DfE Children's Homes Regulations and would require remedial works to meet the requirements. Furthermore, it would be uneconomical to reconfigure the current site.

Relocation of Children's home

In relocating the children's home a number of private sector properties and council owned sites have been investigated. The private sector market provided predominantly smaller properties which did not meet the spatial requirement stated in the brief. These sites would require extending, even if excluding the 'separate space' for teams supporting the young people. The cost of acquisition and conversion of private accommodation is an expensive option. Subsequently, a number of council owned sites were identified through the Development Pipeline Programme Board. These sites were identified as being suitable for extension and adaptation to the requirements of the brief as well as being more cost effective.

A strategic review of Council owned sites has found Woodside Avenue to be the preferred site for relocation of the home. Woodside Avenue is a large spacious site with the option to extend and meets all strategic objectives set out by Family Services (FS). Following a budget review, a reduced target of £1.6m was instructed and a further Options Appraisal (April 2016) undertaken, which identified a further seven configurations.

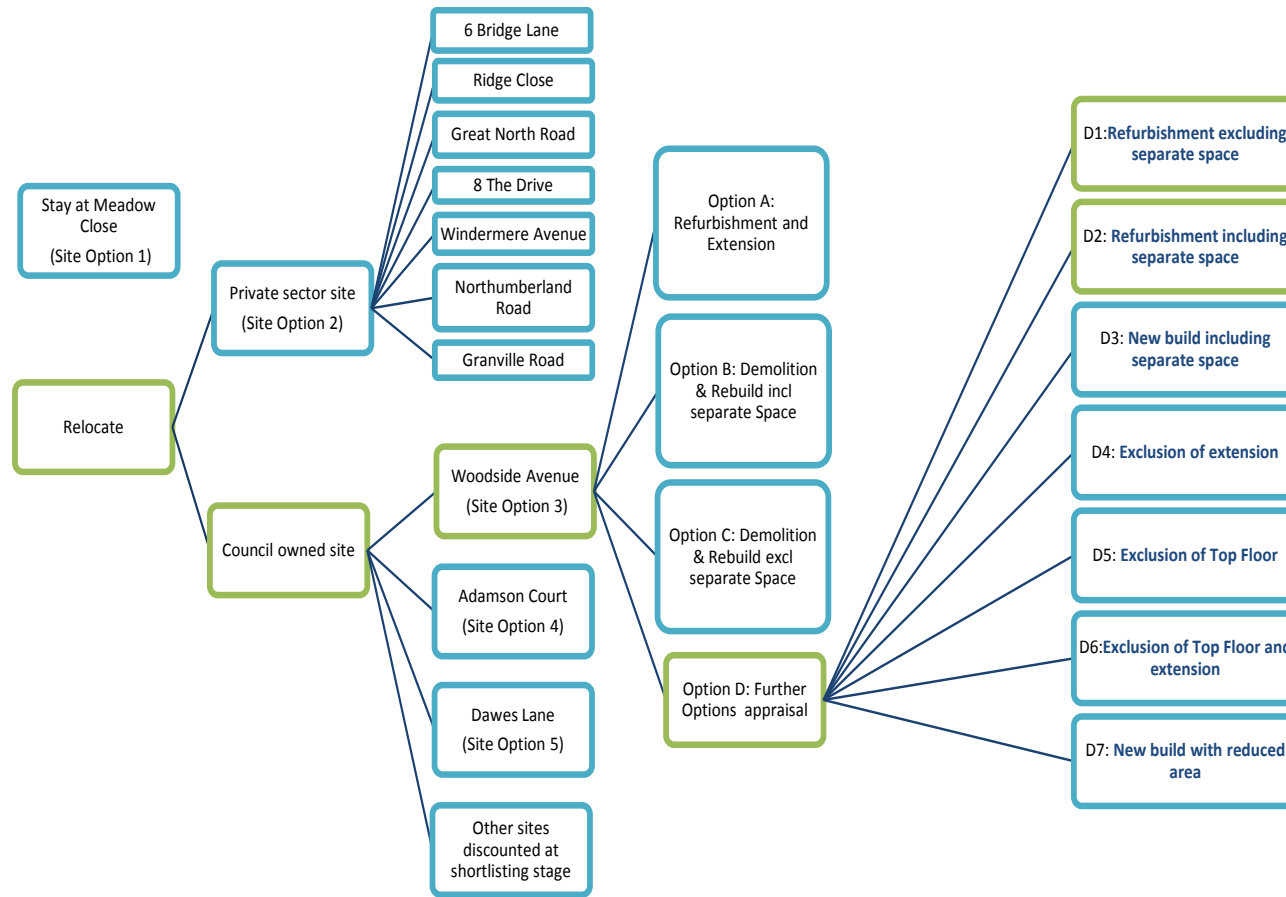
The recommended option from the March 2016 Options Appraisal was Woodside Avenue Refurbishment excluding 'separate space' (Option 3D1), as this option is forecast within the project budget (though exceeds £1.6m target). The March 2016 Options Appraisal was written at summary level, and exploratory work has since been undertaken before presenting this Business Case. In line with the vision of Family Friendly Barnet, Family Services have started to develop the technical requirements for the separate space, which has identified a preference for the separate space to be provided as a 'Hub' in a standalone building for which additional funding will be required. Although excluded from the preferred option in the March 2016 Options Appraisal, the 'separate space' is a critical requirement of the Service and a potential feature of the selected site subject to budget and planning constraints.

Note: Link to Department of Education Children's Homes Regulations and Standards

<https://www.gov.uk/government/publications/childrens-homes-regulations-including-quality-standards-guide>

Note: Link to Ofsted report – providing description of OUTSTANDING rating requirements (page 18)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/481847/Inspection_of_childrens_homes_framework_for_inspection_from_1_April_2015.pdf



Options Summary Chart

1 Introduction

This document is the Outline Business Case (OBC) for London Borough of Barnet's (LBB) proposed re-location of the Children's Home at Meadow Close.

The existing children's home at Meadow Close does not meet with the current Department for Education (DfE) Children's Homes Regulations and Standards and Ofsted has reported the current home will not achieve a higher rating than 'GOOD' in the future. One of the strategic objectives is to ensure a high quality home for the young people, which would result in an Ofsted rate of 'OUTSTANDING'.

This BC has been completed in accordance with HM Treasury's Green Book 'five-case' business case principles and therefore includes the following:

- Strategic Case – setting out the context, arrangements and the case for change, constraints and investment objectives;
- Economic Case – appraising the options for a relocated Children's Home , and the preferred option;
- Commercial Case – indicating the commercial implications of the option;
- Financial Case – indicating how the preferred option could be funded; and
- Management Case – outlining the initial plans for delivery to manage the way forward.

2 Strategic Case

2.1 Strategic Context / drivers

This OBC provides options for the relocation of the current children's home, situated at 68a Meadow Close to a new location within the borough.

LB Barnet currently has two six bed children's homes, located at Meadow Close and New Park House, which provide placements for looked-after children and young people aged 12 and above, of either gender with emotional and/or behavioural difficulties. The quality of service offered by both units is high and is Meadow Close is judged as 'Good' by Ofsted¹.

The regulations for the standard to which children's homes should adhere are defined by the current Department of Education Children's (DFE) Homes Regulations and Standards. These Regulations include Quality Standards which set out the aspirational and positive outcomes homes are required to achieve. They also set out the underpinning requirements that homes must meet in order to achieve those overarching outcomes which are, to an important extent, dependent upon the physical qualities and location of a children's home. Meadow Close does not meet with required standards concerning accessibility, fire safety and service delivery, which would require significant investment to meet the required standards. The current site whilst rated GOOD in its last Ofsted Inspection, (Nov 2015) is unlikely to be graded any higher (OUTSTANDING) due to these physical limitations. In addition to these physical limitations for the children living there, the building itself does not comply with current Building Regulations, specifically Approved Document M (access and

¹ <http://www.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/CARE/SC034134>
<http://www.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/CARE/SC033805>

use of a building), and various best practice standards which comply with accessibility matters such as British Standards 8300:2010.

The re-location of the Children's home from Meadow Close supports organisational objectives and strategy in a number of ways:

- Providing high quality placement provision supports the Council's objective to promote the achievement of good outcomes for looked after children and achieve an Ofsted rating of 'OUTSTANDING'
- Providing placements in or close to Barnet supports the strategy to offer looked after children local placements. This is in line with the Department for Education (DfE) performance indicator to reduce the number of placements at a distance of 20 miles or more
- In-house placement provision enables LB Barnet to develop closer links with Barnet foster carers to develop pathways for children and young people who are currently in a residential placement to step down to foster care where appropriate
- The provision of places in more affluent areas of the borough in order to increase the children's self-worth and self-esteem.
- The relocation of the home should also provide an opportunity to include a space for a team to operate that will support young people in care, residing both within and beyond the home, which will in turn help to benefit some of Barnet's most vulnerable children and young people and reduce the need to escalate some children and young people to higher cost placements.
- The inclusion of space for teams to support the young people will enable staff and families a space for support activities, further enhancing provision for looked after children.
- The project will enable links to new models of working, demand management that in turn reduce spend in the long term
- The project sits within the Family Friendly Barnet 2020 Programme. Delivery of the project will help support the Barnet Children & Young People's Plan 2016-2020 vision for Barnet to be the most 'Family Friendly' borough in London by 2020.
- The project supports the Barnet Children & Young People's Plan 2016-2020 objective that Children, Young People and their families are safe, healthy, resilient, knowledgeable, responsible, informed and listened to

2

<http://www.google.co.uk/url?url=http://www.ofsted.gov.uk/filedownloading/%3Ffile%3Ddocuments/surveys-and-good-practice/f/From%2520a%2520distance%2520Looked%2520after%2520children%2520living%2520away%2520from%2520their%2520home%2520area.pdf%26refer%3D0&rct=j&frm=1&q=&esrc=s&sa=U&ei=2Yw2VLbNG8bW7Qb9toCADg&ved=0CCYQFjAD&usg=AFQjCNHtHIT3wMuzCPqA6PL2VwLW9DanDA>

- The Planning application / design needs to take into consideration LBBs planning policies for residential areas. Managing the expectation of the local residents through consultation will be fundamental to minimise the risk of objections.

2.2 Constraints

There are a number of constraints for LBB to consider in its approach to the proposed relocated Children's Home:

- Availability of funding
- Planning requirements
- Family Services desire to co-locate separate Hub space on the same site as the home, this limits availability of suitable sites

2.3 Dependencies

The successful delivery of this project is dependent on:

- Sufficient funding being available to cover requirements
- Vacant possession of 27 Woodside Avenue being provided
- Securing Planning Consent
- Procurement route for Construction/Build – Design & Build
- Stakeholder Engagement
- Legal title due diligence on the Woodside site is required

2.4 Risks

The Strategic Risks for LBB to manage and mitigate as it considers the proposed relocated Children's Home are:

- Inability to gain sufficient funding to deliver the preferred option.
- Inability to gain vacant possession at the time required in the programme, which could delay start on site
- Inability to satisfy the planners that the Hub building is appropriate in a residential area
- Objections from the local community about the new Children's Home during planning approval process, which may defer planning consent.
- Potential cost and time overruns resulting in new accommodation not being available on time and budgetary pressures

Detailed risk analysis, with mitigations is found in Section 7, Management Case.

2.5 Equalities and Diversity

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.

We anticipate that the planned new Children's Home will have a positive impact on equalities because it will provide improved access and circulation for the residents, including an accessible bathroom. The equalities impact will be kept under review and updated as the proposals develop.

The proposed works will comply with all current relevant legislation including disability requirements.

The proposed works will enhance the Borough's reputation as a good place to live and work.

2.6 Conclusion

This section has set out the strategic context for the proposed relocation of the Children's Home and demonstrated there is also alignment with the Council's Corporate Plan, FS2020 Plan and Resilient Futures agenda. It has set out the strategic case for investment in a relocated Children's Home at Woodside Avenue.

3 Economic Case

The Economic Case sets out the Critical Success Factors (CSF's) for the decision, appraising the short-listed options to indicate the preferred option.

3.1 Critical Success Factors

Based on the strategic drivers, business needs and constraints, the following Critical Success Factors (CSFs) have been established for LBB's approach to the proposed development of the children's home:

- **CSF1:** Is financially sustainable for the Council
- **CSF2:** Provides a fit for purpose solution that facilitates Children's Home
- **CSF3:** Alignment with the wider strategic aims of LBB (including likelihood of responding to Children's Home needs and reducing inequality)
- **CSF4:** Transport Links
- **CSF5:** Home that exceeds Ofsted (regulator) expectation
- **CSF6:** Located in the best possible local environment

3.2 Introduction to options

An options appraisal was presented to Assets and Capital Board (ACB) in July 2015, and a further Options report was taken to ACB in February 2016, ultimately recommending Woodside Avenue as the preferred site for the Children’s Home. Subsequently, in March 2016, further options were considered for this site at the request of Senior Managers.

The following section sets out the options in more detail and outlines the preferred option. An overview of Options is provided in the Executive Summary

In identifying the opportunities available, the following options have been reviewed:

1. Retain the existing Meadow Close Children’s Home (Site Option 1)
2. Relocation of Children’s Home (Site Options 2 – 5)

3.3 Site Option 1 - Retain the existing Meadow Close Children’s Home

This Option involves keeping the Children’s Home at 68a Meadow Close - works would be required to bring the property up to required standards.

Qualitative appraisal

If the Children’s Home remains at Meadow Close there will be substantial costs to refurbish in line with regulations, but this option will not achieve any of the benefits outlined in the Critical Success Factors in terms of delivering a financially sustainable solution providing a fit for purpose Children’s Home or a Home that exceeds Ofsted (regulator) expectations, having suitable transport links or being located in the best possible environment. In addition it cannot accommodate any additional staff that support young people or have sufficient space for families to have contact with their children.

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council		<ul style="list-style-type: none"> • More expensive than Woodside Avenue • Current children’s home does not comply with regulations therefore substantial costs to refurbish in line with regulations 	RED
CSF2: Provides a fit for purpose solution that facilitates Children’s Home	<ul style="list-style-type: none"> • Has been rated as a ‘good’ by Ofsted 	<ul style="list-style-type: none"> • Does not comply with regulations and therefore unlikely to get anything above a good. 	RED
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> • In line with strategic aims and objectives 	<ul style="list-style-type: none"> • Not in line with building regulations • Not able to get above good in Ofsted ratings. 	RED
CSF4: Transport Links	<ul style="list-style-type: none"> • Poor transport links deter travel without permission. • Fourteen minute to High Barnet station, which is seven minutes longer than walk to 		AMBER

	train station from Woodside Avenue <ul style="list-style-type: none"> • Train station is located in zone 5 and therefore would cost more to travel from than Woodside Avenue which is located in zone 4 		
CSF5: Home that exceeds Ofsted (regulator) expectation		<ul style="list-style-type: none"> • Will not get above GOOD rating from Ofsted • Building not compliant with current building standard 	RED
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> • No Local resident objections 	<ul style="list-style-type: none"> • In area where youths congregate and with potential for any negative influences 	RED

Quantitative appraisal

This option has substantial costs associated with refurbishment to meet with the regulations.

3.4 Site Option 2 - Relocation to Private Sector site

The private sector market was investigated to identify potential properties for acquisition and details of potential properties are scheduled below.

Property	Description	Advantages	Disadvantages
6 Bridge Lane, Temple Fortune, NW 11	6 bed detached House	It comes with planning permission to develop	£1,800,000 to buy the property and additional cost to develop is expensive
Ridge Close, NW4	7 bed detached house with 1 bedroom annex to the rear.	Potential to extend to increase floor area is subject to planning	£1,500,000 to buy the property and additional cost to develop is expensive. Planning permission is not guaranteed
Great North Road, New Barnet	6 bed detached House with potential to extend subject to planning, currently 4000 sq. ft. large corner plot	Potential to extend to increase floor area and subject to planning	£1,500,000 to buy the property and additional cost to develop is expensive. Planning permission is not guaranteed
8 The Drive, New Barnet	7 bed detached house	Subject to planning permission if a 'Learning and Support Hub' is to be built	£1,850,000 to buy the property and additional cost to develop is expensive. Planning permission is not guaranteed
Windermere Avenue, N3	6 bed	No data	No data
Northumberland Road, New Barnet	7 bed semi-detached house	Potential to extend to increase floor area subject to planning	£1,250,000 to buy the property and additional cost to develop is expensive.

			Planning permission is not guaranteed
Granville Road, EN5	6 bed semi-detached house	Potential to extend to increase floor area subject to planning	£1,350,000 to buy the property and additional cost to develop is expensive. Planning permission is not guaranteed

The majority of these properties are smaller than required by the brief and would, therefore, require extending subject to planning permission. The cost of acquisition and conversion is an expensive option.

3.5 Overview of Site Options 3 -5 Council owned sites with possible development opportunities

A number of sites were identified through the Development Pipeline Programme Board; the below were identified as being suitable for extending and adapting to the requirements of the brief. The shortlisted sites were:

- Adamson Court, 7 Hertford Road, East Finchley, N2 9B
- Fairmead Crescent, HA8 8YP
- 27 Woodside Avenue, North Finchley, N12 8AT
- 694/696 Finchley Road, N11 7NN
- Alexandra Grove, Finchley N11 8NU
- 80 Daws Lane, Mill Hill, NW7 4SL

(Appendix B shows a map of these identified properties)

Following site visits to the above location, the following sites were short-listed by the Project Team as being the most suitable options (against the brief):

- Site Option 3: 27 Woodside Avenue, North Finchley, N12 8AT
- Site Option 4: Adamson Court, 7 Hertford Road, East Finchley, N2 9B
- Site Option 5: 80 Daws Lane, Mill Hill, NW7 4SL

(Refer to Appendix C for map of locations of these short-listed properties)

A minimum of 438m² is required for the residential unit. It should provide an appropriate environment for Barnet's looked after-children in line with the current Department of Education Children's Homes Regulations and Standards. Opportunities have been looked at identifying any additional space that can be used for teams that supports young people that reside in the home. As a guide a figure of 600m² of total space is being sought, but the service is flexible about this and keen to maximise opportunities to benefit Barnet's children.

No further site possibilities have arisen since ACB May 2015, and therefore the list above will be appraised in further detail at this BC stage and includes multiple options for the Woodside Avenue site.

3.6 Site Option 3: Relocate to 27 Woodside Avenue N12 8AT (see Appendix D for Photos)

The property covers an area of 1353m²: the building has a gross internal area of 440m² with parking, a large rear garden and access available from adjoining road. A kitchen extension would be required to give the children's home an open plan living arrangement. There may be planning challenges associated with building an extension on the site.

The council has carried out a high level feasibility of the site as a residential development scheme. It is estimated, subject to detailed planning and consultation, that the site could accommodate a scheme of fourteen units. Based on a high level viability assessment, the site does have some development value but this is outweighed by the merits of providing a suitable home environment, in the right location, for the borough's most vulnerable children and young people. There is also the opportunity of having space to support young people and their carers at the children's home, which would help to manage demand for higher tier services, contributing to the demand management budget savings proposed for Family Services.

The property is currently configured as a hostel containing eleven individual flats, which are fully occupied and generate a rental income of circa £213k per annum. Current occupants are on six-month tenancies and therefore require rehousing, for which suitable alternative accommodation will need to be provided by Barnet Homes including associated costs. Depending on housing availability elsewhere within the borough, this could potentially delay the overall project. To mitigate this risk, on-going discussions with Barnet Homes are being held to explore alternate options and provide vacant possession of the site in line with our construction programme.

The site is in close proximity to Woodside Park tube station. Family Services requirement is to have transport access, however not too accessible to reduce the likelihood of young people taking unnecessary trips and/or going missing. With Woodside Park being a small quiet station this will reduce the potential for negative influences compared to a larger transport hub.

The local environment of Woodside Avenue offers a quiet, spacious and relaxed atmosphere with no proximity to areas where youths congregate and with minimal potential for any negative influences. Moreover, the spacious site would help reduce any noise from the building as well as reducing the likelihood of any negative impact on neighbours.

There are three* options to consider for Woodside Avenue; Option A, refurbishment of existing site with an extension (excluding proposed provision for a space for individual work with children and families), Option B, demolish and rebuild of existing site (including proposed provision for a space for individual work with children and families) and Option C, demolish and rebuild of existing site (excluding proposed provision for a space for individual work with children and families).

* Subsequently, in March 2016, further options were considered for this site at the request of Senior Managers. Refer to Options 3D1 – 7.

Woodside Avenue, 1262m², Asset Value: £1.24m

3.7 Site Option 3A – Woodside Avenue; Refurbishment of Existing Site and Extension

This option proposes the refurbishment of the existing site including an extension to the existing building.

Qualitative appraisal

Option A (456m²), to refurbish the existing site will require a side extension to accommodate the needs of the children’s home, and consequently a planning application must be submitted. Due to the spacious site, the application should be approved. The renovation will maintain a homely feel and street setting which in turn will assist the planning process reducing the chances of objections. Planners have also been receptive of the site during early discussions of the design and see no issues proceeding with planning. Furthermore, initial discussions have been carried out with the ward councillors, providing positive feedback. However, Local resident’s expectation will need to be managed through the consultations to avoid objections, which could result in design changes and delays to programme.

Due to internal restrictions and type of construction required to bring the property up to the required standards, some significant adaptations to the property would be required. These include the removal of internal load bearing walls to gain the required configuration and the inclusion of a platform lift to meet with the Disability Discrimination Act (DDA).

A strategic review of the site has been undertaken to assess the requirements of renovating the site, including measured surveys, concept design work, structural reviews and an initial assessment of cost. These works have established that the building can be converted into a children’s home, by the means of a single story side extension and extensive internal structural works and underpinning of the existing structure.

Proposed Site Area: 456m²

Estimated Build Cost: £1.419m

Estimated Capital Cost: £2.372m

Time line (design, procurement & construction): 18 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council	<ul style="list-style-type: none"> Would utilise the asset at a lower capital cost than Adamson Court 	<ul style="list-style-type: none"> Costs for re-location of current occupants 	GREEN
CSF2: Provides a fit for purpose solution that facilitates Children’s Home	<ul style="list-style-type: none"> Purpose built property for Children’s home Design would enable a ‘house feel’ and there would be no need to significantly change the look of the building Enables space for young people intervention 	<ul style="list-style-type: none"> Constraints of the existing structure may limit design options 	GREEN
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also 	<ul style="list-style-type: none"> Risk of objection to planning application – although initial discussions have commenced 	AMBER

	help to reduce any noise from the building and less likelihood of any negative impact on neighbours	with the planning team and local councillors <ul style="list-style-type: none"> • Reputational damage during evictions 	
CSF4: Transport Links	<ul style="list-style-type: none"> • Seven minute walk to Woodside Park tube • Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> • Outstanding home • Improved children space to include staff • Creation of family space • Better circulation 	<ul style="list-style-type: none"> • Condition of existing structure and conditions of existing services may complicate design solutions 	GREEN
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> • In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences • Is located in the part of the borough where the majority of children go to school • Retained garden space 	<ul style="list-style-type: none"> • Local resident objections • Limited amenity close to site 	GREEN

Quantitative appraisal

Breakdown of costs

Option A: Refurbishment of Existing Site and Extension (excluding the proposed provision for a space for individual work with children and families)

Construction Costs	c. £1.419m
Professional Core Fees @ 15%	c. £0.213m
Project Management	c. £0.060m
Surveys	c. £0.065m
FF&E	c. £0.300m
ICT	c. £0.100m
Contingency @ 10%	c. £0.216m
Total estimated cost	c. £2.372m*

*NB Please note these are budget figures and will be refined following quotations and further design development as the project progresses.

*High level estimated breakdown of costs (Appendix E) includes for construction cost only.

High Level Estimate Breakdown of costs can be found in Appendix E

Site Plan and Proposed Site Plan can be found in Appendix F

3.8 Site Option 3B– Woodside Avenue: Demolition and Rebuild of Existing Site (including the proposed provision for a space for individual work with children and families)

Qualitative appraisal

Option B(600m²), to demolish and rebuild the property would provide a larger bespoke children’s home that meets Ofsted expectation and also provide greater internal space including a provision for a space for individual work with children and families. However, a new build would create a more institutionalised feel, losing the intimate feel that a refurbished property would maintain. Additionally, the new build would lose the architectural character of the current residential building and affect the street appearance that could lead to potentially planning objections, resulting in planning consent not being granted.

Following discussions with the planners it has been advised that for a new build property will need to take consideration of the established building line, which is set well back from the sites frontage, as well as the restriction of the root and crown protection areas associated with a site with so many quality trees.

The new build Options B would increase the project durations by circa 8 months and also adds additional costs to the project, as estimated in breakdown below. The breakdown of the estimated 8 months is as follows

- High level feasibility study – 1 month
- Additional design development for Stage 2 and 3 – 1 month
 - (Including, planning pre application, additional engagement with stakeholders and planners, change to room relationship, input from specialists regarding highways and site drainage etc.)
- Construction Period
 - Demolition, sub-structure construction works and re-profiling of the land)

Proposed Site Area: 600m²

Estimated Build Cost: £2.092m

Estimated Capital Cost: £3.257

Time line (design, procurement & construction): 26 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council		<ul style="list-style-type: none"> • Costs for re-location of current occupants • Costs for Construction works to manage the demolishing of existing property • Estimated costs exceed capital budget by circa 500k • Increasing costs due to larger internal area (600m²) than refurbishment (456m²) 	RED
CSF2: Provides a fit for purpose solution that facilitates Children’s Home	<ul style="list-style-type: none"> • Purpose built property for Children’s home • Enables space for young people intervention • Able to accommodate support hub within property 	<ul style="list-style-type: none"> • Lose of the architectural character of the property. • Loss of homely setting as new build design would create a more institutionalised feel. • Affect the residential setting and street appearance 	RED

CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on neighbours 	<ul style="list-style-type: none"> Risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors Reputational damage during evictions New build would increase the duration of the project by circa 8 months 	RED
CSF4: Transport Links	<ul style="list-style-type: none"> Seven minute walk to Woodside Park tube Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> New build gives opportunity to build to Ofsted expectation Improved children space to include staff Creation of family space Better circulation 	<ul style="list-style-type: none"> The property will look different than the surrounding buildings, which is not ideal. Unknown current ground conditions will need to be surveyed. 	AMBER
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences Is located in the part of the borough where the majority of children go to school 	<ul style="list-style-type: none"> Local resident objections Limited amenity close to site Loss of green space within the site. Potential limited space due to constraints such as established building line is set well back from the sites frontage and potential restriction of the root and crown protection areas associated with a site with so many quality trees. 	AMBER

Quantitative appraisal

Breakdown of costs:

Option B: Demolition and Rebuild of Existing Site (including the proposed provision for a space for individual work with children and families)

Construction Costs	c. £2.091m
Professional Core Fees @ 15%	c. £0.313m
Project Management	c. £0.090m
Surveys	c. £0.065m

FF&E	c. £0.300m
ICT	c. £0.100m
Contingency @ 10%	c. £0.296m
Total estimated cost	c. £3.257m*

*NB Please note these are budget figures and will be refined following quotations and further design development as the project progresses.

*High level estimated breakdown of costs (Appendix E) includes for construction cost only.

High Level Estimate Breakdown of costs can be found in Appendix E

3.9 Site Option 3C– Woodside Avenue: Demolition and Rebuild of Existing Site (Excluding the proposed provision for a space for individual work with children and families)

Qualitative appraisal

Option C (456m²), to demolish and rebuild the property would provide similar benefits and issues as Option B (stated above), with the exception of a provision for a space for individual work with children and families. Therefore, providing the same gross internal area as Option A.

The new build Option C would increase the project durations by circa 8 months and also adds additional costs to the project, as estimated in breakdown below. The breakdown of the estimated 8 months is as follows

- High level feasibility study – 1 month
- Additional design development for Stage 2 and 3 – 1 month
 - (Including, planning pre application, additional engagement with stakeholders and planners, change to room relationship, input from specialists regarding highways and site drainage etc.)
- Construction Period
 - Demolition, sub-structure construction works and re-profiling of the land)

Proposed Site Area: 456m²

Estimated Build Cost: £1.739m

Estimated Capital Cost: £2.810m

Time line (design, procurement & construction): 26 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council		<ul style="list-style-type: none"> • Costs for re-location of current occupants • Costs for Construction works to manage the demolishing of existing property 	RED

		<ul style="list-style-type: none"> Estimated costs exceed Capital budget by circa £150k 	
CSF2: Provides a fit for purpose solution that facilitates Children's Home	<ul style="list-style-type: none"> Purpose built property for Children's home 	<ul style="list-style-type: none"> Lose of the architectural character of the property. Loss of homely setting as new build design would create a more institutionalised feel. Affect the residential setting and street appearance 	RED
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on neighbours 	<ul style="list-style-type: none"> Risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors Reputational damage during evictions New build would increase the duration of the project by circa 8 months 	RED
CSF4: Transport Links	<ul style="list-style-type: none"> Seven minute walk to Woodside Park tube Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> New build gives opportunity to build to Ofsted expectation Improved children space to include staff Creation of family space Better circulation 	<ul style="list-style-type: none"> The property will look different than the surrounding buildings, which is not ideal. Unknown current ground conditions will need to be surveyed. 	AMBER
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences Is located in the part of the borough where the majority of children go to school Retained Garden Space 	<ul style="list-style-type: none"> Local resident objections Limited amenity close to site 	GREEN

Quantitative appraisal

Breakdown of costs

Option C: Demolition and Rebuild of Existing Site (Excluding the proposed provision for a space for individual work with children and families)

Construction Costs	c. £1.739m
Professional Core Fees @ 15%	c. £0.260m
Project Management	c. £0.090m
Surveys	c. £0.065m
FF&E	c. £0.300m
ICT	c. £0.100m
Contingency @ 10%	c. £0.255m
Total estimated cost	c. £2.810m*

*NB Please note these are budget figures and will be refined following quotations and further design development as the project progresses.

*High level estimated breakdown of costs (Appendix E) includes for construction cost only.

High Level Estimate Breakdown of costs can be found in Appendix E

3.10 Site Option 3D1– Woodside Avenue – Refurbishment excluding separate space

Qualitative appraisal

Option 3D1 (456m²), to refurbish the existing site will provide similar benefits and issues as Option A. It requires a side extension to accommodate the needs of the children’s home, and consequently a planning application must be submitted. Due to the spacious site, the application should be approved. The renovation will maintain a homely feel and street setting which in turn will assist the planning process reducing the chances of objections.

Due to internal restrictions and type of construction required to bring the property up to the required standards, some significant adaptations to the property would be required. These include the removal of internal load bearing walls to gain the required configuration and the inclusion of a platform lift to meet with the Disability Discrimination Act (DDA) but strategic review has established that these internal structural works and underpinning of the existing structure are feasible.

A separately accessed space for work with Children and Families is excluded from this option. Whilst reconfiguration of the existing layout could provide some space for this within the existing building, this would not be acceptable to Ofsted.

This Option is within the capital budget but slightly over the target budget.

Proposed Site Area: 456m²

Estimated Build Cost: £ 1,338,542

Estimated Capital Cost: £2,271,542 (CSG have undertaken a bottom up review of costs for this option only, £1.813m originally stated in March 2016 Options Appraisal.)

Time line (design, procurement & construction): 18 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council	<ul style="list-style-type: none"> • Within capital budget 	<ul style="list-style-type: none"> • Costs for re-location of current occupants • Exceeds target budget by approx. £200k 	GREEN
CSF2: Provides a fit for purpose solution that facilitates Children's Home	<ul style="list-style-type: none"> • Purpose built property for Children's home • Design would enable a 'house feel' and there would be no need to significantly change the look of the building 	<ul style="list-style-type: none"> • Constraints of the existing structure may limit design options • Excludes separate space for individual work with children and families 	AMBER
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> • In line with strategic aims and objectives • More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on neighbours 	<ul style="list-style-type: none"> • Risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors • Reputational damage during evictions 	AMBER
CSF4: Transport Links	<ul style="list-style-type: none"> • Seven minute walk to Woodside Park tube • Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> • 'Outstanding' home • Improved children space to include staff • Creation of family space • Better circulation 	<ul style="list-style-type: none"> • Condition of existing structure and conditions of existing services may complicate design solutions 	GREEN
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> • In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences • Is located in the part of the borough where the majority of children go to school • Retained garden space 	<ul style="list-style-type: none"> • Local resident objections • Limited amenity close to site 	GREEN

Quantitative appraisal

Estimated Build Cost: £1.294,686

Estimated Capital Cost: £1,812,995

3.11 Site Option 3D2– Woodside Avenue – Refurbishment including separate space

Qualitative appraisal

Option 3D2 (600m²), to refurbish the existing site will provide similar benefits and issues as Option 3D1, but with the additional benefit of a separate Hub space for work with Children and Families. The latter increases the cost exceeding the capital budget and extends the duration of the works by 2 months to allow for additional feasibility to be undertaken. Inclusion of a separate standalone space also increases the planning risk.

The separate standalone space will provide the accommodation for a ‘virtual’ specialist team to access meeting rooms and activity space to work with children, young people and their carers through pre-planned appointments and scheduled training and workshop activity. The focus of the team’s work will be on building resilience in families to enable children looked after to return home where appropriate with support and enable Barnet foster carers to maintain the care of children and young people whose challenging behaviours would otherwise lead them to escalate them into more costly placements. Additionally, the team would support children and young people stepping down from more costly out of borough placements to lower cost local resources.

Proposed Site Area: 600m²

Total Build Cost: £1,737,542

Total Estimated Cost: £2,670,542

Project Duration: 20 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council		<ul style="list-style-type: none"> Costs for re-location of current occupants Exceeds capital budget by £170k Project duration increases by 2 months to include for feasibility study 	RED
CSF2: Provides a fit for purpose solution that facilitates Children’s Home	<ul style="list-style-type: none"> Purpose built property for Children’s home Design would enable a ‘house feel’ and there would be no need to significantly change the look of the building Includes separate space for individual work with children and families 	<ul style="list-style-type: none"> Constraints of the existing structure may limit design options 	GREEN
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on 	<ul style="list-style-type: none"> Increased risk of objection to Hub element of planning application – although initial discussions have commenced with the planning team and local councillors Reputational damage during 	AMBER

	neighbours	evictions	
CSF4: Transport Links	<ul style="list-style-type: none"> Seven minute walk to Woodside Park tube Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> 'Outstanding' home Improved children space to include staff Creation of family space Better circulation 	<ul style="list-style-type: none"> Condition of existing structure and conditions of existing services may complicate design solutions 	GREEN
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences Is located in the part of the borough where the majority of children go to school Retained garden space 	<ul style="list-style-type: none"> Local resident objections Limited amenity close to site 	GREEN

Quantitative appraisal

Total Build Cost: £1,647,782

Total Estimated Cost: £2,211,994

3.12 Site Option 3D3– Woodside Avenue – New build including separate space

Qualitative appraisal

Option 3D3 (600m²), to demolish and rebuild the property would provide similar benefits and issues as Option B. It would provide a larger bespoke children's home that meets Ofsted expectation and also provide greater internal space including a provision for a space for individual work with children and families. However, a new build would create a more institutionalised feel, losing the intimate feel that a refurbished property would maintain. Additionally, the new build would lose the architectural character of the current residential building and affect the street appearance that could lead to potentially planning objections, resulting in planning consent not being granted. The Planning application for a new build property would need to take consideration of the established building line, which is set well back from the sites frontage, as well as the restriction of the root and crown protection areas associated with a site with so many quality trees.

The new build Options 3D3 would increase the project durations by circa 8 months as detailed under Option B, and also add additional costs to the project.

Proposed Site Area: 600m²

Total Build Cost: £2,091,954

Total Estimated Cost: £2,771,900

Project Duration: 26 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council		<ul style="list-style-type: none"> Costs for re-location of current occupants Increased cost due to larger internal area Exceeds target budget by approx. £1.1m and capital budget by approx. £200k Project duration increases by 8 months to make allowance for additional design and construction works 	RED
CSF2: Provides a fit for purpose solution that facilitates Children's Home	<ul style="list-style-type: none"> New build, Purpose built property for Children's home Includes separate space for individual work with children and families 	<ul style="list-style-type: none"> Loss of the architectural character of the property. Loss of homely setting as new build design would create a more institutionalised feel. Affect the residential setting and street appearance 	RED
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on neighbours 	<ul style="list-style-type: none"> Increased risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors Potential planning consent not being granted because of loss of architectural character of property and homely feel, affect residential setting and street appearance Reputational damage during evictions 	AMBER
CSF4: Transport Links	<ul style="list-style-type: none"> Seven minute walk to Woodside Park tube Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> 'Outstanding' home Improved children space to include staff Creation of family space Excellent circulation 		GREEN
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences Is located in the part of the borough where the majority of children go to school 	<ul style="list-style-type: none"> Local resident objections Limited amenity close to site 	GREEN

Quantitative appraisal

Total Build Cost: £2,091,954

Total Estimated Cost: £2,771,900

3.13 Site Option 3D4– Woodside Avenue – Exclusion of extension

Qualitative appraisal

Option 3D4 (368m²) excludes the single story kitchen extension which makes this option less costly in construction terms. However it also results in a loss of circulation on the ground floor and in particular a reduction in kitchen space, although circulation would still be better than in the existing Meadow Close home. There is limited risk of objection to a planning application as the property is not being extended, although an application for change of use will still be required.

Proposed Site Area: 368m²

Total Build Cost: £1,078,906

Total Estimated Cost: £1,569,164

Project Duration: 20 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council	<ul style="list-style-type: none"> Would utilise the asset at a lower capital cost than Adamson Court Within capital budget and target budget due to reduced floor area 	<ul style="list-style-type: none"> Costs for re-location of current occupants Overall duration increased to accommodate a feasibility study which is 2 months additional work 	GREEN
CSF2: Provides a fit for purpose solution that facilitates Children’s Home	<ul style="list-style-type: none"> Purpose built property for Children’s home Design would enable a ‘house feel’ and there would be no need to significantly change the look of the building Loss of circulation on ground floor, in particular kitchen space (88m²) 	<ul style="list-style-type: none"> Constraints of the existing structure may limit design options Excludes separate space for individual work with children and families 	AMBER
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on neighbours 	<ul style="list-style-type: none"> Limited risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors Reputational damage during evictions 	AMBER
CSF4: Transport Links	<ul style="list-style-type: none"> Seven minute walk to Woodside Park tube Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		AMBER
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> ‘Outstanding’ home Improved children space to include staff Creation of family space Better circulation than existing 	<ul style="list-style-type: none"> Condition of existing structure and conditions of existing services may complicate design solutions 	GREEN
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative 	<ul style="list-style-type: none"> Local resident objections Limited amenity close to site 	GREEN

	<ul style="list-style-type: none"> influences Is located in the part of the borough where the majority of children go to school Retained garden space 		
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Quantitative appraisal

Total Build Cost: £1,078,906

Total Estimated Cost: £1,569,164

3.14 Site Option 3D5– Woodside Avenue – Exclusion of Top Floor

Qualitative appraisal

Option 3D5 (337m²) includes the kitchen extension but excludes work to the top (second) floor apart from a contingency allowance for essential upgrades such as structural items. The works are within budget but exclude a separate space for individual work with Children and Families and provide reduced facilities within the Home.

Proposed Site Area: 337m²

Total Build Cost: £1,253,491

Total Estimated Cost: £1,766,445

Project Duration: 20 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council	<ul style="list-style-type: none"> Within capital budget 	<ul style="list-style-type: none"> Costs for re-location of current occupants Approx. £150k over target budget Includes additional 20% contingency for essential upgrades required (e.g. windows and structure) to the 2nd floor Overall duration increased to accommodate a feasibility study which is 2 months additional work 	GREEN
CSF2: Provides a fit for purpose solution that facilitates Children's Home	<ul style="list-style-type: none"> Purpose built property for Children's home Design would enable a 'house feel' and there would be no need to significantly change the look of the building 	<ul style="list-style-type: none"> Constraints of the existing structure may limit design options Excludes separate space for individual work with children and families Excludes 2nd Floor refurbishment (senior support, storage linen, games room, quiet room, store) 	AMBER
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also help to reduce any noise from 	<ul style="list-style-type: none"> Risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors 	AMBER

	the building and less likelihood of any negative impact on neighbours	<ul style="list-style-type: none"> Reputational damage during evictions 	
CSF4: Transport Links	<ul style="list-style-type: none"> Seven minute walk to Woodside Park tube Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> 'Outstanding' home Improved children space to include staff Creation of family space Better circulation 	<ul style="list-style-type: none"> Condition of existing structure and conditions of existing services may complicate design solutions 	GREEN
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences Is located in the part of the borough where the majority of children go to school Retained garden space 	<ul style="list-style-type: none"> Local resident objections Limited amenity close to site 	GREEN

Quantitative appraisal

Total Build Cost: £1,253,491

Total Estimated Cost: £1,766,445

3.15 Site Option 3D6 – Woodside Avenue – Exclusion of Top Floor and extension

Qualitative appraisal

Option 3D4 (249m²) excludes both the works to the top (second) floor and the single story kitchen extension which makes this option the lowest cost option being considered. However it also results in a loss of circulation on the ground floor and in particular a reduction in kitchen space. It provides the smallest floor area and does not meet the schedule of accommodation target for floor area. There is limited risk of objection to a planning application as the property is not being extended, although an application for change of use to a Children's Home will still be required.

Proposed Site Area: 249m²

Total Build Cost: £994,554

Total Estimated Cost: £1,493,737

Project Duration: 20 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council	<ul style="list-style-type: none"> • Within capital budget and target budget due to reduced floor area 	<ul style="list-style-type: none"> • Costs for re-location of current occupants • Overall duration increased to accommodate a feasibility study which is estimated 2 months additional work • Includes additional 20% contingency for essential upgrades required (e.g. windows and structure) to the 2nd floor. 	GREEN
CSF2: Provides a fit for purpose solution that facilitates Children's Home	<ul style="list-style-type: none"> • Purpose built property for Children's home • Design would enable a 'house feel' and there would be no need to significantly change the look of the building • Loss of circulation on ground floor, in particular kitchen space (88m2) 	<ul style="list-style-type: none"> • Constraints of the existing structure may limit design options • Excludes separate space for individual work with children and families • Excludes 2nd Floor refurbishment (senior support, storage linen, games room, quiet room, store) • Excludes side extension (kitchen space, 88m2). Unable to meet schedule of accommodation target area (315m2) 	RED
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> • In line with strategic aims and objectives • More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on neighbours 	<ul style="list-style-type: none"> • Limited risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors • Reputational damage during evictions 	AMBER
CSF4: Transport Links	<ul style="list-style-type: none"> • Seven minute walk to Woodside Park tube • Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> • Improved children space to include staff • Creation of family space • Better circulation than existing 	<ul style="list-style-type: none"> • Condition of existing structure and conditions of existing services may complicate design solutions • Affect Ofsted rating possibly receive lower rating than outstanding due to reduced refurbishment 	RED
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> • In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences • Is located in the part of the borough where the majority of children go to school • Retained garden space 	<ul style="list-style-type: none"> • Local resident objections • Limited amenity close to site 	GREEN

Quantitative appraisal

Total Build Cost: £1,078,906

Total Estimated Cost: £1,569,164

3.16 Site Option 3D7– Woodside Avenue – New build with reduced area

Qualitative appraisal

Option 3D7 (600m²), to demolish and rebuild the property would provide a bespoke children’s home that meets Ofsted expectation and also provide greater internal space but not a separate space for work with families and young people. It would create a more institutionalised feel, losing the intimate feel that a refurbished property would maintain. Additionally, the new build would lose the architectural character of the current residential building and affect the street appearance that could lead to potentially planning objections, resulting in planning consent not being granted. The Planning application for a new build property would need to take consideration of the established building line, which is set well back from the sites frontage, as well as the restriction of the root and crown protection areas associated with a site with so many quality trees. However these restrictions would be less onerous for this option than with the other new build options, given the smaller build area. As with other new build options the project duration would be increased by circa 8 months as detailed under Option B. It would also add additional costs to the project taking the costs over the target budget.

Proposed Site Area: 368m²

Total Build Cost: £1,523,077

Total Estimated Cost: £2,071,077

Project Duration: 26 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council	<ul style="list-style-type: none"> Within Capital budget 	<ul style="list-style-type: none"> Costs for re-location of current occupants Exceeds target budget by approx. £0.33m Project duration increases by 8 months to make allowance for additional design and construction works 	AMBER
CSF2: Provides a fit for purpose solution that facilitates Children’s Home	<ul style="list-style-type: none"> New build, Purpose built property for Children’s home 	<ul style="list-style-type: none"> Reduced internal area (368m²) loss of circulation space Excludes separate space for individual work with children and families Loss of the architectural character of the property. Loss of homely setting as new build design would create a more institutionalised feel. Affect the residential setting and street appearance 	RED

CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives More spacious site would also help to reduce any noise from the building and less likelihood of any negative impact on neighbours 	<ul style="list-style-type: none"> Increased risk of objection to planning application – although initial discussions have commenced with the planning team and local councillors Potential planning consent not being granted because of loss of architectural character of property and homely feel, affect residential setting and street appearance Reputational damage during evictions 	AMBER
CSF4: Transport Links	<ul style="list-style-type: none"> Seven minute walk to Woodside Park tube Four minute walk to high road where buses to Barnet Hospital and Brent Cross shopping centre are available. 		GREEN
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> 'Outstanding' home Improved children space to include staff Creation of family space Excellent circulation 		GREEN
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> In a quiet, spacious, relaxed environment with no proximity to areas where youths congregate and with minimal potential for any negative influences Is located in the part of the borough where the majority of children go to school Retained Garden space 	<ul style="list-style-type: none"> Local resident objections Limited amenity close to site 	GREEN

Quantitative appraisal

Total Build Cost: £1,523,077

Total Estimated Cost: £2,071,077

3.17 Site Option 4 – Adamson Court, Hertford Road, East Finchley

(see Appendix H for photos)

Qualitative appraisal

Adamson Court is approximately 0.5 miles from East Finchley Town Centre. East Finchley tube is located about 6.3 miles north of central London. The existing accommodation is predominantly residential and is subdivided in to a number of flats resulting in a gross internal area (GIA) of about 390m². The property is partially occupied by three tenants on the top floor of the property. Rehousing tenants, currently on six-month tenancies, will therefore be required, for which suitable alternative accommodation will need to be provided by Barnet Homes including rehousing costs.

The area where Adamson Court is located is well served in terms of connectivity to major thoroughfares such as the A1, M1 and the A406 North Circular gyratory, which is not ideal as too much proximity to transport can increase the likelihood of children taking unnecessary trips and/or going missing. Furthermore, East Finchley High Road and the Grange Estate are in close proximity of Adamson Court, which has the potential to promote negative behaviours for looked after children.

The area, as a whole, is characterised by medium density suburban residential housing and it benefits from a number of local amenities including schools and health care facilities. Local shopping facilities are available in East Finchley which provides a diverse number of retail shops, services and supermarket.

Due to the diverse nature of properties in the area, it is possible that planning would be receptive of a residence which achieves the requirement of 600m² internal floor area in a new building on the site. Furthermore, the existing building is three storeys high and a future development could achieve four storeys while not exceeding the roof heights of surrounding buildings. However, the density of the site would be more likely to have a potentially negative impact on neighbours.

In order to meet the strategic objectives, the existing building would have to be demolished. Space for teams that supports young people that reside in the home could then be built within the grounds and the residential portion could be designed as a bespoke children's residential home but this would leave very little space for parking/garden. The redevelopment of the Adamson Court site would provide a gross area of 162m² for teams that supports young people that reside in the home and a residential area of 438m².

Programme / Dependencies

- Demolition period will need to be built into construction programme
- Site survey required
- Negotiations with utilities companies
- Planning permission
- Procurement strategy
- Stakeholder management (Resident and member consultation)

Adamson Court, 900m², Asset Value: £1.73m

Proposed Area: 600m²

Estimated Build Cost: £2.021m

Estimated Capital Cost: £3.157

Time line (design, procurement & construction): 24 months

Critical Success Factor	Benefits	Risks	RAG Rating
CSF1 -Is financially sustainable for the Council	•	<ul style="list-style-type: none"> • Significant construction works will need to be managed in demolishing existing property • Selling the property can be used to generate income for the council • Costs for re-location of current occupants 	RED

CSF2: Provides a fit for purpose solution that facilitates Children's Home	<ul style="list-style-type: none"> Purpose built property for Children's home New build will enable space for young people intervention 	<ul style="list-style-type: none"> The site is located in a fairly densely populated area, which may not help to promote positive behaviours. It is very close to the high road and to the Grange estate which has some serious youth violence challenges 	RED
CSF3 -Alignment with the wider strategic aims of LBB	<ul style="list-style-type: none"> In line with strategic aims and objectives 	<ul style="list-style-type: none"> Risk of objection to planning application The density of the site would be more likely to have a potentially negative impact on neighbours 	AMBER
CSF4: Transport Links	<ul style="list-style-type: none"> Ten minute walk to East Finchley tube Bus links available on high road including bus to Barnet hospital 	<ul style="list-style-type: none"> Large transport hub, risk of potential negative influences too much proximity to transport can increase the likelihood of children taking unnecessary trips and/or going missing 	AMBER
CSF5: Home that exceeds Ofsted (regulator) expectation	<ul style="list-style-type: none"> New build gives opportunity to build to Ofsted expectation 	<ul style="list-style-type: none"> The block building will look different than the surrounding terraced buildings, which is not ideal. Unknown current structural and service condition Possible asbestos For the demolition and rebuild option, this would entail four storeys, which would make it even more distinct in comparison to surrounding houses 	RED
CSF6: Located in the best possible local environment	<ul style="list-style-type: none"> Unlikely to attract significant planning objections Is located west to the borough, which is where the majority of children go to school 	<ul style="list-style-type: none"> In an area where youths congregate and with potential for any negative influences Close proximity to neighbours Loss of garden space to rebuild building Limited external space within site 	RED

Quantitative appraisal

Breakdown of costs:

Construction Costs	c. £2.022m
Professional Core Fees @ 15%	c. £0.303m
Project Management	c. £0.080m
Surveys	c. £0.065m
FF&E	c. £0.300m
ICT	c. £0.100m

Contingency @ 10%	c. £0.287m
Total estimated cost	c. £3.157m*

*NB Please note these are budget figures and will be refined following quotations and further design development as the project progresses.

*High level estimated breakdown of costs (Appendix I) includes for construction cost only.

High Level Estimate Breakdown of costs can be found in Appendix I
Site Plan and Proposed Site Plan can be found in Appendix J

3.18 Site Option 5 – 80 Daws Lane, Mill Hill, NW7 4SL

Qualitative appraisal

Daws Lane is not currently a viable option because it is planned to be developed by a separate project into a community hub. It is referenced as a reserve site only.

This building was known as ‘The Civil Defence Building’ comprises a two storey masonry structure with a flat roof. The site is approximately 1700m² of which 900m² gross consist of buildings. It is located on the Greenbelt and backs into public fields and is currently unoccupied. Adjacent to the Daws Lane buildings is a large council parking area from which a portion could be expanded (subject to the appropriate planning permissions and consents).

A combined scheme (children’s home & community hub) was considered at this site but was ruled out because of spatial constraints and incompatibility. Should the proposed community hub project be cancelled the site could once again be considered as an option, but only if the site were to become available before February 2017. It was made clear through a number of inquiries that a share of more than 66% of the proposed development will not be given exclusively for use for a children’s residential home.

Quantitative appraisal

Breakdown of costs:

Construction Costs	c. £2.000m
Professional Core Fees @ 15%	c. £0.300m
Project Management	c. £0.060m
Surveys	c. £0.065m
FF&E	c. £0.300m
ICT	c. £0.100m
Contingency @ 10%	c. £0.283m

Total estimated cost	c. £3.108m*
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*NB Please note these are budget figures and will be refined following quotations and further design development as the project progresses.

3.19 Conclusion

The potential capital receipt for the current Meadow Close site has been explored and it is valued at £140,000. Given the low cashable value of the Meadow Close site, Family Services propose to explore the potential to use this site to support young people who require semi-independent living accommodation.

There is a budget of £2.5million in the Capital Programme which was agreed at the Policy and Resource Committee on the 16 December 2015. The table below provides a comparison of estimated capital investment including professional fees, surveys and other related costs for all the Options discussed above. The recommended site, Woodside Avenue has ten sub-options which have estimated costs ranging from £1.494m to £3.257m.

For Options 3A-C the total estimated costs include a 15% allowance for professional fees and 10% for client contingency. Price assumptions have been made at this early stage (RIBA Stage 1) of the project for the following services;

- Project Management
- Surveys
- Furniture Fixtures & Equipment (FF&E)
- Information and Communications Technology (ICT)

Option A's estimated cost is within the capital budget of £2.5m but Options B and C provide a shortfall and therefore additional funding would be required for these options if chosen.

At the time Options 3D1-7 were produced the project had been set a target budget of £1.6m. (although a project budget of £2.5million remains in the Capital Programme) The total estimated costs for these seven options include a 13% allowance for professional core fees but no allowance for client contingency as contingencies have been built in within the estimated costs provided. Professions included in the core fees as follows:

- Project Management
- Employers Agent
- Communication / Stakeholder Management
- Planning Consultancy
- Cost Management
- Fire Consultant
- Ecology

Fees for surveys have been included as an estimated lump sum, along with additional fees for non-core services and submission fees Provision for fixed furniture (FF&E) and hard ICT (cabling) has been included within the cost estimate so fees for these elements have been reduced to avoid any double counting.

Site (Option)	Estimated Cost*	CSF Rating
Site Option 3A: Woodside Avenue: Refurbishment of Existing Site and Extension	£2.372m	GREEN
Site Option 3B: Woodside Avenue:: Demolish and Rebuild of Existing Site including provision for a space for individual work with children and families	£3.257m	AMBER
Site Option 3C: Woodside Avenue:: Demolish and Rebuild of Existing Site excluding provision for a space for individual work with children and families	£2.810m	AMBER
Site Option 3D1 : Woodside Avenue: Refurbishment excluding separate space	£2.272m(£1.813m)***	GREEN
Site Option 3D2: Woodside Avenue: Refurbishment including separate space	£2.671m (£2.212m)****	RED
Site Option 3D3: Woodside Avenue: New build including separate space	£2.772m	RED
Site Option 3D4: Woodside Avenue: Refurbishment, Exclusion of extension	£1,569m	AMBER
Site Option 3D5: Woodside Avenue: Refurbishment, Exclusion of Top Floor	£1,776m	AMBER
Site Option 3D6: Woodside Avenue: Refurbishment , Exclusion of Top Floor and Extension	£1,494m	RED
Site Option 3D7: Woodside Avenue: New Build, reduction of area	£2,071m	RED
Site Option 4: Adamson Court Full demolition of current site and rebuild including provision for a space for individual work with children and families	£3.157m	RED
Site Option 5: Daws Lane** New Build	£3.108	RED

*NB Please note these are budget figures and will be refined following quotations and further design development as the project progresses.

** NB Daws Lane is no longer an available option.

*** CSG have undertaken a bottom up review of costs for this option only, £1.813m originally stated in March 2016 Options Appraisal.

**** Following amendment to 3D1, consequential increase in cost to 3D2.

Recommended Option – Option 3D2: Refurbishment, Refined Cost Plan

Within the Option Appraisal undertaken in March 2016 Costs for refurbishment option 3D1 were reduced by £500,000 compared with Option 3A . However the CSG project team have undertaken a further review of costs (including agreed rather than assumed professional fees, and reassessment of risk and contingency allowances). The forecast project cost is

within the Capital budget but exceeds the target budget (£1.6m) by £672k. This option will meet all objectives set out in the OBC and Ofsted 'OUTSTANDING' rating. The option also has the shortest project duration because feasibility studies have already been completed. Option 3D2 includes all elements of 3D1 plus a separate 'Hub' which has not yet been costed, so an allowance has been made for this ahead of further feasibility and design work. This option is over current capital budget but there is a strong rationale behind its inclusion, including reduced spend on placements. This will be achieved through targeted interventions to reduce reception into care and encourage a step down from high cost residential placements into suitable local foster care. Inclusion of Hub is subject to meeting planning requirements and sufficient additional funding being in place. Refurbishment options 3D4 – 3D6 will reduce circulation space and building efficiencies due to loss of area. New build options are the most expensive options which would lose the architectural character of the current residential building and affect the street appearance and potentially lead to planning objections, resulting in project delay or cancellation.

4 Commercial Case

This section details the commercial case for the preferred option by demonstrating how this option could be sourced through procurement and its viability once delivered as a financially sustainable solution.

4.1 Required services

As described within the Economic Case, the preferred option centres on refurbishing and remodelling the existing residential building at Woodside Avenue as a Children's Home. In addition, Family Services would like to progress with a standalone building on the site to provide the separate Hub space for teams to support young people in care

Design and build of the relocated Children's Home

LBB is able to utilise its existing contractual arrangements with CSG to facilitate the redevelopment of the Children's Home at Woodside Avenue through a Design and Build Contract. The same arrangements could also be used for any additional buildings. Additional services will be required comprising three principle areas as follows:

- Full development support services
- Development contractor
- Provision of funding

Building services and facilities management

The Children's Home at Woodside Avenue will be operated on the same model as the current home at Meadow Close. Arrangements for any standalone Hub space to be agreed once requirements finalised.

4.2 Development sourcing approach

Design and construction of the Children's Home and Hub

The physical development will be undertaken through a JCT (Joint Contracts Tribunal) contract project managed by the Council's technical experts. The appointment of the contractor will be managed by the CSG Capital Works team, in association with the CSG Procurement team and in line with EU public procurement regulations and the Public Contracts Regulations 2015. CSG Capital Works will provide the following development support services for the programme, under existing contractual arrangements:

- Preparation of the design
- Submission of a full planning application
- Cost consultancy
- Technical Project management;
- Development management

4.3 Procurement approach and implementation timescales

4.3.1 Procurement

The EU procurement regime, implemented in the UK by the Public Contracts Regulations 2015, applies to contracts let by contracting authorities for works, services and supplies. Having carefully considered all procurement options, the recommendation is to proceed with a single stage tender with the use of an established procurement framework. The traditional build single stage process will limit risk to the Council going forward as a confirmed price will be agreed before entering into a contract.

The framework will assist to procure the correct contractor through their methodology. It will address the needs of the project and provide a selection of the most appropriate suppliers and having established a number of companies under the framework, the process of calling off projects and commissioning work is very efficient.

Furthermore, through utilising the existing Capita / LBB contract alongside the council's internal procurement team, the commercial risks can be minimised. The refurbishment of Woodside Avenue will be undertaken through a Joint Contracts Tribunal (JCT) Contract project managed by Capita's CSG team.

The single stage process and traditional route will help the predictability of costs, time and quality. The contractor will be appointed following approval of the documents prepared up to Stage 4 (including planning submission). The parties will enter into a contract and the contractor will commence the construction on site which is estimated to be completed in April 2018 unless the programme is altered in connection with provision of a separate 'Hub' building.

4.3.2 Planning permission

Initial conversations have taken place between the project team, planning consultants and the Local Planning Authority. Engagement with stakeholders has taken place over the proposed designs and resident engagement will be carried out ahead of the statutory planning consultation. The design team will work through the duration of the planning process and are already within the overall project team. It is envisaged that a planning

application will be submitted in March 2017 with the aspiration that this would have a decision by the end of June 2017, unless the programme is altered in connection with provision of a separate 'hub' building.

4.4 Management of Children's Home and separate 'Hub' space

Initially the Children's Home is proposed to be run as per the existing home at Meadow Close. The separate 'Hub' space will be used by a virtual team who will run appointment based targeted interventions for children in or on the edges of care and their carers. The Hub will need to be separate from the home in order to retain the home as a standalone home for the young people placed there and in order to meet Ofsted requirements of the two being separate.

4.5 Conclusion and next steps

This Commercial Case has indicated the sourcing approach that the Council proposes to deliver for the preferred option. Next steps are to complete the design for the Children's; home and to finalise requirements and funding sources for the Hub, and for the Council to procure and appoint a contractor, to submit a full planning application and for Technical Design (Stage 4). Dates for these steps are indicated in section 7.2 – Project Plan.

5 Financial Case

The Economic Case indicated the preferred option for the Council's proposed Children's Home at Woodside Avenue. This Financial Case indicates the budgetary, financial and affordability considerations of this approach.

5.1 Funding requirements

The preferred option emerging from the Economic Case requires estimated one-off implementation cost of development of **£2,272m, plus the cost of a separate standalone Hub**. This makes appropriate allowance for risk and optimum bias given we are at an early stage of the project, Risk allowance and optimum bias will reduce as the project progresses and design and costings become more detailed.

The Council has allocated a budget for the re-provision of the Meadow Close Children's Home which stands at £ 2.5m. This comes from Council capital funding, as approved at Policy and Resources Committee in December 2015.. Subsequently the project has been set a target budget of £1.6m. Additional funding will be needed for the Hub if the Option for a standalone building is progressed.

Implementation costs and funding shortfall table

		Total
Implementation costs		£ 2,271,542

Funding	Meadow Close relocation capital	£ 2,500,000
	Additional capital funding for Hub	£ tbc
	Total funding	£
	Shortfall (-) /Surplus	£ 228,458

Cost profile table to 2018/19

	Total	2015/2016	2016/2017	2017/2018	2018/19
Cost Profile	2,271,542	£ 0	£ 394,664	£ 1,848,289	£ 28,589
Cumulative Spend	£	£ 0	£ 394,664	£ 2,242,953	£ 227,1542
Cumulative Funding	£	£	£	£	£
	£	£	£	£	£

5.2 Implementation costs

To implement the project a number of items have been costed including project management, planning and legal. The below table summarises the projected cost implementation for these items, but does not include any costs associated with the Hub and highlights the addition of project contingency.

Item	Notes	Cost (£)
Construction Costs	This is upper limit / highest cost, and allows for +40% optimum bias on the construction cost	1,338,542
Staff - Previous project costs	Agreed SPIR fees	51,000
Staff -Project manager fees	Agreed SPIR fees	84,000
Staff - Technical services (design / technical advisors incl QS and CDMC)	Agreed SPIR fees	321,000
Additional non –core fees	Indicative Allowance as per SPIR	82,500
Surveys		38,500
Planning		10,500
Building Control		4,000
BREEAM	Building Research Establishment Environmental Assessment Method - measure used to describe building environmental performance	10,000
Highways		30,000
Legal		30,000
Diversion work by stats	Risk item to be investigated further, no allowance to date	0*
FF&E allowance		150,000
ICT allowance		50,000
Contingency	10% of project cost	200,000
Total	This is upper limit / highest cost, and	2,271,542

	allows for +40% optimum bias on the construction cost**	
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* Assumption that this would not be required and this will be added to the project risk register to ensure correct governance.

** Lower limit / lowest cost would be £1,651,881 in total, including £764,881 construction cost (allowing -20% optimum bias on construction cost.) Other costs would remain the same apart from project contingency which would reduce to £160,000.

Quantified risk

As part of the project governance a quantified risk register will be produced for the project. This will measure probability, cost and impact with details of mitigation and risk owners. A contingency figure of £200,000 has been allowed with the budget and will be managed under the project governance control mechanisms.

More information is found in Section 7 – risks & issues.

Note on capital and one-off costs

The cost estimates in this appraisal are as provided by Council’s appointed technical advisors for the new build construction, based on RIBA stage 1 design. These include contractor contingency of 10% to the implementation costs as a cost of risk. Where costs are not known, provisional sums have been provided at this stage. Further work will be required to refine the following costs for Stage 2 onwards including .

- Lifecycle costs for the new building
- More detailed project and implementation costs

5.3 Cost control in construction

The Council’s technical advisors have prepared a Stage 1 cost plan which includes all construction costs, all other items of project cost including professional fees and contingency. The objective of cost control is to manage the delivery of the project within the approved budget. Regular cost reporting will facilitate, at all times, the best possible estimate of established project cost to date, anticipated final cost of the project and future cash flow. The Council’s technical advisors will be reporting on costs in accordance with the management approach detailed in Section 7 of this business case.

As the scheme progress through the design phases, the following actions will be taken:

- Establishing that all decisions taken during design and construction are based on a forecast of the cost implications of the alternatives being considered, and that no decisions are taken whose cost implications would cause the total budget to be exceeded.
- Regularly reviewing the cost plan and reissuing if necessary, as well as reviewing any variation orders causing any alterations to the brief.
- Adjusting the cash flow to reflect alterations in the target cost.
- Developing the cost plan in liaison with the project team as design and construction progress.

- Reviewing contingency and risk allowances at intervals and reporting the assessments is an essential part of risk management procedures. Developing the cost plan should not involve increasing the total cost.
- Checking that the agreed change management process is strictly followed at all stages of the project.
- Submitting regular, up-to-date and accurate cost reports to keep the client well informed of the current budgetary and cost situation.
- Ensuring that the project costs are always reported back against the original approved budget. Any subsequent variations to the budget must be clearly indicated in the cost reports.
- Plotting actual expenditure against predicted to give an indication of the project's progress.

5.4 Conclusion

This section has outlined the financial case for the preferred option for relocating the existing Meadow Close Children's Home to Woodside Avenue. It presents the detailed costing and funding requirements.,

6 Management Case

This Management Case provides the outline plans for project management, governance, risk management and benefits realisation that will be required to ensure successful delivery.

6.1 Overarching governance arrangements

Governance arrangements have altered for this project over its lifetime. The Project falls within the FS2020 Programme, and reports to the Meadow Close Project Board. The latter is responsible for overseeing the Capital Project to relocate the existing Children's home at Meadow Close, plus any in scope hub facilities. The Chair and Project Sponsor is the Assistant Director of Social Care.

In addition to the Project and FS2020 Programme Board the Council has an internal resource-enabling board – the Assets and Capital Board– and client teams, led by the Head of Estates Management to review costs, scope of activity and assurance of estates delivery plans.

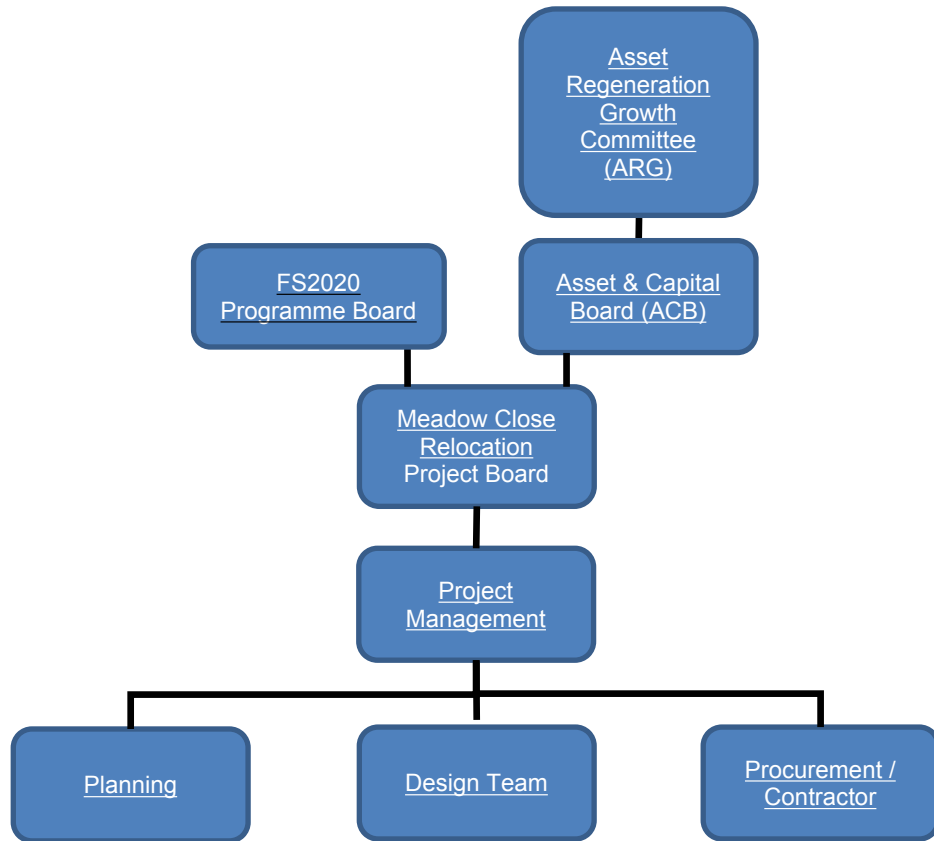
Further subject matter expertise and assurance on IS, HR, programme management and change management is provided by the Council's client team within Commissioning Group.

This project will be delivered in accordance with the Council's established project management toolkit and compliance with the Council's agreed gateway review methodology and we will put in place a comprehensive plan of programme assurance, including:

- Technical and subject management expertise to be provided by technical experts within CSG, Re, contracted suppliers and the Council;
- Expertise supplied through well-resourced and skilled project teams, strong governance with clear Terms of Reference, controls and board representation;
- -Project level assurance from the Council's Corporate Programmes function (provided by CSG) and reviewed by the Council's programme, and estates client team;

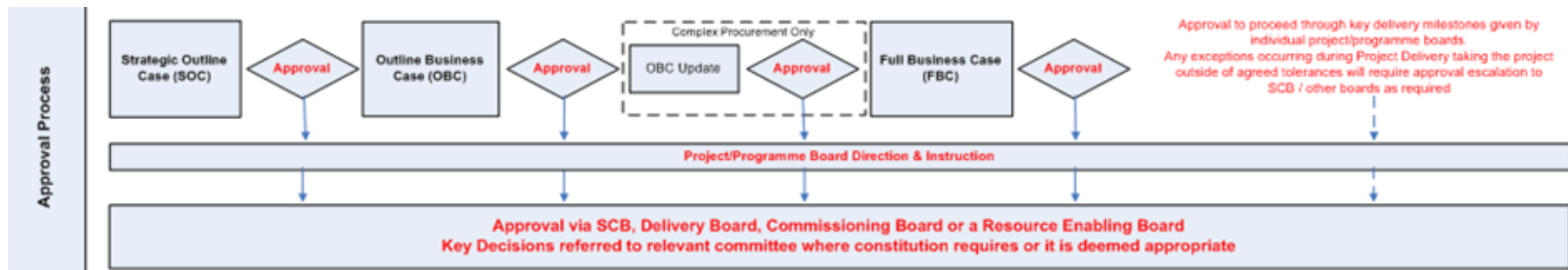
The governance structure for the project is demonstrated in the organisation chart overleaf.

6.1.1 Governance Structure:



6.1.2 Project Approval

The project will be managed in accordance with Barnet's Corporate Project Management methodology with the required documentation, monitoring and controls in place to ensure the project is delivered effectively. The workflow arrangements are summarised below



LBB Project Approval diagram

6.2 Roles and Responsibilities

Summary roles and responsibilities are described in the table below:

Role	Key responsibilities
Project Sponsor and Chair of Board	<ul style="list-style-type: none"> • Chair the Project Board • Ultimate decision maker on issues • Responsible for Project delivery • Ensure the project is appropriately defined and scoped • Monitor the business case for continuing the project and the overall benefits case • Carry out senior stakeholder (SCB/politician) management where required • Ensure appropriate decision-making / issue resolution is carried out when required • Ensure the required resource is made available from within the service to enable the project to be delivered as planned • Ensure the solution is deliverable and meets the needs of the service • Be responsible for communication on the project, reporting on its scope and progress to all interested and relevant staff
Senior user (Family Services)	<ul style="list-style-type: none"> • Provide subject matter expertise on relevant DU issues and projects • Ensure link with BAU and DU specific workstreams • Ensure the required resource is made available from within the service to enable the project to be delivered as planned • Ensure the solution is deliverable and meets the needs of the service • Be responsible for communication on the project, reporting on its scope and progress to all interested and relevant staff

Senior supplier (Technical lead, Estates)	<ul style="list-style-type: none"> • To provide estates related advice information and support • Accountable for the engagement of appropriate technical resources to enable delivery of the project. • Review of documentation prior to presentation to the project board
Project Assurance	<ul style="list-style-type: none"> • Provide assurance of project compliance to shared Project and Programme Management methodology; • Responsible for providing advice and guidance to the service in respect of project management methodology and representing the best interests of delivery unit in resourcing projects • Responsible for ensuring all projects are delivered successfully and provide advice to the governance group on business cases, risk and project performance
Finance Lead	<ul style="list-style-type: none"> • Oversight of the overall capital spend • Governance and expertise of the relevant financial regulations • Ensuring the relevant capital monitoring is accurate and in line with the Council's regulations
Project manager	<ul style="list-style-type: none"> • Responsible for ensuring the project delivers against its objectives and coordinating activities to ensure it is delivered to defined time, quality and cost criteria • Prepare Highlight Reports • Monitor the project plan, risks and issues • Work with stakeholders to ensure that new provision meets strategic priorities, organisational objectives and requirements of service. Lead or support required stakeholder engagement sessions and consultation • Agree project gateways, procurement routes, consultant appointments and professional fees to progress to next project gateway • Liaise with design team lead and technical PM • Manage the project budget
FS2020 Programme Manager	<ul style="list-style-type: none"> • Provide input in relation to wider FS2020 Programme
User (Children's home staff member)	<ul style="list-style-type: none"> • Provide expertise on end user requirements

6.3 Project plan

This project will comprise of three phases:

Phase One: Scoping and feasibility. (RIBA Stage 1)

- Prepare a Schedule of Accommodation which details the specification for a new Residential Children's Home to accommodate six looked-after children in line with service and regulatory requirements
- Establish project brief
- Produce a scoping paper and options appraisal for the development of a space for teams that supports young people on the same site as the proposed Residential Children's Home
- Develop and agree with key stakeholders a detailed specification for a space for teams that supports young people on the same site of the children's home by providing better circulation and personal space.
- Provide a strategic review of 27 Woodside Avenue
- Obtain approval of agreed site through Assets and Capital Board and Assets, Regeneration and Growth Committee
- Obtain approval to commence Phase 2 of the project (see below)

Phase Two: Design (RIBA Stage 2 to 4)

- Commission and review of intrusive surveys by Design Team
- Continuous consultation required with Children's home to develop design brief
- Develop Concept Design (RIBA Stage 2)
- Create set of tender information pack, based on RIBA Stage 2 for contractors to tender
- Provide Preliminary Cost Information as a part of Stage 2 Report
- Issue Stage 2 Report and presentation
- Develop Detail Design (RIBA Stage 3)
- Provide Updated Cost Information as a part of Stage 3 Report
- Issue Stage 3 Report and presentation
- Development of Employers Requirements
- Liaise with planning authority regarding the design development
- Create set of Planning Submission set of documents
- Submit planning documents and obtain approval
- Procure Contractor
- Contractor to produce RIBA Stage 4 Technical Design

Phase Three: Delivery (RIBA Stage 5 to 7)

- Obtaining vacant possession of proposed site
- Administer the building contract
- Construction
- Fit Out
- Handover and Completion
- Decant – From Meadow Close to proposed site
- Defects Liability

6.4 Key milestone dates

Option 3D1 Refurbishment of Existing Site with Extension. / Option 3D2: Refurbishment of Existing Site with Extension and Standalone Hub Provision

Key Milestones	Children's Home	Children's Home and Hub if done together
Client instruction to proceed	28.04.16	28.04.16
RIBA Stage 2 completed	December 2016	March 2017
Approval of Outline Business Case	December 2016	December 2016
RIBA Stage 3 completed	March 2017	June 2017
Planning Application submitted	March 2017	June 2017
Planning approval	June 2017	September 2017
Completion of tender period and contractors design	July 2017	October 2017
Approval to Full Business Case	August 2017	November 2017
Start on Site	September 2017	January 2017
Practical Completion	April 2018	July 2018
Decant completed / accommodation in use	May 2018	August 2018

6.4.1 Controls

Change Control – Any changes to the agreed project scope will need to go through a formal change control process and be signed off by the Project Board.

Risk Management – the Project Manager along with the Project Team will be responsible for maintaining and updating the project Risk Register and effectively managing all risks.

Issue Management– the Project Manager along with the Project Team will be responsible for maintaining and updating the project Issue Log. This will include drawing up any mitigation plans required and Exception Reports if these Issues are expected to impact on the delivery of the project’s deliverables to any of the required time, cost or quality.

For further detail of the programme, refer to Project Programme

6.5 Risks and issues

High level risks and issues are outlined in the table below. A separate quantified risk register (Cost/risk/impact) for the project is monitored through the project governance and any spend will be approved through the Project Board and escalation to ACB as necessary.

Description	Control action(s) in place	Assigned To	Nature	Probability	Impact	Score
If planners are not satisfied that provision of a Hub building is appropriate in residential area they may refuse planning permission	Provide further details re Hub requirements/proposed usage to planning consultants to enable further discussions with planners about what would be acceptable / appropriate in residential area	Technical team	Planning	4	5	20
If vacant possession of Woodside Ave is not achieved by time required in the programme this will delay the project	Current residents will need to be re-accommodated to obtain vacant possession. Discussions ongoing with Barnet Homes who have advised PM to allow 6 months for vacation following instruction to vacate, in case legal proceedings are necessary.	PM / Family Services	Programme	4	4	16
If the design is restricted by the reduced budget, the quality of the finished children's home may not meet requirements set out in schedule of accommodation and Ofsted regulations.	Budget and costings to be reassessed as part of re-evaluation of project. Design of building to be developed in line with agreed budget, schedule of accommodation and Ofsted regulations. Where these are incompatible escalate to Family Services.	Megan Hallett		4	4	16
If the London tender prices cause cost to increase, then additional budget may be required to deliver project	Make reasonable allowance for tender inflation within project costs. Budget to make optimism bias of up to 40% at Stage 1.	Megan Hallett / QS	Cost	4	4	16
If 'Change of Use' planning application is	Seek confirmation from planners re planning application requirements. Make adequate allowance for		Programme	4	4	16

Description	Control action(s) in place	Assigned To	Nature	Probability	Impact	Score
required this will have longer application time than development application, could be more sensitive with local residents and lead to increased objections and possible delays to planning process.	appropriate planning application process within programme.		e			
If planning permission is not achieved by time required in the programme this will delay the project and may increase costs.	Early engagement with Cllr / Members / Local Residents required at earliest opportunity. Ongoing engagement with planners to identify and address planning issues as soon as possible. Make adequate allowance for planning processes within programme.	Megan Hallett /Technical team	Programme / cost	3	4	12
If there is a reduced availability of materials and labour due to current market factors, then it may affect costs and have delay implications on the overall delivery.	Identify materials / labour in short supply and consider if there are alternative design solutions to limit dependence on these items	Technical team	Costs / Programme	3	4	12
If property rights/ restrictions (including Rights of Way, restrictive covenants, easements) and reports on title are not researched, there may be unidentified legal issues to overcome / legal agreements to be reached, with resulting delays and additional costs to project	Report on title obtained and shared with technical team for assessment. Report implications to the Project Team. Escalate potential issues to Family Services if appropriate	Megan Hallett / technical team	Costs/ programme	3	4	12
If an Ofsted visit occurs to LBB Family Services then this will impact on FS availability and could delay project delivery. Project	Contingency plan developed to mitigate impact should risk occur.	Yogita Popat	Programme	3	4	12

Description	Control action(s) in place	Assigned To	Nature	Probability	Impact	Score
may need to be put on hold until Ofsted inspection completed						
If Party wall issues are not researched, there may be potential delays and additional costs from legal challenge	Check distances from adjacent properties to identify if party wall legislation applies and make allowances within the programme for any necessary notifications. Allow for suitable construction measures within the design	Megan Hallett / technical team	Compliance	4	3	12
If the requested intrusive surveys are incomplete or provide incorrect data, then design development may create abortive work and potentially cause delays and additional costs.	Scope out exactly what surveys are outstanding - define extent, deliverables, timing, costs. Review options to procure surveys Programme out events to procure and deliver . Escalate as necessary.	Megan Hallett	Cost / Programme	3	4	12
If further Asbestos is discovered through a survey of the existing building then additional costs may be required to remove it, and the contingency allocated in the Capital Budget will be needed to cover this additional expenditure.	Make reasonable allowance for removal within programme and costings. Monitor survey results to be able to respond as soon as possible. Asbestos Management Survey obtained from Barnet Homes and shared with technical team. Quote for R&D survey being sought.	Megan Hallett	Costs	3	4	12

6.6 Benefits realisation approach

The key benefits from this business case are as follows:

- Children's Home that complies with current Department of Education Children's Home Regulations and Standards including in relation to access, fire safety and service delivery
- Children's Home that achieves an Ofsted rating of 'OUTSTANDING'
- Home that complies with all current Building Regulations including accessibility (Part M)

The following owners are responsible for ensuring that the proposed target savings are realised alongside the project management and development teams who will monitor both savings / costs and development progress and have primary responsibility for preparing monthly reports.

A draft high level benefits register is shown overleaf. In order to ensure that the benefits are realised, a benefits register will be reviewed monthly and the results reported to the Meadow Close Project Board Community Projects Board – escalations will be reported into the Assets and Capital Board.

Table: Draft benefits register, Hub benefits to be added

Description	Measurement / Calculation Used	Data Source	Benefit Owner	Baseline	Target level	Target Start Date	Target Completion Date
Non-financial, compliance: Home that complies with current Department of Education Children's Home Regulations and Standards including in relation to access, fire safety and service delivery	Building Control inspection, Ofsted inspection	Building Regs Approval / Certificate, Ofsted report	Chris Smith?	Non-compliant with regard to access, fire safety and service delivery	Compliant	Jan 2018 (When home occupied)	Dec 2017 (Practical completion)
Non-financial, strategic (?): Children's Home that achieves an Ofsted rating of 'OUTSTANDING'	Ofsted inspection	Ofsted report	Jo Pymont	Ofsted rating 'Good'	Ofsted rating 'Outstanding'	date tbc (next Ofsted inspection)	Jan 2018 (When home occupied)
Non-financial, compliance: Home that complies with all current Building Regulations including accessibility (Part M)	Building Control inspection	Building Regs Approval / Certificate	Chris Smith?	Non-compliant with regard to access, and DDA legislation	Compliant	Jan 2018 (When home occupied)	Dec 2017 (Practical completion)

6.7 Communications approach

A detailed communications and engagement plan is in development; however some discussions with key stakeholders have already taken place to support the proposals moving forward.

- **Children living at Meadow Close:** in order to ensure we take into account the views of the children already living at Meadow Close, during the initial stages of developing the project brief, the children were consulted on in relation to the schedule of accommodation and design brief. At the point where we have an agreed site/location the children will be further involved in the design and build phases of the project.
- **Senior managers within Local Authority (Leader, Lead Member and Chief Executive):** as corporate parents for our children in care, senior leaders have been briefed on the various options that have been considered.
- **Members of Corporate Parenting Advisory Panel:** regular updates and briefings on the progress of this project have been given to members of the panel.
- **Ward Members:** discussions have taken place with ward councillors from Woodside to notify them of the potential move to the locality.
- **Barnet Homes:** Regular discussions have been taking place with Barnet Homes since early this year and these are ongoing. Some of the existing tenants have already vacated the property at Woodside Avenue. Barnet Homes are actively seeking suitable alternative accommodation for those remaining.
- **Local Residents:** local residents will be consulted at the appropriate stage of this project

Communications to potential tenants and residents is planned and a phased communications and engagement plan is in development.

6.7.1 Public events

To offer residents an opportunity to engage with the designs and be informed of the proposals, a non-statutory consultation event will be held in a local community venue. This will be prior to the statutory planning application process where the public will be able to comment on the final designs which will then be considered by respective planning committee.

6.7.2 Communications Channels

Residents due to be consulted for the planning application will be made aware of exhibitions through letters sent to their addresses. Address list to be drawn up with input from planning, to ensure relevant residents around the site of 27 Woodside Avenue are informed. ().

6.8 Post project evaluation approach

The Programme will be governed in accordance with Council's Project Management Toolkit methodology, and using the Capital Programme Gateway method. Progress will be evaluated at key stages e.g. at the end of the procurement phase and at post-construction. This will include assurance from the Customer and Support Group subject matter experts and Commissioning Group client teams. Areas for review include:

- The effectiveness of the project management of the scheme – viewed internally and externally (i.e. was it managed to budget and time);
- The effectiveness of the development partner's project management of the scheme – viewed internally and externally;
- Communications and involvement during construction;
- The effectiveness of the joint working arrangements across project teams;
- Effective resource management and supplier management;
- The support provided during this stage from other stakeholder organisations.

It is expected that the evaluation would take place through internal review at key project gateways and report to the Programme Board. The Council already has an established model for ensuring projects are developed and delivered in an effective way, with business cases and recommendations presented to Committees at set points. We will continue to review and challenge the delivery of all projects using a risk-based approach.

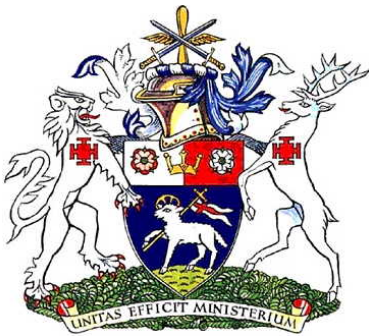
6.9 Conclusion

This Management Case has proposed the implementation, governance and risk management arrangements that will be in place to enable successful delivery of the preferred way for the Council's Children's Home at Woodside Avenue and its management once occupied.

7 Summary

This Business Case has outlined the strategic, economic, commercial, financial and management cases for change for the proposed relocation of the Children's Home from Meadow Close to Woodside Avenue. Alignment has been shown to the Council's strategic objectives and the criteria set forth for the relocation of the Children's Home. A best value option which provides a relocated Children's Home and potential for associated Hub has been appraised and will be subject to the governance arrangements outlined above. The next steps are to proceed with Hub feasibility work, further design work and planning permission, ensure funding is secured and procure a developer for the works to provide a Children's Home and a Hub at Woodside Avenue.

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**Assets Regeneration and Growth
Committee**

12 December 2016

Title	Transfer of 80 Daws Lane, NW7
Report of	Director of Resources
Wards	Mill Hill
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: Concept Design work Appendix B: Draft Heads Of Terms Appendix C: Partnership Libraries Physical Specification Appendix D: Indicative timeline Appendix E: Existing Site Plan
Officer Contact Details	Chris Smith – Head of Estates 020 8359 2987 Chris.smith@barnet.co.uk Michael Gillespie – Area Lead Surveyor 020 8359 2774 Michael.gillespie@barnet.co.uk Daniel Brett – Project Manager 07753437429 Daniel.brett@capita.co.uk

Summary

An in-principle decision is sought to agree the letting of circa 0.173 Hectares (0.43 Acres) of land at 80 Daws Lane adjacent to the public park and car park (Shown approximately on the attached plan, the boundaries of which are shown in red in **Appendix E**), to the NW7 Hub Charitable Interest Company

Any agreement shall be subject to, and conditional upon, the NW7 Hub obtaining planning consent for their proposals in accordance with the attached Heads of Terms (**Appendix B**) for a new community hub, as well as being conditional upon any other necessary statutory consent's that may be required.

Further details of their proposals are contained in the main body of this report.

The subject site falls under the Community Asset Strategy (CAS) in line with other Community orientated sites, within the Borough. The situation in respect of this site, is that the property is to be transferred across to the NW7 Hub, by way of an asset transfer

In principle, the NW7 Hub plan is to create a new community Hub, comprising of 185 Sq.M of Library and ancillary community orientated space on the ground and first floor's. All of these proposals will involve the NW7 Hub being able to raise significant external capital investment to redevelop the site; this is to be reflected in the agreed rental contained within the lease.

All discussions at this stage have been conducted and will remain on a '*without prejudice*' and '*Subject to Contract and any other necessary Statutory Consent's*' basis.

Recommendations

- 1. That, subject to the NW7 Hub obtaining all relevant planning consents, and other statutory consents being granted, the Committee approve in-principle that the Council shall exchange an agreement for lease and development agreement ("development agreement") and grant a lease to the NW7 Hub on the following basis:**
 - a. A term of 125 years at market rent subject to a CBAT subsidy**
 - b. The lease granted shall fall outside the protection provisions of section 24 to 28 of the Landlord & Tenant Act 1954 part 2 and in accordance with the draft Heads of Terms as detailed in Appendix B.**
 - c. That in the event NW7 Hub fail to undertake a meaningful start (defined as a material operation as per the Town and Country Planning Act) on site within a three year time frame, from the date of receipt the formal notice to dispose of the property, the site will revert to the Council's control.**
 - d. That, in the event that works are not completed by the 1st January 2022, the site will revert to the Council's control.**
 - e. NW7 Hub are formally constituted into a Charitable Company Limited by Guarantee and are a registered charity.**
 - f. That a separate management agreement between NW7 Hub and LBB must be agreed if a partnership library element is included in the proposals.**

<p>2. That authority to settle final detailed Heads of Terms, and development agreement and lease shall be delegated to the London Borough of Barnet, Head of Estates.</p> <p>3. That authority be delegated to [the Head of Estates] to consider any responses received to the advertising of the proposal to let the property and the terms of any consent given by the Secretary of State, and to decide whether to progress the development agreement and lease in the light of the same.</p> <p>4. That authority be delegated to [the Head of Estates] to evaluate any bids received from community interest groups for the property and to decide whether to refer them to the Assets Growth and Regeneration Committee or whether to proceed with the proposed lease to NW7 Hub.</p>
<p>5. That, subject to agreeing the Heads of Terms, as detailed herein, the development agreement and lease will be authorised in accordance with the Management of Assets, Property and Land Rules.</p>
<p>6. The Council will fund the capital works (if required for) provision of a Partnership Library at 80 Daws Lane up to a total of £1 million (index linked) dependant on final design</p>

WHY THIS REPORT IS NEEDED

- 1.1 This report is needed to seek in-principle approval to grant a 125 year lease on circa 0.173 Hectares of land, at 80 Daws Lane NW7, to the NW7 Hub. Final terms and extent of the area required, is to be agreed, pending the NW7 Hub obtaining Planning Consent for their development proposals and all other statutory consents being granted. The planning and subsequent development proposals shall all be at NW7 Hub's cost.
- 1.2 In November 2015, the Council's Assets Regeneration and Growth Committee approved the Strategic Outline Business Case for the provision of a Community Hub at 80 Daws Lane. This enabled utilisation of Council resources to assist with the development of architectural designs and undertake survey work in partnership with the NW7 Hub group. This was in preparation for Heads of Terms coming back to committee for approval.
- 1.3 Details of the latest plans developed during that work can be found in **Appendix A**
- 1.4 The Daws Lane site and buildings located on the south side of Daws Lane, near its junction with Wise Lane / Hammers Lane and consists of a World War II built Civil Defence building with an observation tower located at second floor level.

- 1.5 In the past, the main part of the building has been occupied by a variety of users including: LBB Family Services and local Sea Cadets. Both of these users now have alternative accommodation elsewhere.
- 1.6 The premises has a drive, which is located on the northern elevation of the building and is accessed at its eastern end, off Daws Lane and at its western end from the Council's Daws Lane car park. This serves the Council owned Mill Hill Park which adjoins both the car park and the subject premises to the south.
- 1.7 To the rear of the subject premises there is a large tarmac surfaced yard.
- 1.8 The building has an area of 901 Sq M (9,694 SqFt) and was constructed circa 1942.
- 1.9 The NW7 Hub plan is to either demolish the existing building or possibly refurbish the building to create a new community hub which could house a Partnership Library. The site is enveloped by Mill Hill Park to the South and the Daws Lane Car Park to the west. The site and building sit within an area that is identified as being in Green Belt (Current Planning Policies), as well as being adjacent to an area of Public Open Space.
- 1.10 As such, and given the likely constraints advised by the Local Planning Authority as well as covenants pertaining to the demise, the site and premises' have limited use.
- 1.11 The recommendation set out in this report will ensure that the asset is brought into use to the wider community, in line with the Council's Community Asset Strategy.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The property and the site have been left vacant for some considerable length of time. However, the investment that the NW7 Hub is proposing to bring to the development will provide a range of community benefits. These are outlined more comprehensively in the "Strategic Outline Case" and are currently as summarised below:
 - 2.1.1 A partnership library of at least 185 Sq. M and associated functions (e.g., office, and staff room). This is in line with the partnership library specification (see **Appendix C**)
 - 2.1.2 Community facilities for provision of community benefit (recognised by the Council's Community Benefit Assessment methodology). This includes:
 - 2.1.2.1 Activities for children and young people
 - 2.1.2.2 A Café
 - 2.1.2.3 Activities for socially isolated older adults and vulnerable individuals
 - 2.1.2.4 Community retail facilities
 - 2.1.2.5 Support for local small businesses and self-employed individuals.

- 2.2 A Community hub as proposed by the NW7 Hub enables the delivery of activities that will result in community benefit, in the wider context and presents opportunities to for the local community to take the lead in the design, development and delivery of the Hub.
- 2.3 This is alongside being more likely to enable to deliver additional resources, both in terms of external funding and volunteer time.
- 2.4 Further to the above, the recommendation to dispose of the land is driven by the requirements of the NW7 Hub fundraising strategy. A agreement to lease in advance of a build programme will enable the NW7 Hub to raise finance against the asset, to facilitate the build, which is a common feature of a ground lease.
- 2.5 The longstop date for delivery of the scheme is based on the indicative timescale provided in **Appendix D**. The indicative plan is based on a scenario where a number of project risks that affect timescales are realised (e.g. Asset of Community Value moratorium and Secretary of State approval). This demonstrates the project can be delivered within 3 and a half years. To mitigate against further risk affecting timescales the longstop date contains a further 18 months. This is to ensure sufficient time for completion of the scheme in the event a judicial review is required or there are delays with project phasing.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The Strategic Outline Case discussed a number of options which were discounted by ARG Committee in November 2015. These are summarised below – more information is available in the project SOC.
- 3.2 **Do nothing** – To do nothing would leave the premises underutilised for a further period of time. The results of which, would not only mean that the benefits of the new proposals would not be realised but further costs in maintenance security etc. associated with the exiting building would be incurred.
- 3.3 **Refurbish** - would offer a way fulfilling the Community Asset Strategy and enabling use by a community group for community based activities. The increased operating costs of taking this approach would mean that the local groups providing community activities would be unlikely to be able to support themselves without a significant subsidy. In addition to this, the building once refurbished, would present significant challenges in terms of its layout and needs for adaption before becoming a fully-fledged community hub. As such, this option was discounted.
- 3.4 **Mixed use redevelopment** - There is potential for the site to be redeveloped for mixed community and residential use. This would present a challenge in planning terms due to current policies. However it would allow the Council to

deliver a scheme for four 4-bed homes alongside limited community space and opportunity for rationalisation of Council services, such as a partnership library. This option presents risks in terms of acceptability to the Local Planning Authority due to the site's location in Green Belt, alongside offering limited opportunities for community usage and management.

3.5 Other delivery options considered but discounted, for provision of a Community Hub:

3.5.1 LBB Delivered with LBB Capital - Funding the provision of a new Community Hub on 80 Daws Lane entirely through Council budgets has also been ruled out, as the site is not in an area of high need and therefore the project is not viable based on a cost benefit analysis. Pursuing a solely Council funded option would also not take advantage of the opportunities for increased value presented by securing external funding through a community partner such as NW7 Hub.

3.5.2 LBB delivery with external funding – The Council had previously planned to deliver the project on behalf of the NW7 Hub in line with the project's SOC. This approach however limited the amount of external funding available due to the requirement to secure loans against the proposed scheme, which was too great a risk for the council. This meant that disposal of the land to the NW7 Hub became the preferred choice, in order to ensure maximum external funding is available. Further to this, additional procurement opportunities are offered to the NW7 Hub team by a direct land disposal and therefore the Council delivering the scheme with external funding is no longer a recommended option.

4. POST DECISION IMPLEMENTATION

4.1 The site currently falls under the Community Asset Strategy (CAS) within the Borough. Due to the proposal to provide new community facilities on the site with significant external investment, the ground lease would be transferred at a rent assessed by the Community Benefit Assessment Tool, in line with the recommendation sought.

4.2 80 Daws Lane is listed as an Asset of Community Value (ACV) on the Council's register of ACVs. Accordingly, the Council can only dispose of the property (a disposition meaning either a freehold sale, or the grant or assignment of a lease granted for a term of over 25 years), in either case with vacant possession, subject to exceptions) in accordance with the provisions of the Localism Act 2011 and the Assets of Community Value (England) Regulations 2012.

4.3 The Council is obliged to 'notify' itself that it intends to grant the lease. Such notice will trigger a six week initial moratorium, designed to allow community interest groups to submit requests to be treated as potential bidders. If no request by a community interest group is made within the initial six week

period, no further moratorium will apply for the duration of the 18 month protected period. If such a community interest group makes a request during this interim period, then the full six month moratorium will come into operation. The legislation is clear in that the Council may sell to a community interest group, at any time during the full moratorium period but otherwise, may not dispose of the property until after the full moratorium period has expired and then only within the protected period of 18 months from when notice of intention to let was given.

- 4.4 If an expression of interest from a community interest group (other than NW7 Hub) is received during the timeframe outlined above, bids would be evaluated against the viability of the proposals, the level of community benefit provided, alongside meeting the requirements outlined in this report (see section 2.1).
- 4.5 An external valuation of the site will be undertaken, in accordance with the process and procedures as laid out, and to ensure compliance with, Section 123 of the Local Government Act 1972.
- 4.6 Following ACV determination, consideration of any public objections to the disposal of the land and subject to the external valuation of the land, any necessary report to the Secretary of State requesting permission for a less than best transaction would be submitted for determination if required.
- 4.7 Subject to the outcome of the ACV process and the less than best determination, a Development Agreement will be drafted.
- 4.8 A development agreement will contain the details of the proposed development and be a contract between the Council and the NW7 Hub's development contractor. It is required to enable works on the Council's land by a 3rd party prior to delivery of the scheme at which stage the lease will commence and NW7 are envisaged to take legal title over the demise
- 4.9 The Heads of Terms and extent of the property and land to be leased will be agreed and form the basis of the final Lease Agreement. This lease will contain a number of pre-conditions such as:
 - 4.9.1 The NW7 Hub maintaining its charitable status
 - 4.9.2 Not to assign the building to any organisation but only to the successors of the NW7 Hub or trust etc. and such consent should not be unreasonably withheld or delayed.
- 4.10 The Development Agreement and Lease shall be drafted by HB Law and signed off in accordance with the Management of Asset, Property and Land Rules.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Council's Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life.
- where people are helped to help themselves, recognising that prevention is better than cure.
- where responsibility is shared, fairly.
- where services are delivered efficiently to get value for money for the taxpayer.

5.1.2 The grant of this lease will support the corporate plan by bring an asset online and assist the prospective tenant's long term business plan.

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

5.2.1 All costs related to planning permission and the sites subsequent development will be borne by the NW7 Hub.

5.2.2 Historical design and survey work to assist in formulating the current proposals will be borne by the Council but have been handed to the NW7 Hub for reference.

5.2.3 The Council will provide up to a £1m (index linked) contribution for the provision of a partnership library site in line with the Strategic Outline Case approved in November 2015 and subsequently by Policy and Resources committee.

5.3 Social Value

5.3.1 The NW7 Hub's aims and objectives for this site are documented in the SOC.

5.4 Legal and Constitutional References

5.4.1 Local authorities are given powers under Section 123(2) of the Local Government Act 1972 (as amended) to dispose of land held by them in any manner they wish. Except with the consent of the Secretary of State for Communities and Local Government, a council cannot dispose of land, other than for the grant of a term not exceeding seven years, for a consideration less than best that can reasonably be obtained. A general consent dated 2003 has been issued by the DCLG, this can be used where the value foregone is less than £2 Million and the proposed lease would be for the social, environmental or economic well-being of the residents of the Borough.

- 5.4.2 Section 123 of the Local Government Act 1972 requires the Council to advertise the disposal of Public Open Space in a local newspaper for two consecutive weeks and to consider any objections received.
- 5.4.3 Should this process be required in relation to this site, any objections will need to be considered before the Council decides whether or not to proceed. This can be dealt with by a member or an officer provided that the appropriate authority has been delegated to them.
- 5.4.4 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 1, Table A sets out the acceptance thresholds which provides authority for the action. Financial arrangements up to £100,000 can be approved by a Director or Deputy Chief Operating Officer as per the Authorised Delegated Powers provisions, unless the matter is for less than best consideration, in which case it must be considered by ARG. ARG can authorise procurement activity within the remit delegated to it, in accordance with the responsibilities and thresholds set out in the Council's Contract procurement rules.
- 5.4.5 Under the Green Belt (London & Home Counties) Act 1938, green belt land can be used only for recreation or agriculture and the lease shall reflect this. The lease may need the consent of the Secretary of State for Health under the 1938 Act, should this be the case advertising of the site will be required and any responses will need to be conveyed to the Secretary of State. The consent of the Secretary of State is also needed for the construction of buildings on green belt land and this will need to be reflected in the lease.
- 5.4.6 80 Daws Lane is listed as an Asset of Community Value (ACV) on the Council's register of ACVs. Accordingly, the Council can only dispose of the property (a disposition meaning either a freehold sale, or the grant or assignment of a lease granted for a term of over 25 years in either case with vacant possession) in accordance with the provisions of the Localism Act 2011 and the Assets of Community Value (England) Regulations 2012.

5.5 Risk Management

- 5.5.1 The proposals have been considered as to whether the issues involved give rise to significant levels of public concern or policy considerations. As the site is designated as Greenbelt and Public Open Space, there may be objections however LBB are thus far satisfied that there are no such concerns. However, when a planning application is submitted it is possible that it may meet with local objections due to loss of green belt and or public space. Responsibility for mitigating this risk sits with the NW7 Hub, who are envisaged to undertake all necessary pre-application engagement with the Local Planning Authority and other statutory planning consultees.
- 5.5.2 It has been identified that there is a risk that traffic flow and parking may be affected in respect of the site however, this matter will be dealt with as part of the planning application by NW7 Hub

- 5.5.3 In order to mitigate the low risk of the project not progressing within agreed timescales, a clause shall be inserted within the legal agreements that, in the event that the NW7 Hub fail to undertake a meaningful start on site, within a three year time frame from the date of completion of legal formalities, the site will revert to the Councils control. This is also echoed in the longstop date for practical completion of the scheme
- 5.5.4 A “meaningful start on site” is to be defined as a “material operation” as per the Town and County Planning Act. This is defined as the following:
- 5.5.4.1 any work of construction in the course of the erection of a building;
 - 5.5.4.2 any work of demolition of a building
 - 5.5.4.3 the digging of a trench which is to contain the foundations, or part of the foundations, of a building;
 - 5.5.4.4 the laying of any underground main or pipe to the foundations, or part of the foundations, of a building or to any such trench as is mentioned in paragraph(5.5.4.3)
- 5.5.5 In order to mitigate the risk of the project not being completed and the land lying partially completed, a clause shall be inserted within legal agreements that, in the event that works are not complete by 1st January 2022 the site will revert to the council’s control.
- 5.5.6 Part of the NW7 Hub funding strategy to finance their build programme is to raise funding from a Charitable/ Social Bank. If the repayment terms of the loan were not met by the NW7 Hub, the lender would have recourse to take possession of the land and sell the lease. This presents a risk to the Council that the new tenant might not carry out the business case objectives, as agreed by Committee and the perceived community benefit offered, from the site could be limited. This is mitigated by the likely planning constraints placed against the land limiting it to community (D1) usage by the Council’s control of use via the use clause in the lease.
- 5.5.7 Further to this, the principles of the lease would require the landlord to have 1st refusal should the lease be transferred to a 3rd party. This is envisaged to be required in the advent of NW7 Hub defaulting on any loan repayments secured against the land and the lender seeing to take control of the lease.
- 5.5.8 It should be noted however, such charging is common place on commercial ground leases where a premium is being paid for a site. In such a case the tenant derives sole benefit from such charging, in return for the premium paid. In this situation the Council and the community at large, are seeking to gain a wider benefit and are “in effect” joint venture partners.
- 5.5.9 The current proposals are based on the NW7 Hub business case which has been appraised by the Council’s Business Coach. This demonstrates delivery

of community benefit activities in line with the approved SOC however there are sections that will need development prior to displaying the high level of confidence required for approval of the CBAT subsidy.

5.5.10 This will be mitigated by further work between the Council's Business Coach and an agreed action plan outlining the development of the additional information required.

5.6 Equalities and Diversity

5.6.1 Under the 2010 Equality Act, 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) foster 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 and belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination.

5.6.2 The proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal.

5.7 Consultation and Engagement

5.7.1 Engagement has taken place via a Working Group including the NW7 Hub and Ward Members. This has enabled design ideas to be circulated and a schedule of community benefit activities drawn up.

5.7.2 Community consultation undertaken directly by the NW7 Hub team and as such, have engaged with many local residents. The feedback on the proposals have been shown to be positive.

6. BACKGROUND PAPERS

6.1 The Community Asset Strategy and Implementation Plan's

6.1.1 <https://barnet.moderngov.co.uk/documents/s25649/Appendix%201%20-%20Community%20Asset%20Implementation%20Plan.pdf>

6.1.2 <https://barnet.moderngov.co.uk/documents/s25574/Appendix%202%20-%20Community%20Asset%20Strategy.pdf>

6.2 The Community Benefit Assessment Tool

6.3 <https://barnet.moderngov.co.uk/documents/s32739/Community%20Benefit%20Assessment%20Tool.pdf>

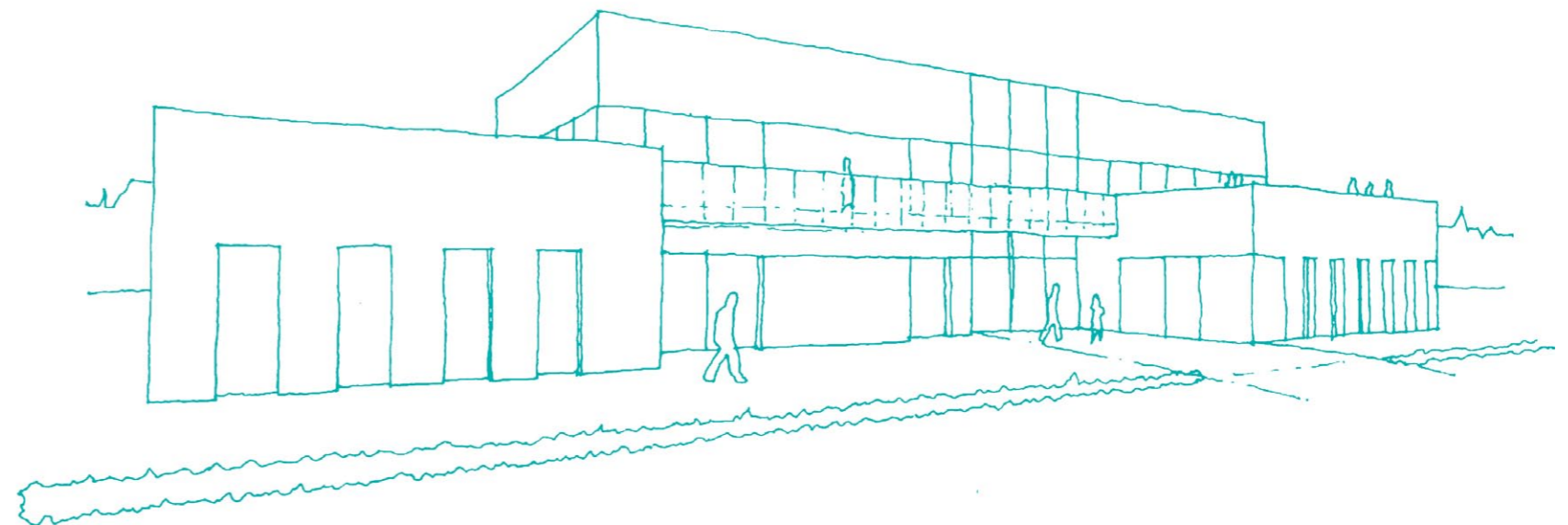
6.4 Daws Lane – Strategic Outline Case

6.4.1 <https://barnet.moderngov.co.uk/documents/s27742/Daws%20Lane%20Community%20Hub%20-%20Strategic%20Outline%20Case.pdf>

Daws Lane Community Centre

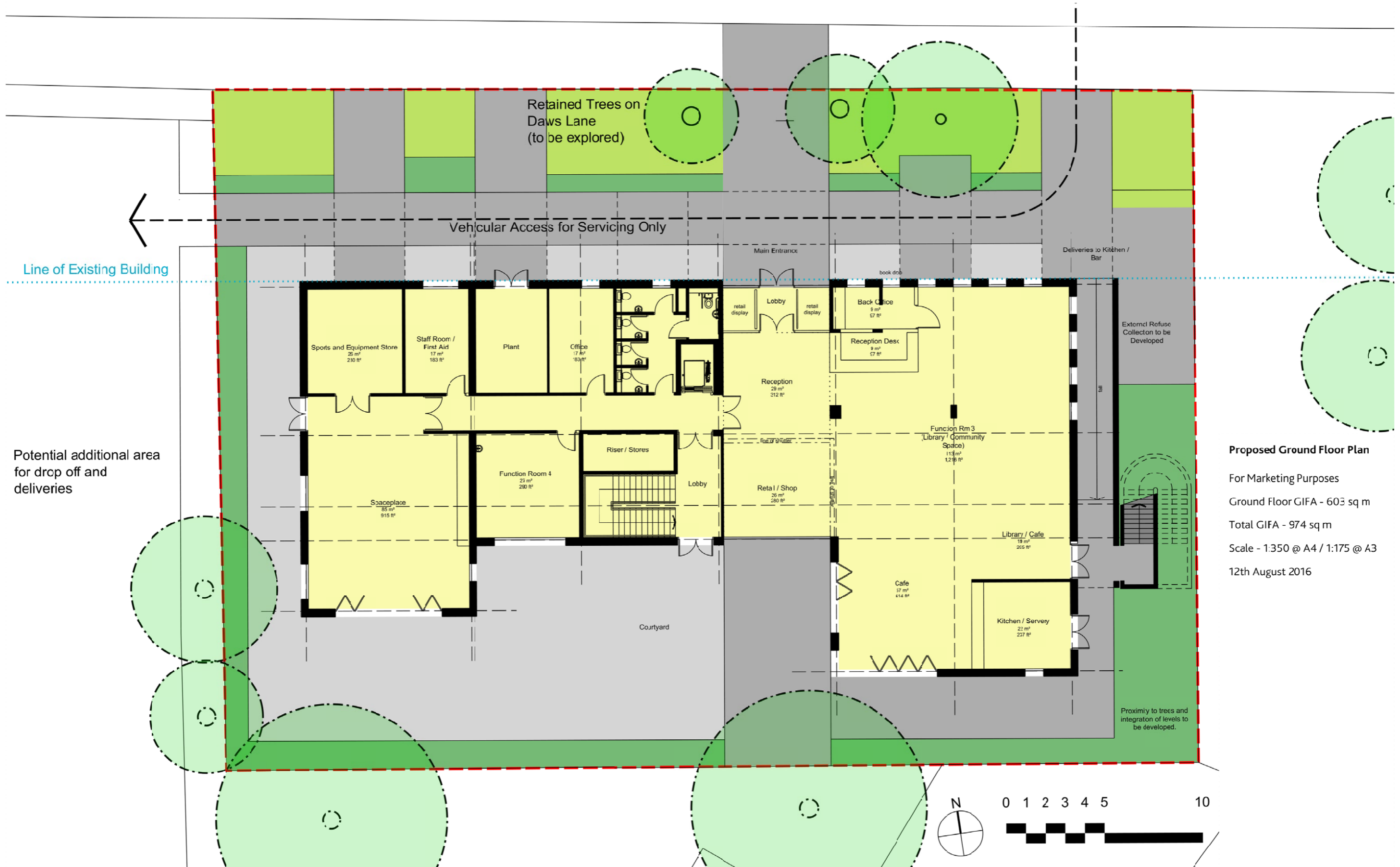
80 Daws Lane,
London
NW7 4SE

RIBA Stage 2 Report_Concept Design Layout Drawings and Visualisations



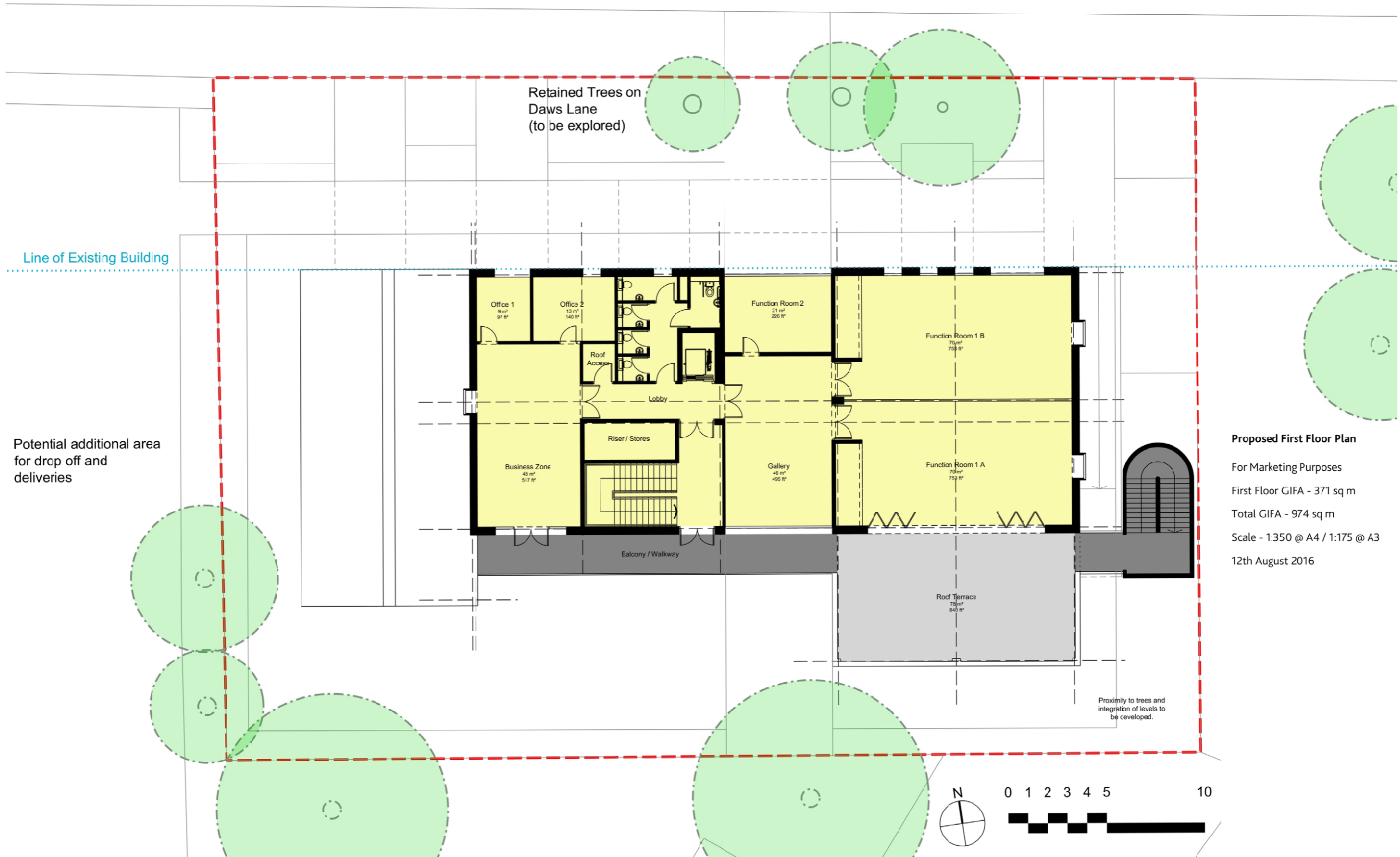
1.0 Layout Plans

Ground Floor Plan



1.0 Layout Plans

First Floor Plan



Proposed First Floor Plan
For Marketing Purposes
First Floor GIFA - 371 sq m
Total GIFA - 974 sq m
Scale - 1:350 @ A4 / 1:175 @ A3
12th August 2016

2.0 Concept 3D Visualisation_Daws Lane Looking West



2.0 Concept 3D Visualisation_Mill Hill Park Looking North



2.0 Concept 3D Visualisation_Daws Lane Looking South



Daws Lane Community Centre _ Concept Design Layout and Visualisations : November 2016

Transfer of 80 Daws Lane, NW7 – Appendix B

HEAD LEASE - HEADS OF TERMS

(Without Prejudice & Subject to Contract)

Proposal for an Agreement to Lease and Contracted out Head Lease of Community Hub, 80 Daws Lane.

- 1 LANDLORD:** The Mayor & Burgesses of The London Borough of
Barnet
North London Business Park
Oakleigh Road South
London
N11 1NP

Tel: 020 8359 7356
- 2 LANDLORD'S SOLICITOR:** Legal Services to Barnet and Harrow Council

Harrow Council
PO Box 2
Civic Centre
Station Road
Harrow
HA1 2UH

(DX 30450 HARROW 3)

For the attention of (legal office to be formally instructed following Council approval).
- 3 TENANT:** NW7 HUB
Holcombe Cottage
Holcombe Hill
Mill Hill
London
NW7 4ES
Company No. 10407948
- 4 TENANT'S SOLICITOR:** Wright Hassall LLP
Olympus Avenue
Leamington Spa
CV34 6BF

For the attention of Robert Sprake
Tel: 01926 886688 / 07766 871634
Fax: robert.sprake@wriothassall.co.uk

5 THE PROPERTY:

The **NW7 Hub** as shown edged red on the attached plan reference:

Area of demise: tbc

The parties shall enter into an Agreement for Lease leading to the grant of a Ground Lease.

The Agreement for Lease will be conditional on:

- NW7 Hub securing sufficient and satisfactory development finance; and
- The grant of satisfactory planning permission which is the immune from third-party challenge.

The Agreement for Lease will allow NW7 Hub to elect whether to the construct an entirely new facility or to refurbish the existing facility.

The Agreement for Lease will impose development obligations on NW7 Hub and will provide for the grant of the Lease once the development (whether that will be the construction of an entirely new facility or the refurbishment of the existing facility) has reached Practical Completion.

The Lease commencement date shall run from the date of practical completion.

6 RENT:

In line with the Local Government Act of 1972, an independent party will assess the building and land to determine value.

The rent rebate shall be determined utilising the CBAT system.

The rent free period shall run from the Lease commencement date and will be calculated to reflect the level of investment made by the NW7 Hub. The initial notional rent will be assessed utilising the

CBAT procedure. Any rent due shall be paid in advance on the usual quarter days.

The rent shall be reviewed upon the 5th Anniversary of the Lease commencement date and thereafter on every 5th anniversary to market rent to which will be assessed via the CBAT.

In the event the CBAT system should cease to exist the rent shall be reviewed by reference to such system that replaces the CBAT rules or RPI. The Base RPI reference point shall be the date of the last rent review that had been undertaken under the CBAT or revised CBAT Rules.

7 TERM:

The term shall be 125 years from the Lease commencement date.

The Lease shall be excluded from sections 24 to 28 of the Landlord and Tenant Act 1954.

8 USER:

The property so demised shall be used and continue to be used in accordance with all the covenants.

The property shall be used in accordance with the General Classes User Order 1987, as amended from time to time. And shall not be varied without Landlords consent such consent shall not be unreasonably withheld.

To use the Property in line with community use D1 and such other uses as agreed with the Landlord prior to the submission of any planning application for change of use.

Such a submission shall be in line with the aims and objectives of the Tenant's constitution, in the spirit of the agreed Declaration as set out at 19 below and in line with the following community purposes being:

1. the advancement of community development; and
2. any other purpose currently recognised as being a community use or which can be recognised as a community use as approved by the Landlord.

The Landlord shall within 7 days of written request be sent copies of all applications from the various applicants requesting to utilise and occupy parts of

the Property together with the Tenant's responses to such applications and any information reasonably requested by the Landlord to enable the Landlord to evaluate as to whether there has been a breach of any of the terms of the user and governance covenants in the Lease.

The Landlord's approval to the terms of agreements regulating the use and occupation by community groups from time to time shall be required to reflect the concessionary rent being applied at the commencement of the term.

The Landlords determination on these matters shall be final.

9 MAINTENANCE AND REPAIR

The Tenant shall put and keep in good and substantial repair all the buildings and grounds within the demise.

At all times during the Term to keep the Property (including for the avoidance of doubt all buildings structures landscaping, any other areas forming part of the demise) clean and tidy and keep in a state of good repair and to make good:

1. any damage it causes to the Property and/or
2. any deterioration to the condition of the Property that may arise from commencement of the Lease

Provided that the Tenant shall not be in breach of this covenant if and for so long as disrepair arises due to damage caused to the Property by any of the Insured Risks and the Tenant is diligently pursuing its insurance claim and reinstating such damage;

To notify the Landlord in writing immediately if any structural damage occurs to the Property.

10 OUTGOINGS:

The Tenant shall be responsible for the payment of all Utilities and all other outgoings including but not limited to the payment of rates.

11 ALTERATIONS:

The Tenant shall not carry out any structural additions or alterations to the Property without the

Landlord's consent. Such consent shall not be unreasonably refused.

Non-structural internal alterations shall be permitted, subject to all necessary statutory compliance.

12 ALIENATION:

Save as detailed below, not to assign, underlet, part with or share possession or occupation, without the prior written consent of the Landlord, such consent shall not be unreasonably withheld. The Lease will provide for the grant of sub Leases and ad hoc occupation on the basis of an agreed form of occupational licence to be approved by the Landlord (approval not to be unreasonably withheld and/or delayed) and on the basis that no third party acquires Landlord and Tenant Act 1954 rights of occupation.

The Tenant shall be entitled to assign the Lease to a successor body with the consent of the Landlord such consent not been raised withheld or delayed.

In the event of any breach regarding compliance the Landlord shall be able to forfeit the Lease.

A breach shall arise where a decision made by the Charities Commission finds the Tenant in breach of any Charities Act requirements

The Tenant shall notify the Landlord in the event that the Tenant wishes to change the legal status of its constitution.

13 INSURANCE:

The Tenant shall insure the Property for the usual insured risks.

14 STATUTORY OBLIGATIONS:

The Tenant shall comply with any/or Statutory Obligations and regulatory issues applicable in respect of running a property for community use.

The Tenant will be obligated to observe the standard equality and diversity obligation as follows:

(a) to perform its obligations under the Lease (including those in relation to the provision of any arrangements or agreements with community users in accordance with:

(i) all applicable equality Law (whether in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy, maternity or otherwise);

(ii) the Landlord's equality and diversity policy as provided to the Tenant from time to time; and

(b) Take all necessary steps, and inform the Landlord of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation).

The Tenant will be obligated to observe the Landlord's current rules relating to Health and Safety together with all applicable rules and regulations relating to such matters and make available to the Landlord its published health and safety policy within 5 days of the request.

15 BREAK CLAUSES:

A break option shall be granted to either party upon the efflux of the repayment period plus 37 years. After which a 5 yearly mutual rolling break will take effect each party serving 12 months' notice upon the other in the prescribed form (such a form to be attached to the lease.)

16 AGREEMENT COSTS:

The Tenant shall cover the Landlord's legal fees (£974) and Surveyors fees (£650) in relation to the preparation of the Lease.

17 OTHER:

Any other terms as reasonably required by the Landlord's Legal Department and such that are usual in such agreements.

The Lease will contain a disputes resolution mechanism whereby any dispute shall be referred to the decision of an independent third party expert

In the event the Tenant has breached the terms of the lease how so ever that is determined the Landlord can terminate this lease upon service of 3 months' written notice, and the tenants shall be given 6 months to rectify the breach. The landlord's decision shall be final.

The tenants shall be properly constituted as a charity required by the Charities Commission and relevant acts appertaining thereto.

PLAN TO BE INSERTED (TO BE FINALISED)

18 FORFIETURE:

The Lease can be terminated inter alia if the Tenant does anything which either directly or indirectly causes or is likely to cause the Landlord's reputation to be brought into disrepute and/or which in the opinion of the Landlord acting reasonably is contrary to the spirit of the Declaration

19. DECLARATION:

The Lease will contain a declaration and acknowledgement that the primary objective in the parties entering into the Lease is to actively promote the sense of community by the provision of facilities available to all engaged in that objective on a universal and un-discriminatory basis and that the parties will use all reasonable endeavours to fulfil and actively assist each other in achieving that objective of wider social /community benefit.

20. **SUBJECT TO:**
1. The Landlord's formal authority.
 2. Planning
 3. Approval of funding.
 4. Contract.
 5. Agreement for Lease.

PARTNERSHIP LIBRARY PHYSICAL REQUIREMENTS SPECIFICATION

1. General principles:

The Library Area will be accommodated within a minimum floor area of 185sqm. It will be a bright, modern library which feels welcoming and accessible. If in a shared facility, the Library Area will be required to be sub-let to the relevant Partnership Library Provider in line with the associated Management Agreement for provision of a Partnership Library Service.

Other amenities will be required to be provided such as lobby, reception, staff work room and staff rest room which are not included in the Library Area minimum floor space requirements. These could be shared with other users, subject to the relevant agreements being in place and confirmed with the Libraries Service prior to commencement.

The facility will need to comply with the Equality Act 2010 and all other relevant legislation for all users of the premises.

The following basic principles must be applied to the design of the library space:

- A. Internal library spaces to be as flexible as possible, with separate zones differentiated by shelving and furniture and flexible data and power solutions.
- B. The flexible nature of the space must allow for future alterations to meet the changing needs of the Library Service.
- C. Effective sightlines must be retained from the reception area throughout the library.
- D. Requirement to retain as many PCs as can be accommodated within library space
- E. Requirement to provide as much study space as can be accommodated within library space.
- F. RFID kiosks should be close to the front doors. They need to be reasonably close to the staff counter but do not need to be directly adjacent.

2. Internal configuration/ requirements:

Ground Floor	Requirements
Entrance/ Lobby	Does not need to be a separate space – enough space to enter and exit easily. Attention to be paid to wind/ temperature if counter located near to doors.
Reception Area	Small staff counter/ desk will be required for membership queries and registration, and payment of fines/loan charges etc. It should have the capacity for 2 work stations, a phone, a credit card machine and a till, shelving behind, and sufficient capacity to accommodate a trolley. There should be sufficient depth on both sides to accommodate disabled staff and library users. 4 linear

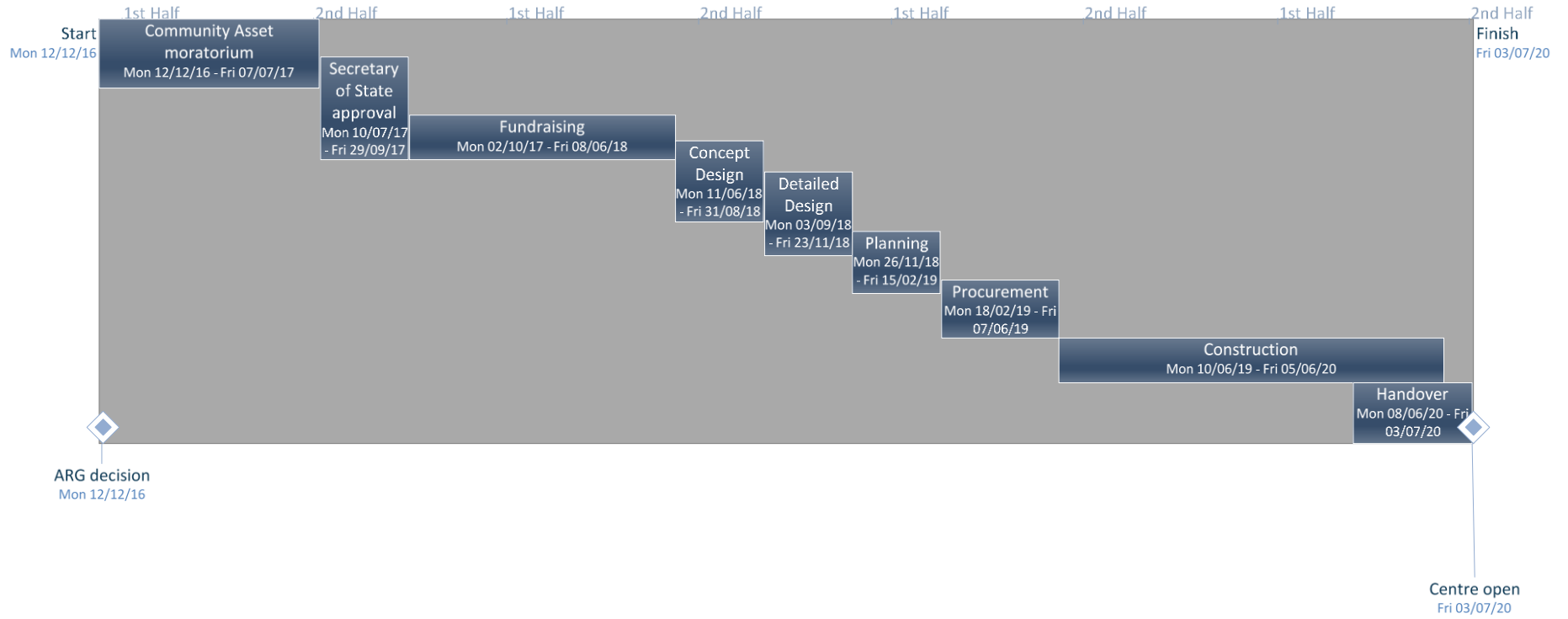
	<p>metres of shelving behind staff. Small staff work area required in reasonably close proximity to the staff counter.</p> <p>RFID kiosks to be located close to but not directly adjacent the reception desk</p> <p>2 RFID self-service kiosks, 1 exceptions bin and 2 returns trolleys to be located with the RFID kiosks.</p> <p>The self-service kiosks and return units will be supplied separately by a specialist company.</p>
Public PC requirements	PCs for public access to be accommodated in space including in the teen area and in the children's area.*
Adult Library/ Main Library	<p>An area must be provided for adult fiction, non-fiction, reference materials and large print books. This area must incorporate both study spaces equipped for laptop use (power and data required) and areas of soft seating for leisure reading.</p> <p>A public access catalogue PC (OPAC) should be located in this area.</p>
Teenage Library	<p>The teenage area should have flexible shelving for different material types, small magazine rack and graphic novel stand and comfortable seating. Shelving and other furniture should be suited to the 13-16 year old age range and should be used to delineate this area from other parts of the library.</p> <p>1 public access PC should be located in this area and a table for study, and soft / casual seating.</p> <p>Free standing shelving must be no more than 4 shelves high.</p> <p>This area should not be directly adjacent to the children's area.</p>
Children's Library	<p>Three separate uses of this area need to be identified – under-fives; homework and study; relaxation and book browsing, and furniture needs to be suitable for these specific ages. Sufficient space for class visits needs to be built in. Shelving and other furniture should be suited to the 8-10 year old age range and should be used to delineate this area from other parts of the library.</p> <p>This area must incorporate PC access for children</p>

	<p>Wall shelving should be no more than 4 shelves high and free standing shelving no more than 3 shelves high.</p> <p>Soft seating areas must be provided for children and parents as well as study tables for homework.</p>
Staff Work Room	<p>The staff workroom area will need work bench /desk seating for 2 staff and 2 PCs, a telephone and storage, some lockable. The staff work room must be secure from public access and located adjacent to or behind the reception desk.</p> <p>shelving to accommodate book processing</p> <p>Small dispatch area required</p>
Public toilets	<p>Unisex disabled access facilities required with baby changing.</p>
Communications cabinet	<p>To be provided in suitable location and to lockable</p>
Staff rest room & toilets	<p>Staff room area required with kitchen point for c. 3 people (generally 2 in at any one time).</p> <p>Staff toilets required.</p>

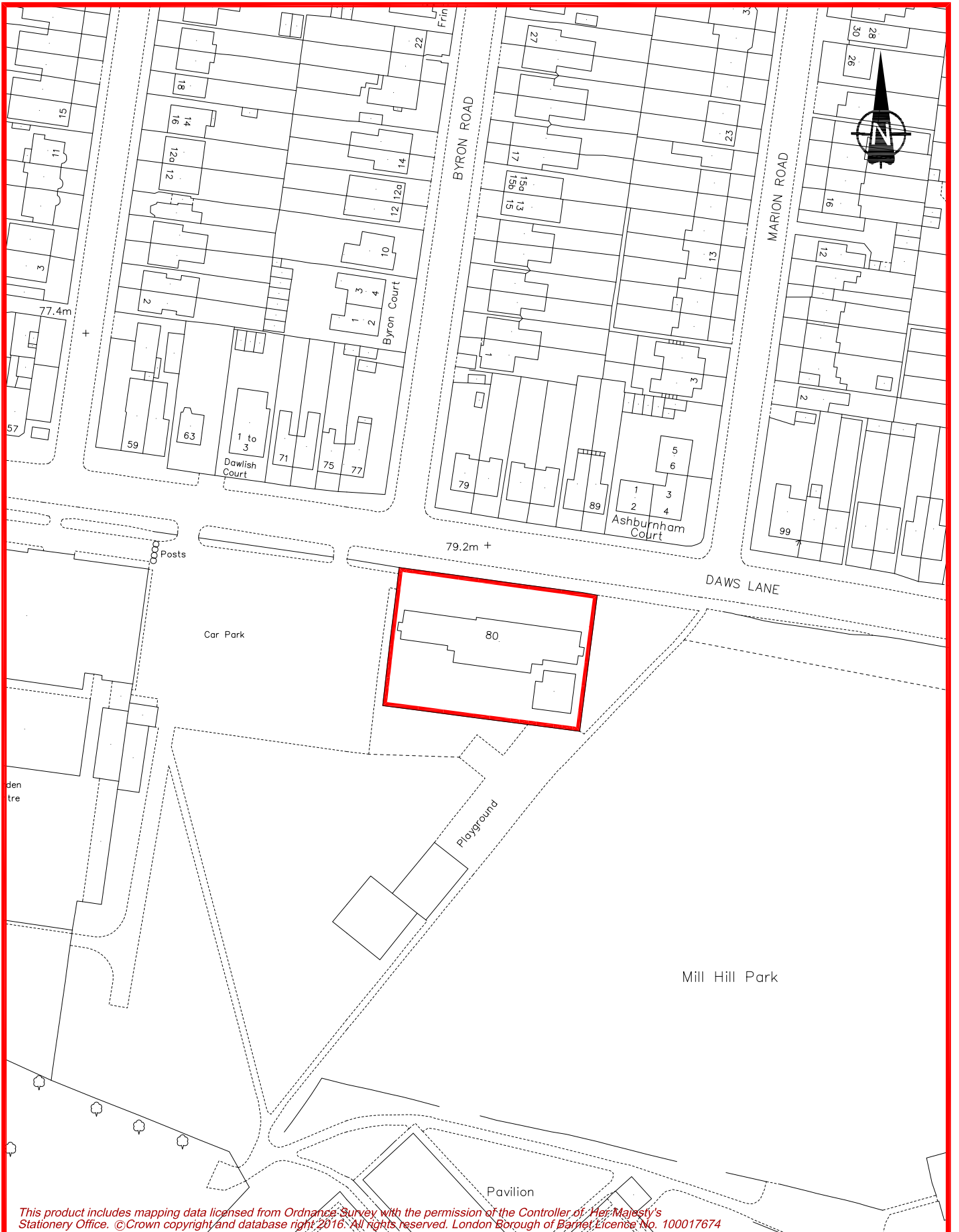
*precise layout and configuration to be determined in consultation with Partnership Library Provider. Exact balance of PCs and stock will be site specific.

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Appendix D – Indicative Timeline (Daws Lane)




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Initiated by	SCHEME:		
	80 DAWS LANE, MILL HILL, NW7 4SL		
Drawn by	TITLE: DISPOSAL PLAN	London Borough of Barnet, Barnet House, 1255 High Road, Whetstone, London, N20 0EJ Tel. 020 8359 2000	
Checked by		DRAWING No.	
Date	Scales 1:1250	24700	129

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	AGENDA ITEM 11
	Assets, Regeneration and Growth Committee 12 December 2016
Title	In-London and Out-of-London Acquisitions
Report of	Commissioning Director, Growth and Development
Wards	All
Status	Public
Urgent	Yes
Key	Yes
Enclosures	Appendix 1 - In-London Acquisitions Project Business Case Appendix 2 – Out of London Acquisitions Project Business Case
Officer Contact Details	Kate Laffan, Assistant Director, Housing Options, Barnet Homes. kate.laffan@barnethomes.org , 020 8359 4829

Summary
<p>Against a backdrop of increasing housing demand and rising housing costs, this report sets out the business case for purchasing residential properties to be let and managed by Barnet Homes as secure tenancies. With around 3,000 households in temporary accommodation and a lack of affordable housing supply in the borough, the purchasing of additional residential units would increase the HRA stock to help address the housing demand and provide a financially viable method of utilising the Council’s right-to-buy receipts.</p> <p>This report also seeks to apply revisions to the original business cases for purchasing properties both inside and outside of London, extending the parameters within which properties can be purchased, whilst continuing to deliver similar revenue benefits as outlined in previous reports.</p>

Recommendations
<ol style="list-style-type: none"> 1. That the Committee approve the acquisition of residential units through the Council’s Housing Revenue Account as outlined in Appendix 1 to utilise right-to-buy receipts required to be committed in future quarters where there are no other viable alternatives to do so. 2. That the Committee agree additional acquisitions in London up to a total value of £6m, subject to the approval of additional funding which is being sought from the Policy & Resources Committee on 1 December 2016. 3. That the Committee approve the revisions to the business cases for both out-of-

London acquisitions (General Fund) and Housing Revenue Account Direct Acquisitions as outlined in section 5.2 in this report.

- 4. That the authorisation of purchases of individual properties for the in London and out of London acquisitions programmes is delegated to the Commissioning Director, Growth and Development in consultation with the Chairman of Assets, Regeneration and Growth Committee.**

1. WHY THIS REPORT IS NEEDED

- 1.1 Due to continuing high demand and rising costs for housing, the number of households in temporary accommodation has continued to increase and stands at 2,983 in October 2016.
- 1.2 The cost of providing temporary accommodation for homeless applicants currently stands at £3,400 per annum net for each new household placed in a 2 bedroomed property, and the cost of meeting housing demand is forecast to place significant pressure on the Council's General Fund in current and future years.

In London Acquisitions

- 1.3 The Council agreed at the Urgency Committee on 17 October 2016 to proceed with a programme of acquiring properties in London utilising right-to-buy receipts required to be spent by the end of Q3 2016/17. The purchase of homes in Barnet and neighbouring boroughs will provide an option to provide affordable homes for housing applicants who need to remain in the Capital.
- 1.4 To afford the Council flexibility where right-to-buy receipts are required to be spent or be at risk of being returned to HM Treasury, this report seeks authority to extend the proposal to acquire properties, as outlined in Appendix 1.
- 1.5 The use of right-to-buy receipts to purchase properties on the open market would result in both a direct financial benefit to Barnet's Housing Revenue Account, and provide an opportunity to increase the borough's affordable housing stock, thus reducing reliance on more expensive temporary accommodation.
- 1.6 Barnet Homes have carried out an assessment of the viability of purchasing homes in London directly on the private market, to be owned by the Council and let and managed by the Arm's Length Management Organisation (ALMO), and an updated business case for proceeding with this is set out at Appendix 1.

Out of London Acquisitions

- 1.7 The Council agreed at the Assets, Regeneration and Growth Committee on 11 July 2016 to proceed with a programme of acquiring properties outside of London for use as temporary accommodation. Policy & Resources Committee agreed, on 28 June 2016, a capital budget of £5m for this purpose.

- 1.8 Barnet Homes' experiences to date in the acquisition of properties outside London have highlighted a need for greater flexibility with the parameters set for achieving value for money acquisitions. This report also proposes to extend the parameters set for acquiring these properties, whilst continuing to deliver similar revenue benefits to the Council.
- 1.9 Barnet Homes have carried out an assessment of the viability of purchasing homes outside of London directly on the private market, to be owned by the Council and let and managed by the Arm's Length Management Organisation (ALMO), and an updated business case for proceeding with this is set out at Appendix 2.
- 1.10 The updated business case also takes account of recent advice received that right to buy receipts can be used to contribute towards the cost of acquiring properties for use as temporary accommodation to be let at below market rents.

2. REASONS FOR RECOMMENDATIONS

In London Acquisitions

- 2.1 Acquisition of additional properties in London will provide the opportunity to increase affordable housing supply relatively quickly at a lower long-term cost than temporary accommodation. The on-going cost of the accommodation will be more predictable than that procured through third party providers.
- 2.2 Barnet Homes would fully manage properties secured through this method and tenants would be secure tenants of the Council, provided with fixed term tenancies. Rent will be set at 65% of the market rent for a property of a similar size and in a similar area.
- 2.3 In order to fund the acquisition of new Housing Revenue Account (HRA) units the right-to-buy receipts are allowed to make up to 30% of the costs, and therefore the remainder (70%) will be funded by HRA reserves.
- 2.4 The Council is required to make use of right-to-buy receipts within three years of their collection, or pay the receipt in full (plus interest) to HM Treasury.
- 2.5 Properties in London (HRA) would be purchased through this scheme at a cost that would ensure the revenue benefits indicated in table 5.2.2 are deliverable. The proposed revisions to the HRA Direct Acquisitions business case would afford the Council greater flexibility in securing properties in London and reduce the risk that right to buy receipts are not committed within the required timeframe.

Out of London Acquisitions

- 2.6 For properties purchased outside London for use as temporary accommodation, a revision to the purchase price of units is proposed. This is necessary to enable the Council to realise the full benefits of the scheme.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Do nothing. This option would see the Council potentially having to return unallocated right-to-buy receipts plus interest to HM Treasury and thus deny the Council of much needed additional housing stock.
- 3.2 Keep existing parameters within which purchases are delivered. This option would result in a reduced acquisitions programme and an increased risk that right-to-buy receipts are not spent within the required timeframe and other benefits of the scheme would not be fully realised

4. POST DECISION IMPLEMENTATION

- 4.1 A project board with representatives from Barnet Council and Barnet Homes will continue to monitor progress and expenditure of the acquisitions programmes, which are sponsored by The Strategic Housing Lead as set out in the Business Case (Appendix 1 and Appendix 2)

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 By reducing the cost of temporary accommodation, the acquisition of homes aligns with the Council's Corporate Plan 2015-2020 objective:

- Where services are delivered efficiently to get value for money for the taxpayer

- 5.1.2 And with the London Borough of Barnet's Housing Strategy 2015-2025 that aims to:

- Increase the supply of affordable housing available to homeless households.
- Explore the possibility of purchasing homes directly in more affordable areas which could be let to households who can no longer afford to remain in the borough.

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

In London Acquisitions

- 5.2.1 Approval to spend £2.896m on acquiring properties in London was provided by the Urgency Committee on 17 October 2016, from the £4.4m Infill programme, and a further approval increase the value of the programme by £1.6m to £6m at Policy and Resources Committee on 1 December 2016.

5.2.2 The profile for the spend will be informed by the Council's forecast inflow of right-to-buy receipts.

5.2.2 The table below indicates the potential rental income set against the costs of purchasing and delivering the accommodation, taking into account worst and best case scenarios¹

Table 1 – overall financial position HRA purchasing in Barnet and neighbouring boroughs

Best Case – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£56,450	£121,789	£291,557	£531,033
Expenditure	£68,951	£140,151	£293,238	£468,826
Revenue benefit	-£12,501	-£18,362	-£1,681	£62,207
TA cost avoidance	£17,334	£36,958	£82,729	£138,826
Net benefit	£4,833	£18,596	£81,048	£201,033
Worst Case – per unit				
Income	£55,535	£117,101	£265,566	£455,614
Expenditure	£71,840	£146,089	£305,862	£489,126
Revenue benefit	-£16,305	-£28,988	-£40,296	-£33,512
TA cost avoidance	£17,334	£36,958	£82,729	£138,826
Net	£1,029	£7,970	£42,433	£105,314

5.2.3 Tables 1 above shows a divergence between the potential outcomes between the best and worst case scenarios. A best case scenario would likely deliver a revenue benefit of as much as £62k per unit over a 30 year period whilst a worst case scenario would likely result in a net cost per unit of £34k over a similar period. In both scenarios it is not expected that either option will deliver a short to medium term revenue benefit.

5.2.4 An important financial benefit derived through the programme would be the utilisation of right-to-buy receipts as an alternative to returning these funds to HM Treasury.

5.2.5 A further benefit derived from the scheme is that affordable accommodation acquired will help reduce reliance on temporary accommodation. Each unit acquired through the scheme will offer cost avoidance of approximately £201,000 per unit over a 30 year period, when compared to alternative existing temporary accommodation options.

5.2.6 To help increase the potential volume of acquisitions through the HRA Direct Acquisitions programme, it is recommended to add the following revisions to the original business case and Committee report approved by Urgency Committee on 17 October 2016:

¹ Analysis of worst case and best case scenarios assumed varying costs for voids, management, maintenance, inflation, refurbishment and major works costs

- (2.5) That instead of an average purchase price of £240,000, that the individual purchase price of units is not restricted, providing that overall, units acquired deliver an average financial benefit similar to that outlined in 5.2.2 above.

Out of London Acquisitions

5.2.7 To help increase the potential volume of acquisitions outside London (GF), it is recommended to add the following revisions to the original business case approved by this Committee on 11 July 2016:

- (Section 2.) That the individual purchase price of units is between £120,000 and £200,000 as opposed to an average purchase price of £114,000
- That the assumptions within the financial modelling for out-of-London (GF) acquisitions are mostly aligned with those made in the HRA business case (Appendix 1). A summary table of key assumptions for out-of-London acquisitions is detailed below
- That the financial modelling includes provision for payment of Stamp Duty Land Tax as applicable per unit

Assumption	Best Case	Worst Case
Annual Rent Inflation (CPI plus 1%)	3.50%	2.50%
Void Loss	3.00%	4.00%
Bad debt provision	3.00%	4.00%
Maintenance Costs	£800 pa plus inflation	£1,000 pa plus inflation
Housing Management Costs	£450 pa plus inflation	£450 pa plus inflation
Inflation (Base rate plus 1%)	3.50%	3.50%
Major Works	1.00%	1.00%
Service charge & ground rent	£1,300 pa plus inflation	£1,300 pa plus inflation
Refurbishment costs	£10,000	£15,000
Borrowing rate	2.75%	2.75%

5.2.8 Approval to increase the price range within which properties can be acquired in the Luton and Bedfordshire area will enable greater flexibility in acquiring properties and offer the potential to purchase 3 bedroomed properties whilst continuing to deliver revenue benefits as outlined in the business case.

5.2.9 The table below indicates the rental income set against the costs of purchasing and delivering the accommodation, taking into account worst and best case scenarios²

² Analysis of worst case and best case scenarios assumed varying costs for voids, management, maintenance, inflation, refurbishment and major works costs

Table 2 – overall financial position purchasing in the Bedfordshire area

Best Case – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£34,083	£73,767	£176,878	£322,327
Expenditure	£47,991	£98,288	£208,942	£339,703
Revenue benefit	13,908	£24,521	£32,064	£17,376
TA cost avoidance	£17,334	£36,958	£82,729	£138,826
Net benefit	£3,426	£12,437	£50,665	£121,450
Worst Case – per unit				
Income	£33,529	£70,922	£161,094	£276,522
Expenditure	£54,274	£110,763	£232,704	£372,252
Revenue benefit	£20,745	£39,841	£71,610	£95,730
TA cost avoidance	£17,334	£36,958	£82,729	£138,826
Net benefit	-£3,411	-£2,883	£11,119	£43,096

5.2.10 Whilst GF acquisitions will be delivered at a net cost of approximately £17,000 over a 30 year period, each acquisition will offer cost avoidance of approximately £121,000 over the same period when compared to existing temporary accommodation options.

5.2 Social Value

5.3.1 Having consideration to the Public Services (Social Value) Act 2013, there are no specific social values considerations arising from these policies.

5.4 Legal and Constitutional References

5.4.1 The acquisition of properties falls within the remit of the Assets Regeneration and Growth Committee- Council Constitution, Responsibility for Functions, Annex A – The Assets, Regeneration and Growth Committee has responsibility for “Asset Management – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council”.

5.4.2 Council, Constitution, The Management of Assets, Property and Land Rules provide the governance structure within which the Council may acquire, lease, act as landlord, licence, develop, appropriate, change use of or dispose of Assets within its Asset Portfolio. The Rules inter alia are aimed at enabling the Council’s holdings of land and property to be maintained and developed in a manner which enhances Social Value Section 2.8 states that the “Strategic Asset Management Plan will govern decisions on the future direction of the development of the Council’s Built Environment”.

5.4.3 Constitution, Part 3, Responsibility for Functions, Appendix A sets out the terms of

reference of the Housing Committee. This includes Housing Strategy (Incorporating Homelessness Strategy) and working with Barnet Homes to ensure the optimum provision of housing and associated facilities for those who require social housing.

5.5 Risk Management

5.5.1 There are a number of key risks associated with the delivery of this programme:

- Doing nothing risks the Council not spending money in time and having to return right-to-buy receipts plus interest to HM Treasury.
- There is a risk that the timeframes within which right-to-buy receipts are required to be spent are not met and therefore the full benefits of future scheme may not be realised.
- Properties acquired through either the GF or HRA acquisition programmes could be in areas where existing tenants or housing applications might not wish to move to and therefore making these units harder to let. However Barnet Homes has extensive experience in letting properties out-of-borough and this is considered to be of low risk.
- There is a risk that without revisions being made to the parameters within which out-of-London purchases are secured that the Council will not achieve the forecasted number of acquisitions by the end of Q4 2016/17

5.6 Equalities and Diversity

5.6.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advance equality of opportunity between people from different groups and foster good relations between people from different groups.

5.6.2 A full equalities impact assessment was completed for The Housing Strategy 2015-2025 which identified that the Strategy would have a positive impact on all sections of Barnet's Community.

5.6.3 Allocation of properties acquired will be made in accordance with the Council's Housing Allocations Policy. Analysis of data has shown that women and members of Barnet's black and minority ethnic communities are over represented among those living in temporary accommodation. Over 70% of households in temporary accommodation are from non-white households, compared to around 40% of the Borough's population as a whole. Of those in temporary accommodation the main applicant is female in 65% of households.

5.6.4 It is not expected that these groups will be adversely affected by implementing the policies set out in this report. However the impact will be monitored to ensure that these groups are not adversely affected.

5.6.5 All units of accommodation that are procured will meet minimum standards and in placing households into accommodation out of the borough the Council will consider the needs of protected groups.

5.7 Consultation and Engagement

5.7.1 As part of the communications plan for the delivery of the programme, Barnet Homes will engage with Councils where acquisitions are being considered, informing them of the Councils intention to purchase properties in their districts.

5.8 Insight

5.8.1 A reduction in the supply of affordable housing, coupled with sustained levels of increased demand provide the rationale for this programme:

- There has been a 49% increase in new homelessness applications between 2011/12 and 2015/16.
- There was an overall 35% decrease in letting within Council stock from 2011/12 to 2015/16 and Barnet has below levels of social housing on average compared to other London boroughs.
- There has been a significant increase (37%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 2,923 at the end of October 2016).
- Whilst it is positive that the regeneration schemes in Barnet are progressing in their development, this has an impact on available supply as 'non-secure' tenants placed in regeneration units as long term TA are decanted and require rehousing, either to alternative TA or social housing units. 724 households have been decanted since April 2012 and a further 342 decants are scheduled for the forthcoming two financial years.

6.0 BACKGROUND PAPERS

6.1 None

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In London (HRA) Acquisitions Project

Business Case

**Outline Business Case (OBC):
In London Acquisitions Project**

Author:	<i>Nick Lowther</i>
Date:	<i>20 September 2016</i>
Service / Dept:	<i>Housing Options Service, Barnet Homes</i>

Contents

Contents	2
1. Introduction and Strategic Context	3
2. Rationale.....	4
3. Project Definition.....	4
4. Options	5
5. Expected Benefits.....	8
6. Risks.....	8
7. Financial Appraisal	8
8. Project Approach	10
9. Project Assurance.....	10
10. Dependencies.....	12
11. Approach to Consultation	13
Appendix A: Benefits Realisation	14
Appendix C: Initial Risk Register	17
Appendix D: Initial Project Plan.....	19
Document Control	20
Document History.....	20
Distribution List:.....	20
Approvals:	20

1. Introduction and Strategic Context

The last few years have been challenging in the social housing sector, with national increases in homelessness against a backdrop of welfare reform. The impact of the welfare and benefit reforms has affected all local authorities and social housing providers but particularly those in London. The increased demand for housing has placed pressure on already strained and limited housing supply.

At a local level, Barnet has experienced high levels of demand for affordable housing, whilst sources of supply have been limited. Demand has been exacerbated by the buoyant private rental market in the borough which is increasingly unaffordable for those on lower incomes. Loss of private rental accommodation is now the most common reason for a homelessness application, with residents who might previously have made their own arrangements in the private rental sector approaching the local authority.

Supply & Demand in Barnet: A Snapshot

- There has been a 49% increase in new homelessness applications between 2011/12 and 2015/16.
- There was an overall 35% decrease in letting within Council stock from 2011/12 to 2015/16 and Barnet has below levels of social housing on average compared to other London boroughs.
- There has been a significant increase (38%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 3,047 at the end of August 2016)
- Barnet has the 6th highest number of households in temporary accommodation in the country
- Whilst it is positive that the regeneration schemes in Barnet are progressing in their development, this has an impact on available supply as 'non-secure' tenants placed in regeneration units as long term TA are decanted and require rehousing, either to alternative TA or social housing units. 724 households have been decanted since April 2012 and a further 316 decants are scheduled for the forthcoming two financial years.

This has posed a major challenge to Barnet Homes' Housing Options Service – for example, trying to ensure that the limited supply of housing is provided to those with the greatest need, and that emergency and temporary accommodation is used effectively, whilst also attempting to identify new sources of housing supply. In addition, the cost of providing emergency/temporary accommodation has increased significantly. A key priority for Barnet Homes since 2013 has to been to strive to reduce the impact that the high cost of temporary accommodation has on the Council's General Fund (GF).

An opportunity has now arisen to utilise the Council's Right to Buy receipts to help fund HRA purchasing of properties on the open market. This will have a dual benefit of both ensuring that the Council spends its Right to Buy receipts within the required timeframe, whilst also increasing the supply of affordable accommodation for Barnet households.

2. Rationale

The opportunity to acquire properties from the open market has recently been revisited in line with the London Borough of Barnet's Housing Strategy. In 2012 the government introduced several major changes to the Right to Buy scheme. One such change included the requirement of councils to make use of Right to Buy receipts within two years of their collection, or pay the receipt in full (plus interest) to HM Treasury.

Barnet currently has approximately £800,000 Right to Buy receipts that are required to be committed by the end of Quarter 3, and the use of these receipts to purchase properties on the open market would result in a direct financial benefit to Barnet's Housing Revenue Account. The utilisation of the funding and the additional interest payment that would be required to be paid to HM Treasury should these receipts not be used will therefore be considered in the overall benefit of any proposed scheme.

Acquisition of additional properties will also provide the opportunity to increase affordable housing supply relatively quickly, and will supplement the existing development programme and development pipeline. It is envisaged that the acquisition program will be limited to between 9 and 11 properties purchased in Q3 2016/17. There is a further budget which includes refurbishment costs, Stamp Duty Land Tax (SDLT) and professional fees that is varied depending on the level of works required to bring the property up to a lettable standard and the amount of SDLT payable.

This approach aligns with the London Borough of Barnet's *Housing Strategy 2015-2025* that aims to:

- Increase the supply of affordable housing available to homeless households (page 27)
- Explore the possibility of purchasing homes directly in more affordable areas which could be let to households who can no longer afford to remain in the borough (page 29).

And with the Council's Corporate Plan:

- Where services are delivered efficiently to get value for money for the taxpayer

3. Project Definition

Project Objectives

The key objectives of this project are to:

- Increase Barnet Homes' housing supply, by procuring new affordable properties from the open market.
- Utilise outstanding Right to Buy receipts before the end of Q3 2016/17 to retain the benefit of the funding within Barnet's Housing Revenue Account

Project Deliverables & Outcomes

The key project deliverables are listed in the table below:

Deliverable	Details	Timeframe
Business Case (incorporating options analysis)	Undertake research analysis and identify options for acquisition of properties. Development of a business case that includes options analysis, preferred option, financial modelling, risk management etc.	September 2016
Presentation of recommendations	Presentation of options, and preferred approach to the London Borough of Barnet	September 2016
Approval	Approval (budget and approach)	October 2016
Implementation	Procurement of properties in accordance to the preferred approach Implementation of processes (i.e. repairs and maintenance arrangements etc.)	Delivery in Quarter 3 (October 2016)
Review	Review & benefits realisation	On-going

4. Options

Several other London boroughs are already acquiring units from the open market, and some have been doing it for several years. For example, Westminster City Council has purchased over 90 units for use as temporary accommodation, including 40 acquired in 2015/16. Our discussions with them have provided us with useful insights and learning. Barnet Homes are also undertaking an out-of-borough acquisitions programme following approval from Assets Regeneration & Growth Committee in July 2016, and our learning from this programme will be of benefit to other planned acquisition programmes.

In developing the business case, 2 main options were considered. These included acquiring units only within the borough of Barnet, and extending target areas for procurement to include both Barnet, and other neighbouring boroughs.

1. Option 1 - Acquiring private sector properties only in the borough of Barnet

Properties would be purchased only in the borough of Barnet, funded by the Housing Revenue Account (HRA). A budget of up to £2.86m was assumed with approximately one third of the purchases to be funded by Right to Buy receipts and 70% funded by HRA reserves.

Barnet Homes would fully manage properties secured through this method and tenants would be secure tenants of Barnet Homes and the Council, provided with fixed term tenancies. Properties would be let at 65% of market rent.

Key benefits

There are three key benefits realised through this model:

- Delivers additional in-borough supply of affordable accommodation for Barnet households
- Capital asset acquired
- Model utilises Right to Buy receipts, which reduces the borrowing requirement by 30% and meets the Council's target timeframe for committing receipts
- Additional savings will be realised through a reduced use of temporary accommodation

Disadvantages

There are however some disadvantages of delivery through this method:

- The best case scenario indicates that this option would be delivered at a net cost of £62k per property (including interest of the loan) over a 30 year period
- There is a short/medium term risk with 1% decreases in HRA rents until 2020 and further uncertainty in future years
- Properties acquired may be subject to the Right to Buy and therefore properties sold after within five years of acquisition.
- EUV may be applicable if the Council decides to realise the value of the assets obtained through this scheme, and therefore the full value of the investment may not be recovered.

2. Option 2 - Acquiring private sector properties in London

Properties would be purchased in the borough of Barnet and neighbouring boroughs, funded by the Housing Revenue Account (HRA). A budget of up to £2.86m was assumed with approximately one third of the purchases to be funded by Right to Buy receipts and 70% funded by HRA reserves.

Barnet Homes would fully manage properties secured through this method and tenants would be secure tenants of Barnet Homes and the Council, provided with fixed term tenancies. Properties would be let at 65% of market rent.

Key benefits

There are five key benefits realised through this model:

- The best case scenario delivers at a net surplus of £63k per property (including borrowing costs) over a 30 year period
- Capital asset acquired
- Provides a more financially viable option than restricting acquisitions to in-borough purchases only
- Properties outside Barnet can be acquired at lower average cost, thus increasing the potential volume of acquisitions and new supply of affordable accommodation for Barnet households. This option would deliver 11 new units as opposed to just 9 where units are only sourced in-borough
- Model utilises Right to Buy receipts, and meets the Council's target timeframe for committing receipts
- Additional savings will be realised through a reduced use of temporary accommodation

Disadvantages

There are however some disadvantages of delivery through this method:

- Properties acquired outside of the borough of Barnet may be more difficult to let and experience higher void loss than in-borough alternatives
- There is a short/medium term risk with 1% decreases in HRA rents until 2020 and further uncertainty in future years
- Properties acquired may be subject to the Right to Buy and therefore properties could be sold after five years of acquisition.

- EUV may be applicable if the Council decides to realise the value of the assets obtained through this scheme, and therefore the full value of the investment may not be recovered.

Affordability of units outside of Barnet

It is not surprising that our research has confirmed that given the average house prices in Barnet, better value for money and a greater number of units can be acquired with the funding available through including the acquisition of units outside Barnet. The table below shows the difference in property prices and current supply using an average two bedroom home as an example:

	Barnet ¹	Enfield ²	Brent ³
Average Realistic Purchase Price	266,485	202,997	249,490
Average Weekly Rent (65% market rent)⁴	199	179	228
Average Gross Annual Rental Yield	3.88%	4.59%	4.75%

Whilst more units could be delivered outside Barnet there are a number of key considerations to be factored into any acquisitions programme:

- Distance from Barnet (potentially higher management and void costs)
- Opportunities for employment in the area
- Cultural diversity of the location e.g. access to specialist shops, places of worship, similar communities
- Ability to achieve successful lettings and minimise void periods

There are however several key advantages to focusing on procurement of properties in a broader target area. These include:

- The potential to provide accommodation at more affordable rents, with market rents in Enfield (£179 per week) lower than those in Barnet (£199 per week)
- Where properties are purchased outside Barnet, there is an increased likelihood that larger properties could be procured at a cost that is financially viable. For example, a 3 bedroomed property could be secured in Enfield for as low as £239,995 (4.8% yield), whilst in Barnet the lowest possible purchase price is £300,000 (4.2% yield).

Client group for properties acquired out of borough

Households in Temporary Accommodation: Barnet Homes has almost 1,000 households placed in a range of areas outside of Barnet in forms of temporary accommodation secured from the private rented sector. This has been supported by the Barnet Council's Placement Policy approved on 24th September 2013 and Temporary Accommodation Procurement Policy which was approved by Housing Committee on 28th June 2016. Any new acquisitions that could be offered as affordable flexible tenancies to housing applicants under the Council's Housing Allocations Policy would both reduce numbers in temporary accommodation and importantly offer a longer term and affordable housing solution. For some households affected by the benefit cap, accommodation in Barnet is unaffordable.

¹ Calculated using 10 lowest cost realistic purchases advertised for sale on www.rightmove.co.uk on 27 September 2016

² Calculated using 10 lowest cost purchases advertised for sale on www.rightmove.co.uk on 27 September 2016

³ Calculated using 10 lowest cost purchases advertised for sale on www.rightmove.co.uk on 27 September 2016

⁴ 65% market rent calculated using voa median rents for properties within relevant postcode at September 2016

Risks: One of the key risks associated with an acquisitions programme where properties are acquired out-of-borough is that units could be acquired in areas where existing tenants or housing applicants might not wish to move to. In respect of housing applicants, those who are within the higher housing bands (bands 1 & 2) more often have very specific reasons for requiring accommodation within Barnet e.g. support needs, employment. However those in lower bands (3 & 4 no community contribution, no/limited local connection) are not usually offered flexible tenancies but assisted with longer term temporary accommodation or with offers in the private rental sector. The proposed programme would certainly offer this group a housing solution that is not currently available. Given the established track record set out above of delivering out of borough moves this mitigation will help minimise void periods. Nonetheless a higher void period has been factored in than for a council tenancy in Barnet.

The model:

- Flexible/Fixed-term tenancy offered, with Barnet retaining responsibility for households placed in these units
- Tenant rent set at 65% of the market rent for a similar property in a similar location
- 3-4% void loss varying depending on location of acquisition
- Higher maintenance costs of between £800-£1,000 per unit per annum included to meet Barnet Homes letting standards
- Management costs of £450 per unit per annum to take account of increased costs in relation to the location of acquisitions

5. Expected Benefits

Please refer to **Appendix A** for a summary of expected benefits for this project.

6. Risks

Please refer to **Appendix B** for a summary of key risks and mitigating actions.

7. Financial Appraisal

The project would be funded through utilisation of approximately £857,000 Right to Buy receipts and £2m of Housing Revenue Account reserves. An initial budget of £2.856m would see the programme deliver between approximately 9 and 11 units.

The tables below indicate the potential overall financial position delivered by the scheme taking into account worst and best case scenarios and using a 2 bedroomed property secured for a purchase price of £240,000 as an example⁵

⁵ Analysis of worst case and best case scenarios assumed varying costs for voids, management, maintenance, inflation, refurbishment and major works costs.

Table 1 – revenue position HRA purchasing in Barnet only (Option 1)

Best Case – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£51,663	£111,462	£266,835	£486,003
Expenditure	£82,482	£167,013	£346,513	£548,958
Net	-£30,818	-£55,552	-£79,679	-£62,954
Worst Case – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£50,826	£107,171	£243,047	£416,980
Expenditure	£85,393	£172,998	£359,243	£569,462
Net	-£34,567	-£65,826	-£116,196	-£152,482

Table 2 – revenue position HRA purchasing in London (Option 2)

Best Case – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£56,450	£121,789	£291,557	£531,033
Expenditure	£68,951	£140,151	£293,238	£468,826
Net	-£12,501	-£18,363	-£1,681	£62,206
Worst Case – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£55,535	£117,101	£265,566	£455,614
Expenditure	£71,840	£146,089	£305,862	£489,126
Net	-£16,305	-£28,989	-£40,296	-£33,512

Tables 1 and 2 above show that there is a wide divergence between the potential outcomes between the best and worst case scenarios for both options. Option 2 would likely deliver a revenue benefit of as much as £62k per unit over a 30 year period whilst Option 1 would at best be delivered at a £62k net cost over a similar period. In all scenarios it is not expected that either option will deliver a short to medium term revenue benefit.

Table 3 – Overall scheme benefit of in-borough purchasing (Option 1)

	Best Case	Worst Case
Number of units	9	9
Total Purchase Price	£2,918,491	£2,977,811
Cost of purchasing and refurbishment	£237,281	£296,602
Total Income	£4,250,380	£3,646,729
Total Expenditure	£4,800,950	£4,980,275
Net Cost	£550,570	£1,333,545
Right to Buy receipts used	£875,547	£893,343
Right to Buy interest benefit	£131,332	£134,002
Total Right to Buy benefit	£1,006,879	£1,027,345
Total HRA benefit	£456,310	-£306,200

Table 4 – Overall scheme benefit of London purchasing (Option 2)

	Best Case	Worst Case
Number of units	9 to 11	9 to 11
Total Purchase Price	£2,918,491	£2,989,415
Cost of purchasing and refurbishment	£283,696	£354,620
Total Income	£5,841,354	£5,011,749
Total Expenditure	£5,157,083	£5,380,380
Net Cost	-£684,271	£368,631
Right to Buy receipts used	£875,547	£896,824
Right to Buy interest benefit	£131,332	£134,524
Total Right to Buy benefit	£1,006,879	£1,031,348
Total HRA benefit	£1,691,150	£662,717

An important financial benefit derived through the programme would be the utilisation of Right to Buy receipts as an alternative to returning these funds to HM Treasury. The delivery of a schedule of as many as 11 units through Option 2 could potentially deliver an overall benefit of £1.69m over a 30 year period where the benefit of retaining the Right to Buy receipts is included. Again, the difference between the overall benefit of both options is significant, with Option 2 generating a benefit of over £1.2m more in a best case scenario than Option 1.

Suggested approach

The proposal is to proceed with Option 2 (the acquisition of units both in Barnet and the surrounding boroughs in London) funded by Right to Buy receipts and Housing Revenue Account reserves. This option has a number of benefits, not least the ability to maximise the impact of the capital invested to acquire more affordable supply for Barnet households, and the potential to deliver substantially higher returns than the alternative option focusing on in-borough acquisitions. Importantly, the proposal to include out-of-borough acquisitions (Option 2) would still deliver an overall benefit of over £660,000 in a worst case scenario and it is therefore the preferred option

8. Project Approach

Please refer to **Appendix D** for the proposed project plan that includes key dates and milestones.

9. Project Assurance

Project Organisation Structure

The project structure is shown below:

Role	Name & Position	Comments
Project Sponsor	Paul Shipway (Strategic Housing Lead)	Representing Council interests
Project Manager	Nick Lowther (Service Manager, Housing Supply)	
Project Board	Paul Shipway (Strategic Housing Lead)	Representing Council interests
	Derek Rust (Deputy Chief Executive)	Representing Barnet Homes interests
	Kate Laffan (Assistant Director, Operations)	Representing Housing Options (housing supply)
Project Team	Nick Lowther (Service Manager, Housing Supply)	Lead on the bidding and acquisition of properties, supply and location
	Kate Laffan (Assistant Director, Operations)	Representing Housing Options (housing supply)
	Thomas Carroll (Major Works Project Manager)	Inform on investment levels needed to bring the homes acquired up to an agreed standard and maintained as such Lead on the refurbishment of properties when acquired
	Russell Buchanan (Project & Contract Management Officer)	Project support

The project board will meet monthly as required with the following responsibilities:

- Provision of overall guidance and direction ensuring project remains on track against time, cost and quality requirements
- Review and approval of project plan and any exception plans
- Support and oversight of risk management processes
- Approval of changes
- Resolving strategic and directional issues
- Liaison with and seeking of direction and decisions from politicians

Project Controls

The Project Manager will be expected to manage and re-profile timescales where key milestones are not impacted. Where key milestones will be impacted these instances will be reported to the Project Sponsor to agree next steps and the mitigating action to be taken.

- The Project Board will be responsible for sign-off of the business case (incorporating the options appraisal), before it is presented to the Council.
- The London Borough of Barnet (Council) will be responsible for approving the business case, proposed budget and approach for delivery.
- The project team will be responsible for engaging with Barnet Homes' managers and staff, and key stakeholders to ensure that all deliverables are developed in line with service requirements and that the required quality standards are met.

Quality Criteria & Approval Process

Deliverable / Product	Quality Criteria	Author	Reviewers	Acceptor
Business Case (incorporating options analysis)	Options appraisal and financial appraisal , procurement strategy with recommendation	Project Manager	Kate Laffan Derek Rust Project Team	Project Board
Presentation of recommendations	Report and presentation in accordance with LBB requirements	Derek Rust	Project Board	Project Board
Approval	Minuted approval to proceed	London Borough of Barnet	N/A	London Borough of Barnet
Implementation	Procurement of out-of-borough properties Development and implementation of associated processes	Project Team	Project Manager	Project Board
Review	Assessment against benefits realisation criteria Lessons learned report	Project Manager	Kate Laffan Derek Rust Project Team	Project Board

10. Dependencies

Assumptions

- Timely provision of any requested information and input from senior stakeholders.
- On-going political support for Barnet Homes to undertake acquisitions and for the on-going management of these properties
- Ability to implement cost effective, quality management and maintenance arrangements for the acquired properties.
- There has been adequate budget provision identified within the HRA for the acquisition of additional properties.

Constraints

- There is a lack of affordable housing supply in the areas that that customers would prefer to move to.
- That there may be some resourcing implications for management of stock outside of the borough

- Competition for units on the open market is fierce with lower cost acquisitions likely to be of interest to a large number of buyers

Interfaces / Dependencies

- The London Borough of Barnet will need to approve the proposed approach, for the project objectives to be achieved
- There are other initiatives and projects underway that are also aimed at increasing the available housing supply.

11. Approach to Consultation

A range of stakeholder consultation and engagement has occurred as part of the public engagement programme developed for the London Borough of Barnet's Housing Strategy.

A summary of these activities includes:

- The Council conducted a borough wide programme of resident engagement and consultation from 17 December 2014 to 11 February 2015. This was part of the Housing Committee Commissioning Plan. The programme included a series of themed workshops examining the competing pressures facing each committee and an online survey.
- A 12 week public consultation was undertaken between 6 January 2015 and 31 March 2015 on the Housing Strategy. The consultation included an online survey as well as presentations to the Housing Forum, Barnet Homes Performance and Advisory Group, and Barnet Landlords Forum.
- The Council also facilitated a focus group of eight Citizens Panel members from the owner-occupation, social and private rented sectors.

Appendix A: Benefits Realisation

Benefit Type	Description of the benefit	Who will benefit	Expected benefit value	Financial year that the benefit will be realised	Benefit Owner	How will the benefit be measured	Baseline value (£, % etc) and date
Financial	Utilisation of Right to Buy receipts	The Council	£1m	From Q4 2016/17	Paul Shipway	Financial and Performance monitoring	
Financial	Increase of council stock and revenue from this stock	The Council Barnet Council Tenants or Housing Applicants	Up to 11 additional units	by 17/18	Paul Shipway	Performance monitoring	

Appendix B – Financial Model

1. Individual unit Income and Expenditure sheet example (Best Case)

	Year 1	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Income							
1 Rent	11,560	12,137	14,414	17,120	20,333	24,149	28,682
2 Void Loss	347	364	432	514	610	724	860
Total Income	11,213	11,772	13,982	16,606	19,723	23,425	27,821
Expenditure							
3 Routine Maintenance	800	918	1,090	1,295	1,538	1,827	2,170
4 Management Cost	450	516	613	728	865	1,027	1,220
5 Service Charge & Ground Rent	1,400	1,607	1,908	2,266	2,692	3,197	3,797
6 Major Works	1,857	2,131	2,531	3,006	3,571	4,241	5,037
7 Bad Debt Provision	336	353	419	498	592	703	835
8 Interest	5,107	4,699	4,188	3,677	3,167	2,656	2,145
9 MRP	3,714	3,714	3,714	3,714	3,714	3,714	3,714
Total Expenditure	13,665	13,939	14,465	15,186	16,138	17,364	18,917
Charge/Credit to HRA	2,453	2,166	483	-1,420	-3,585	-6,060	-8,904
Closing Balance	2,453	12,501	18,363	15,163	1,681	-23,535	-62,206
Net Income available to repay principle	-2,453	-2,166	-483	1,420	3,585	6,060	8,904
10 Purchase price	239,527						
11 RTB Reinvestment	79,595						
12 Stock investment	25,791						
13 Borrowing Required	185,722						
Closing Balance	188,175	198,223	204,085	200,885	187,403	162,187	123,516
1 Annual rent							
2 % void loss							
3 Annual maintenance cost per unit with inflationary increase							
4 Annual management cost per unit with inflationary increase							
5 Lease hold service charges							
6 Major works investment							
7 Bad debt provision							
8 Annual loan interest less MRP contribution							
9 Minimum Revenue Provision based upon 50 year asset life							
10 Purchase price excluding cost of purchase & work to bring to standard							
11 Assumed to be 30% of purchase price							
12 Cost of works required to bring to standard and cost of purchasing							
13 (10+12)-11							

2. Financial modelling assumptions

	Best Case	Worst Case
Annual Rent Inflation (CPI plus 1%)	3.50%	2.50%
Void Loss	3.00%	4.00%
Bad debt provision	3.00%	4.00%
Maintenance Costs	£800 per annum plus inflation	£1,000 per annum plus inflation
Housing Management Costs	£450 per annum	£450 per annum
Inflation (Base rate plus 1%)	3.50%	3.50%
Major Works	1.00%	1.00%
Service charge and ground rent	£1,400 per annum	£1,400 per annum
Refurbishment costs	£10,000	£12,500
Borrowing rate	2.75%	2.75%

Appendix C: Initial Risk Register

Ref	Risk type	Risk description	Risk Owner	Date raised	Initial assessment			Control actions	Consequences/ potential impact
					Probability	Impact	RAG		
001	Project management	There is a risk that there is insufficient resource to deliver the project within planned timescales.	KL	Sep 16	Low	Medium		Project plans and resource planning to be developed to identify key milestones and capacity required to deliver.	Expected savings and other benefits will not be achieved, and/or project activity will fall behind schedule.
002	Reputation	There is a risk that this project will attract negative publicity	KL	Sep 16	Low	High		Develop a communications strategy and engage with the host borough to inform them of the acquisitions programme	Staff and public have a negative perception of this project and its objectives. This makes it more difficult to implement the project and to realise benefits from it.
003	Financial	There is a risk that the assumptions made in modelling are not accurate and that the financial benefits are not realised	NL	Sep 16	Medium	High		Closely monitor activity to track financial benefits and early identification of risks. There are a number of options the Council has, including stock disposal.	Expected savings and other benefits will not be achieved
004	Financial	There is a risk that the purchases will not be completed within the target timeframe and that the HRA benefits derived through the delivery of this scheme will	NL	Sep 16	Medium	High		Dynamic purchasing system has been established and Barnet Homes will engage several providers in the delivery of units within the target timeframe. Potential units identified at the	HRA benefits derived through the delivery of this scheme will not be realised

Ref	Risk type	Risk description	Risk Owner	Date raised	Initial assessment		Control actions	Consequences/ potential impact
		not be realised					earliest possible stage to enable background work assessing individual purchases to be carried out and offers to be made at the earliest opportunity	
005	Reputation	There is a risk that customers will refuse to accept properties in out-of-borough locations	NL	Sep 16	Low	Medium	Undertake market research and analysis before selecting locations and purchasing properties to ensure that customers are likely to accept properties in these areas.	Political and media fall out from spending public money on properties that are sitting vacant.
006	Performance	There is a risk that properties in out-of-borough locations will have longer void times due to customers refusing to move to these areas	NL	Sep 16	Medium	Medium	Households seeking to move out of area will be identified at an early stage in the acquisition process and consideration will be given to offering properties acquired to households already located in areas outside London in other forms of temporary accommodation	Void performance may worsen, and Barnet Homes may fail to meet its KPI targets.
007	Financial	There is a risk that the costs of managing out-of-borough properties will be high	NL	Sep 16	Medium	Medium	Barnet Homes already has considerable experience delivering out-of-London TA. Consider purchasing out-of-borough properties close together, to ensure efficiencies and reduce management costs	Higher costs to manage these properties – exceeding budget

Appendix D: Initial Project Plan

Phase	Activity	Owner	Due Date	Status	Comments
Business Case (incorporating options analysis)	Complete research & analysis and identify options for:		Sep 16	Complete	
	• Property Location	NL	Sep 16	Complete	
	• Property Type	NL	Sep 16	Complete	
	• Property Size	NL	Sep 16	Complete	
	• Property Tenure	NL	Sep 16	Complete	
	• Property Condition	TC	Sep 16	Complete	
	• Procurement Strategy	NL	Sep 16	Complete	
	Identify and document each available option	NL	Sep 16	Complete	
	Complete initial financial modelling	NL	Sep 16	Complete	
	Identify, monitor and manage risks	NL	Sep 16	Ongoing	
	Prepare an outline business case for review by LBB	NL	Sep 16	Complete	
	Develop recommended quality standard for properties	TC	Oct 16	Not Due	
	Develop options for managing properties	KL	Oct 16	Not Due	
	Develop options for undertaking repairs and maintenance for properties	TC	Oct 16	Not Due	
	Develop procurement strategy options	NL	Sep 16	Not Due	
	Prepare final business case	NL	Sep 16	Not Due	
Business case signed off by Housing Strategy Lead	PS	11 Jul 16	Not Due		
Presentation of recommendations to the Council	Draft Report	NL	01 Jun 16	In progress	
	Council make decision whether to approve programme	PS	21 Oct 16	Not Due	
Implementation	Commence acquisition programme	NL	Q3 2016/17	Not Due	
	Complete first tranche of purchases	NL	Q3 2016/17	Not Due	
Review	Qtly review of programme incorporating lessons learned.	NL	Ongoing	Not Due	

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Date	Version	Reason for change	Changes made by
20/09/16	1.0	Document creation	Nick Lowther
27/09/16	1.1	Updated following comments	Nick Lowther
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09/11/16	1.3	Updated to include amended parameters	Nick Lowther

Distribution List:

Name	Role	Date
Troy Henshall	Chief Executive	28/09/16
Derek Rust	Deputy Chief Executive	28/09/16
Mike Gerrard	Finance Director	28/09/16
Paul Shipway	Strategic Housing Lead LBB	30/09/16
Kate Laffan	Assistant Director, Operations	28/09/16
Nick Lowther	Service Manager, Housing Supply	28/09/16
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Approvals:

By signing this document, the signatories below are confirming that they have fully reviewed the Business Case for the out-of-borough acquisitions project and confirm their acceptance of the completed document.

Name	Role	Signature	Date	Version
Troy Henshall	Chief Executive			
Mike Gerrard	Finance Director			
Derek Rust	Deputy Chief Executive			
Paul Shipway	Strategic Housing Lead			
Kate Laffan	Assistant Director, Operations			



Out-Of-Borough (GF) Acquisitions Project

Business Case

**Outline Business Case (OBC):
Out-Of-Borough Acquisitions Project**

Author:	<i>Nick Lowther</i>
Date:	<i>20 June 2016</i>
Service / Dept:	<i>Housing Options Service, Barnet Homes</i>

Contents

Contents	2
1. Introduction and Strategic Context	3
2. Rationale.....	4
3. Project Definition.....	4
4. Options	5
5. Expected Benefits.....	8
6. Risks.....	8
7. Financial Appraisal	8
8. Project Approach	9
9. Project Assurance.....	9
10. Dependencies.....	11
11. Approach to Consultation	12
Appendix A: Benefits Realisation	13
Appendix C: Initial Risk Register	16
Appendix D: Initial Project Plan.....	18
Document Control	19
Document History.....	19
Distribution List:.....	19
Approvals:	19

1. Introduction and Strategic Context

The last few years have been challenging in the social housing sector, with national increases in homelessness against a backdrop of welfare reform. The impact of the welfare and benefit reforms has affected all local authorities and social housing providers but particularly those in London. The increased demand for housing has placed pressure on already strained and limited housing supply.

At a local level, Barnet has experienced increased high levels of demand for affordable housing, whilst sources of supply have been limited. Demand has been exacerbated by the buoyant private rental market in the borough which is increasingly unaffordable for those on lower incomes. Loss of private rental accommodation is now the most common reason for a homelessness application, with residents who might previously have made their own arrangements in the private rental sector approaching the local authority.

Supply & Demand in Barnet: A Snapshot

- There has been a 49% increase in new homelessness applications between 2011/12 and 2015/16.
- There was an overall 35% decrease in letting within Council stock from 2011/12 to 2015/16 and Barnet has below levels of social housing on average compared to other London boroughs.
- There has been a significant increase (38%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 2,923 at the end of October 2016)
- Barnet has the 6th highest number of households in temporary accommodation in the country
- Almost half of all the households in temporary accommodation in England are placed by North and East London Authorities. This has led to increased pressure in competition for affordable supply.
- Whilst it is positive that the regeneration schemes in Barnet are progressing in their development, this has an impact on available supply as 'non-secure' tenants placed in regeneration units as long term TA are decanted and require rehousing, either to alternative TA or social housing units. 724 households have been decanted since April 2012 and a further 316 decants are scheduled for the forthcoming two financial years.

This has posed a major challenge to Barnet Homes' Housing Options Service – for example, trying to ensure that the limited supply of housing is provided to those with the greatest need, and that emergency and temporary accommodation is used effectively, whilst also attempting to identify new sources of housing supply. In addition, the cost of providing emergency/temporary accommodation has increased significantly. A key priority for Barnet Homes since 2013 has to been to strive to reduce the impact that the high cost of temporary accommodation has on the Council's General Fund (GF).

In 2013, Barnet Homes' Housing Options service developed a menu of options to tackle the problem of emergency/temporary accommodation, and this was presented to the Delivery Unit Board (DUB). One of the options proposed was the acquisition of out-of-borough properties – but the Delivery Unit Board decided to explore alternate options at the time, the majority of which have subsequently been implemented.

2. Rationale

The opportunity to acquire out-of-borough properties has recently been revisited in line with the London Borough of Barnet's Housing Strategy.

Acquisition of additional properties outside of the borough will provide the opportunity to increase affordable housing supply relatively quickly at a lower cost than in-borough alternatives, and will supplement the existing development programme and development pipeline. It is envisaged that the initial acquisition program will be limited to between 28 and 35 properties purchased from Q3 2016/17 onwards based on an assumption of a purchase price of between £120k and £200k per unit. There is a further budget which includes refurbishment costs, Stamp Duty Land Tax and professional fees.

This approach aligns with the London Borough of Barnet's *Housing Strategy 2015-2025* that aims to:

- Increase the supply of affordable housing available to homeless households (page 27)
- Explore the possibility of purchasing homes directly in more affordable areas which could be let to households who can no longer afford to remain in the borough (page 29).

And with the Council's Corporate Plan:

- Where services are delivered efficiently to get value for money for the taxpayer

3. Project Definition

Project Objectives

The key objectives of this project are to:

- Increase Barnet Homes' housing supply, by procuring new properties from outside of the London Borough of Barnet.
- Reduce the costs of temporary accommodation and subsequent impact on the Council's General Fund

Project Deliverables & Outcomes

The key project deliverables are listed in the table below:

Deliverable	Details	Timeframe
Business Case (incorporating options analysis)	Undertake research analysis and identify options for acquisition of out-of-borough properties. Development of a business case that includes options analysis, preferred option, financial modelling, risk management etc.	April 2016
Presentation of recommendations	Presentation of options, and preferred approach to the London Borough of Barnet Council	June 2016
Approval	Approval (budget and approach)	July 2016
Implementation	Procurement of properties in accordance to the preferred approach Development and implementation of processes (i.e. repairs and maintenance arrangements etc.)	Commence in Quarter 2 (September 2016)
Review	Review & benefits realisation	On-going

4. Options

Several other London boroughs are already acquiring units out of borough and/or out of London, some have been doing it for several years. For example, Westminster City Council has purchased over 90 units for use as temporary accommodation, including 40 acquired in 2015/16. Our discussions with them have provided us with useful insights and learning. Whilst the market in areas closer to London continues to be buoyant there is a supply of units (off-plan, new-build and existing) to be acquired and where necessary refurbished within the price per unit envisaged.¹

In developing the business case, options were considered. These included utilising the acquired units as a form of Temporary Accommodation where higher rents could be achieved and a blended model of acquisitions offering either as some units of long term social housing and some units of temporary accommodation. However, to adhere to the brief which was to acquire new affordable tenancies for Barnet residents, the following approaches have been explored in more detail.

1. Continue to acquire properties outside London on licence from existing temporary accommodation providers

Existing temporary accommodation rates mean that for each new household placed in 2-bed emergency temporary accommodation costs the Council almost £2,400 net per annum. With bad debt provision and management costs factored in, this figure increases to approximately £3,400 net per annum, per household. Where properties are sourced outside London, these costs reduce significantly, however it still represents a net cost per unit of almost £1,900 per annum at current prices.

This 'do nothing' position would result in each household potentially costing £139k net over the next 30 years and would mean there is no positive financial impact to forecasted future General Fund budget pressures. It is therefore the least favourable option.

2. General Fund borrowing to acquire private sector properties for use as temporary accommodation

¹ Including legal and other professional fees.

The Council would borrow via the General Fund through the Public Works Loans Board at an interest rate of approximately 2.75% to fund the purchase of private sector properties in areas outside London. Approximately one third of the purchases would be funded by Right to Buy receipts and 70% funded through borrowing.

Barnet Homes would provide a full management service for properties purchased and units would be used to provide long-term temporary accommodation, let at 100% of the relevant Local Housing Allowance rate.

Key benefits

There are four key benefits realised through this model:

- Delivers at a net cost of £17k per property (including interest of the loan) over a 30 year period which is more favourable than existing methods of providing out-of-London temporary accommodation which could potentially cost £139k per unit over a similar period
- Model utilises Right to Buy receipts, which reduces the borrowing requirement by 30% and meets the Council's target timeframe for committing receipts
- Capital asset acquired
- Properties let through this method could be used for temporary accommodation for homeless households and used as a stepping stone into the private rented sector
- A greater turnover of properties would mean increased temporary accommodation cost avoidance
- There is greater flexibility on rents that could be charged for properties acquired using this model, with rents required to be 'reasonable' to achieve full housing benefit subsidy

Disadvantages

There are however some disadvantages of delivery through this method:

- The initial loan of £5m would not be fully repaid at the end of the 30 year term and the Council would have to refinance the loan (however this is offset against an asset that would be expected to appreciate by a greater amount over the term)

Suggested approach

The proposal is for the acquisition of units in areas outside London through General Fund borrowing and to utilise them as temporary accommodation. This option has a number of benefits, not least the ability to use properties purchased for helping homeless households move into the private rented sector, thus providing greater opportunity to reduce General Fund temporary accommodation costs.

Affordability of units outside of Barnet

It is not surprising that the our research has confirmed that given the average house prices in Barnet, better value for money and a greater number of units can be acquired with the funding available through the acquisition of units out of London. The table below shows the difference in property prices and current supply using an average two bedroom home as an example:

	Colindale	Luton	Northampton
Median Purchase Price	425,000	195,000	142,500

No of properties on the market ²	89	172	259
Properties listed under £130,000³	0	25	189

Whilst more units could be delivered further out of London there are a number of key considerations to be factored into any acquisitions programme:

- Distance from Barnet (potentially higher management and void costs)
- Opportunities for employment in the area
- Cultural diversity of the location e.g. access to specialist shops, places of worship, similar communities
- Ability to achieve successful lettings and minimise void periods

Furthermore there would be increased management costs if any acquisitions programme did not limit itself to a few locations. Over recent years many housing associations have been rationalising their stock and divesting in areas where they have minimal holdings given the increased overheads in effectively managing limited scattered stock across a range of local authorities. This learning should be factored into the acquisitions programme and therefore it is recommended that purchases are made for properties within a reasonable travelling distance of Barnet e.g. up to 30 miles away and therefore would suggest Luton as a proposed procurement region.

There are however several key advantages to focusing on procurement of properties outside London. These include:

- The potential to provide accommodation at more affordable rents, with Local Housing Allowance rents in Luton (£142.44 per week) and Bedford (£132.33 per week) over £100 per week lower than rents in Barnet (£255.34 per week)
- Properties can be purchased in affordable areas such as Bedfordshire at a lower Stamp Duty Land Tax cost and therefore the cost of purchasing will be lower than in more expensive areas such as Barnet, thus improving the financial viability

Client group for properties acquired out of London

Households in Temporary Accommodation: Since 2014 Barnet Homes has placed 514 housing applicants in a range of areas out of London both in forms of temporary accommodation and in the private rented sector. This has been supported by the Barnet Council's Placement Policy approved on 24th September 2013. Any new out of London acquisitions that could be offered as affordable flexible tenancies to housing applicants where there is an accepted housing duty would both reduce numbers in temporary accommodation and importantly offer a longer term and affordable housing solution. For some households affected by the benefit cap, accommodation in Barnet is unaffordable.

Risks: One of the key risks associated with an out of London acquisitions programme is that units could be acquired in areas where existing tenants or housing applicants might not wish to move to. In respect of housing applicants, those who are within the higher housing bands (bands 1 & 2) more often have very specific reasons for acquiring accommodation within Barnet e.g. support needs, employment. However those in lower bands (3 & 4 no community contribution, no/limited local connection) are not usually offered flexible tenancies but assisted with longer term temporary accommodation or with offers in the private rental sector. The proposed programme would certainly offer this group a housing solution that is not currently available.

² Number of properties listed for sale as at 16 May 2016 (Source: www.home.co.uk)

³ Number of properties listed for sale on 16 May 2016 at £130,000 or under (Source: www.rightmove.co.uk)

To mitigate this, the selection criteria for the locations for acquisitions must be developed further in the full business case along with an equalities impact assessment in respect of potential tenants. Given the established track record set out above of delivering out of London moves this mitigation will help minimise void periods. Nonetheless a higher void period has been factored in than for a council tenancy in Barnet.

The model:

- Non-secure tenancy offered
- 3-4% void loss varying depending on location of acquisition
- TA cost avoidance figure in example based upon 1 household avoiding out of London TA at current net cost plus inflation

5. Expected Benefits

Please refer to **Appendix A** for a summary of expected benefits for this project.

6. Risks

Please refer to **Appendix B** for a summary of key risks and mitigating actions.

7. Financial Appraisal

The project would be funded from the Council’s General Fund. An initial budget of £5m would see the programme deliver between 28 and 35 units in the Bedfordshire area

The tables below indicate the potential overall financial position delivered by the scheme taking into account worst and best case scenarios, using a 2 bedroomed property as an example.⁴

Table 1 – revenue position vs. existing TA options

Best Case – Purchasing Option – per unit				
	5 Years	10 Years	20 Years	30 Years

⁴ Analysis of worst case and best case scenarios were tested against the cost of existing TA options in the Luton Area, with the worst case assuming higher costs for voids, management/maintenance, inflation, refurbishment, and major works

Income	£34,083	£73,767	£176,878	£322,327
Expenditure	£47,991	£98,288	£208,942	£339,703
Net Cost	£13,909	£24,521	£32,064	£17,376
Worst Case - Purchasing Option				
Income	£33,529	£70,922	£161,094	£276,522
Expenditure	£54,274	£110,763	£232,704	£372,252
Net Cost	£20,745	£39,841	£71,610	£95,729
Existing TA Option				
Income	£35,983	£75,251	£166,476	£277,678
Expenditure	£53,317	£112,210	£249,204	£416,503
Net Cost	£17,334	£36,958	£82,729	£138,826

Table 2 – Capital position

Capital - Per unit	Best Case	Worst Case
Average Purchase Price	£145,000	£155,000
Refurbishment Costs and Fees	£21,525	£27,025
Total Cost	£166,525	£182,025
Asset value @	3% PA	2% PA
10 Years	£208,307	£201,134
20 Years	£279,947	£245,181
30 Years	£376,226	£298,875
Outstanding borrowing @ Yr. 30	£46,627	£50,967
Capital Benefit @ Yr. 30	£221,226	£128,875

Table 1 shows that there is a wide divergence between the potential outcomes between best and worst case scenarios, with the best case scenario delivering revenue savings against the cost of existing TA options from the outset, whilst the worst case is more expensive for the first 10 years.

To take into account future anticipated changes to temporary accommodation subsidy, both the purchasing scheme and existing temporary accommodation options have been modelled using 100% of the April 2016 Local Housing Allowance rate.

8. Project Approach

Please refer to **Appendix A** for the proposed project plan that includes key dates and milestones.

9. Project Assurance

Project Organisation Structure

The project structure is shown below:

Role	Name & Position	Comments
Project Sponsor	Paul Shipway (Strategic Housing Lead)	Representing Council interests
Project Manager	(Development Manager)	

Role	Name & Position	Comments
Project Board	Paul Shipway (Strategic Housing Lead)	Representing Council interests
	Derek Rust (Director of Operations)	Representing Barnet Homes interests
	Kate Laffan (Assistant Director, Operations)	Representing Housing Options (housing supply)
Project Team	(Development Manager)	Lead on the bidding and acquisition of properties
	Nick Lowther (Service Manager, Housing Supply)	Lead on supply and location
	Thomas Carroll	Inform on investment levels needed to bring the homes acquired up to an agreed standard and maintained as such Lead on the refurbishment of properties when acquired
	TBC	Project support

The project board will meet monthly as required with the following responsibilities:

- Provision of overall guidance and direction ensuring project remains on track against time, cost and quality requirements
- Review and approval of project plan and any exception plans
- Support and oversight of risk management processes
- Approval of changes
- Resolving strategic and directional issues
- Liaison with and seeking of direction and decisions from politicians

Project Controls

The Project Manager will be expected to manage and re-profile timescales where key milestones are not impacted. Where key milestones will be impacted these instances will be reported to the Project Sponsor to agree next steps and the mitigating action to be taken.

- The Project Board will be responsible for sign-off of the business case (incorporating the options appraisal), before it is presented to the Council.
- The London Borough of Barnet (Council) will be responsible for approving the business case, proposed budget and approach for delivery.
- The project team will be responsible for engaging with Barnet Homes' managers and staff, and key stakeholders to ensure that all deliverables are developed in line with service requirements and that the required quality standards are met.

Quality Criteria & Approval Process

Deliverable / Product	Quality Criteria	Author	Reviewers	Acceptor
Business Case (incorporating options analysis)	Options appraisal and financial appraisal, procurement strategy with recommendation	Project Manager	Kate Laffan Derek Rust Project Team	Project Board
Presentation of recommendations	Report and presentation in accordance with LBB requirements	Derek Rust	Project Board	Project Board
Approval	Minuted approval to proceed	London Borough of Barnet	N/A	London Borough of Barnet
Implementation	Procurement of out-of-borough properties Development and implementation of associated processes	Project Team	Project Manager	Project Board
Review	Assessment against benefits realisation criteria Lessons learned report	Project Manager	Kate Laffan Derek Rust Project Team	Project Board

10. Dependencies

Assumptions

- Timely provision of any requested information and input from senior stakeholders.
- On-going political support for Barnet Homes to undertake out-of-borough acquisitions and for the on-going management of these properties
- Ability to implement cost effective, quality management and maintenance arrangements for the acquired properties.
- There has been adequate budget provision identified for the acquisition of additional properties.

Constraints

- There is a lack of affordable housing supply in the areas that Barnet Homes is confident that customers will agree to move to.
- Barnet Homes' repairs and maintenance contractors are unlikely to agree to provide services to out-of-borough properties, as this does not form part of their existing contract
- That there may be some resourcing implications for management of stock outside of the borough/London.

Interfaces / Dependencies

- The London Borough of Barnet will need to approve the proposed approach, for the project objectives to be achieved
- There are other initiatives and projects underway that are also aimed at increasing the available housing supply.

11. Approach to Consultation

A range of stakeholder consultation and engagement has occurred as part of the public engagement programme developed for the London Borough of Barnet's Housing Strategy.

A summary of these activities includes:

- The Council conducted a borough wide programme of resident engagement and consultation from 17 December 2014 to 11 February 2015. This was part of the Housing Committee Commissioning Plan. The programme included a series of themed workshops examining the competing pressures facing each committee and an online survey.
- A 12 week public consultation was undertaken between 6 January 2015 and 31 March 2015 on the Housing Strategy. The consultation included an online survey as well as presentations to the Housing Forum, Barnet Homes Performance and Advisory Group, and Barnet Landlords Forum.
- The Council also facilitated a focus group of eight Citizens Panel members from the owner-occupation, social and private rented sectors.

Appendix A: Benefits Realisation

Benefit Type	Description of the benefit	Who will benefit	Expected benefit value	Financial year that the benefit will be realised	Benefit Owner	How will the benefit be measured	Baseline value (£, % etc) and date
Financial	Temporary accommodation cost avoidance	The Council	Up to £3.6m	From Q3 2016/17	Nick Lowther Service Manager – Supply	Financial monitoring	
Financial	Increase of council stock and revenue from this stock	The Council Barnet Council Tenants or Housing Applicants	Up to 35 additional units	by 17/18	Paul Shipway	Performance monitoring	

Appendix B – Financial Model

1. Individual unit Income and Expenditure sheet (Bedfordshire)

	Year 1	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Income							
1 Rent	6,881	7,371	8,755	10,398	12,349	14,667	17,420
2 Void Loss	206	221	263	312	370	440	523
Total Income	6,675	7,150	8,492	10,086	11,979	14,227	16,898
Expenditure							
3 Routine Maintenance	800	918	1,090	1,295	1,538	1,827	2,170
4 Management Cost	450	516	613	728	865	1,027	1,220
5 Service Charge & Ground Rent	1,300	1,492	1,772	2,104	2,499	2,968	3,525
6 Major Works	1,166	1,338	1,589	1,887	2,241	2,662	3,161
7 Bad Debt Provision	213	215	255	303	359	427	507
8 Interest	3,206	2,949	2,629	2,308	1,987	1,667	1,346
9 MRP	2,331	2,331	2,331	2,331	2,331	2,331	2,331
Total Expenditure	9,453	9,759	10,279	10,957	11,822	12,909	14,261
Charge/Credit to General Fund	2,778	2,609	1,787	871	-157	-1,318	-2,636
Closing Balance	2,778	13,909	24,521	30,747	32,064	27,853	17,376
10 Purchase price	145,000						
11 Stock investment	21,525						
12 Loan Amount	116,568						

- 1 Rents set at 100% LHA for 2 bed in Years 1-3 and then annual % increase in LHA. 52 week charge
- 2 3% void loss
- 3 Annual maintenance cost per unit with 3.5% annual inflationary increase
- 4 Annual management cost per unit with 3.5% annual inflationary increase
- 5 Leasehold service charges with 3.5% annual inflationary increase
- 6 Major works investment at 1% of the purchase price
- 7 3% Bad debt provision
- 8 2.75% loan interest
- 9 Minimum revenue provision of 2% per year (50 year asset life)
- 10 Costs of purchasing
- 11 Professional fees and costs to bring unit up to standard
- 12 Total loan equates to 10 and 11 above combined

2. Financial modelling assumptions

	Best Case	Worst Case
Annual Rent Inflation (CPI plus 1%)	3.50%	2.50%
Void Loss	3.00%	4.00%
Bad debt provision	3.00%	4.00%
Maintenance Costs	£800 per annum plus inflation	£1,000 per annum plus inflation
Housing Management Costs	£450 per annum	£450 per annum
Inflation (Base rate plus 1%)	3.50%	3.50%
Major Works	1.00%	1.00%
Service charge and ground rent	£1,300 per annum	£1,300 per annum
Refurbishment costs	£10,000	£15,000
Borrowing rate	2.75%	2.75%

Appendix C: Initial Risk Register

Ref	Risk type	Risk description	Risk Owner	Date raised	Initial assessment			Control actions	Consequences/ potential impact
					Probability	Impact	RAG		
001	Project management	There is a risk that there is insufficient resource to deliver the project within planned timescales.	KL	Jan 16	Low	Medium		Project plans and resource planning to be developed to identify key milestones and capacity required to deliver.	Expected savings and other benefits will not be achieved, and/or project activity will fall behind schedule.
002	Reputation	There is a risk that this project will attract negative publicity	KL	Jan 16	Low	High		Develop a communications strategy and engage with the host borough to inform them of the acquisitions programme	Staff and public have a negative perception of this project and its objectives. This makes it more difficult to implement the project and to realise benefits from it.
003	Financial	There is a risk that the assumptions made in modelling are not accurate and that the financial benefits are not realised	NL	Jan 16	Medium	High		Closely monitor activity to track financial benefits and early identification of risks. There are a number of options the Council has, including stock disposal. In addition, the 31st review suggests that there is a 75% probability that the scheme will at least break even compared to existing TA options	Expected savings and other benefits will not be achieved
004	Financial	There is a risk that there will be an insufficient volume of units available for purchase within the projected purchase	NL	Jan 16	Low	High		Further modelling is being carried out to identify other potential areas for acquisitions. Where there are no properties available	Delivery of new acquisitions may not be met, if unable to purchase properties at

Ref	Risk type	Risk description	Risk Owner	Date raised	Initial assessment		Control actions	Consequences/potential impact
		range of £120-180k.					for purchase that meet the modelled purchase prices, no additional units will be acquired unless they are projected to deliver a similar revenue benefit as indicated in the modelling	the right price.
005	Reputation	There is a risk that customers will refuse to accept properties in out-of-borough locations	NL	Jan 16	Low	Medium	Undertake market research and analysis before selecting locations and purchasing properties to ensure that customers are likely to accept properties in these areas.	Political and media fall out from spending public money on properties that are sitting vacant.
006	Performance	There is a risk that properties in out-of-borough locations will have longer void times due to customers refusing to move to these areas	NL	Jan 16	Medium	Medium	Households seeking to move out of area will be identified at an early stage in the acquisition process and consideration will be given to offering properties acquired to households already located in areas outside London in other forms of temporary accommodation	Void performance may worsen, and Barnet Homes may fail to meet its KPI targets.
007	Financial	There is a risk that the costs of managing out-of-borough properties will be high	NL	Jan 16	Medium	Medium	Barnet Homes already has considerable experience delivering out-of-London TA. Consider purchasing out-of-borough properties close together, to ensure efficiencies and reduce management costs	Higher costs to manage these properties – exceeding budget
008	Procurement	Existing Barnet Homes' repairs and maintenance contractors are unlikely to agree to service out-of-borough properties.	DH	Jan 16	High	Medium	Establish agreement with local contractor to deliver repairs and maintenance services to these properties	Out-of-borough properties may end up in poorer condition. Customers may experience a lack of service or lengthy wait times for repairs.

Appendix D: Initial Project Plan

Phase	Activity	Owner	Due Date	Status	Comments
Business Case (incorporating options analysis)	Complete research & analysis and identify options for:		May 16	In progress	
	• Property Location (out-of-borough)	DB	May 16		
	• Property Type	NL	May 16		
	• Property Size	DB/NL	May 16		
	• Property Tenure	DB	May 16		
	• Property Condition	TC/DB	May 16		
	• Procurement Strategy	NL/DB	May 16		
	Identify and document each available option	NL/KL	May 16		
	Complete initial financial modelling	NL	May 16	Complete	
	Identify, monitor and manage risks	KL	May 16	Ongoing	
	Prepare an outline business case for review by LBB	KL	May 16	Complete	
	Develop recommended quality standard for out-of-borough properties	TC	Jul 16	Not Due	
	Develop options for managing out-of-borough properties	KL	Jul 16	Not Due	
	Develop options for undertaking repairs and maintenance for out-of-borough properties	TC	Jul 16	Not Due	
	Develop procurement strategy options	NL/DB	Jul 16	Not Due	
	Prepare final business case	KL	Jun 16	Not Due	
Reviewed by DPPB	PS	08 Jun 16	Not Due		
Business case signed off by Commissioner	CS	11 Jul 16	Not Due		
Presentation of recommendations to the Council	Draft Report	KL/PS	01 Jun 16	In progress	
	Council make decision whether to approve programme	PS	11 Jul 16	Not Due	
Implementation	Commence acquisition programme	DB	From Q3 2016/17	Not Due	
	Complete first tranche of purchases	DB	Q3 2016/17	Not Due	
Review	Qtly review of programme incorporating lessons learned.	KL	Ongoing	Not Due	

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9/2/16	1.1	Amended following comments	Kate Laffan
23/2/16	1.2	Document refresh	Nick Lowther
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09/11/16	1.5	Amendments to incorporate proposed revisions	Nick Lowther

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Approvals:

By signing this document, the signatories below are confirming that they have fully reviewed the Business Case for the out-of-borough acquisitions project and confirm their acceptance of the completed document.

Name	Role	Signature	Date	Version
Derek Rust	Director, Operations			
Paul Shipway	Strategic Housing Lead			
Kate Laffan	Assistant Director, Operations			

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	<p>Assets, Regeneration and Growth Committee</p> <p>12 December 2016</p>
<p>Title</p>	<p>Development Pipeline Tranche 3 - Affordable Housing Programme</p>
<p>Report of</p>	<p>Commissioning Director, Growth & Development</p>
<p>Wards</p>	<p>All</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>Yes</p>
<p>Enclosures</p>	<p>None</p>
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<p>Summary</p>
<p>The Council’s Housing Strategy 2015-2025 states that a Development Pipeline Programme will include the building of new homes on existing council land, which will be delivered by the Council’s Arm’s Length Management Organisation (ALMO), Barnet Homes. Acting as the Council’s agent, Barnet Homes has already completed 43 homes for letting at affordable rents.</p> <p>Barnet Homes is now in the process of establishing a new Registered Provider, TBG Open Door Homes [“Opendoor Homes”] which will operate as a wholly owned subsidiary of the</p>

ALMO. On 11 July 2016 ARG approved the outline business case for Opendoor Homes, a subsidiary of Barnet Homes to undertake the next phase of development by taking transfer of Housing Revenue Account and General Fund sites and building 320 new homes on them. The cost of the works will be supported by a loan provided by the Council (approved in principle by Policy and Resources Committee at their meeting of 16 February 2016 and Full Council on 1 March 2016).

Should Opendoor Homes' registration be further delayed, it is proposed that 3 sites: Back Lane, Basing Way Green and Elmshurst Garages, [the "Early 3 Sites"] be transferred to Opendoor Homes. These works will be funded by Right to Buy receipts (30%) and from the HRA (70%), subject to approval by Policy and Resources Committee on 1 December 2016.

This report requests Committee to note and approve the full business case and approve transfer of the land to be developed as affordable housing.

Recommendations

1. That Committee approve the full business case for Tranche 3 Development Pipeline for the Council to dispose of the following sites ["the Sites"] to Opendoor Homes a wholly owned subsidiary of Barnet Homes in accordance with the parameters of the full business case:

Early 3 Sites	Postcode	Ward
Back Lane	HA8 0HS	Burnt Oak
Basing Way Garages	N3 3DB	Finchley Church End
Elmshurst Crescent	N2 0LN	East Finchley

Sites	Postcode	Ward
Sheaveshill Court	NW9 6SJ	Colindale
Hanshaw Drive	HA8 0AP	Burnt Oak
The Croft	HA8 0FH	Burnt Oak
Linden / Pine Rd	N11 1ER	Brunswick Park
Adamson Court	N2 9BW	East Finchley
Norfolk Close	N2 8ET	East Finchley
Burnt Oak Registry Office	HA8 0AU	Burnt Oak
Friern Court	N20 0NJ	Totteridge
Basing Way Green	N3 3DB	Finchley Church End
Summers Lane	N12 0JY	Woodhouse
Prospect Ring	N2 8BP	East Finchley
Warwick Close	EN4 9SF	East Barnet
Alexandra Road	N10 2EY	Haringey

West Close Garages	EN5 3BY	Underhill
West Farm Place	EN4 9DS	East Barnet
Brunswick Park Road	N11 1JH	Brunswick park
Underhill Court	EN5 2BD	Underhill
Church End Library	N3 1SA	Finchley Church End

- 2. That Committee approve the disposal of the Sites by the Council to Opendoor Homes pursuant to the terms of the Development Agreement**
- 3. That Committee approve to fund the cost of construction of affordable homes on the Sites to a maximum limit set out in the full business case and pursuant to the Loan Facility Agreement and to approve the use of Right to Buy receipts as detailed in Paragraph 7.3 Financing Tranche 3 of the full business case**
- 4. That the Committee resolve that land, comprising the Early 3 Sites and the Sites, is suitable for appropriation if necessary as it is no longer required for the purpose for which it was originally held.**
- 5. That the Committee approve the use of Right to Buy receipts to fund building works in advance of the proposed Loan Facility as described in Paragraph 1.10 below.**
- 6. That the Committee declare of the Sites which constitute Open Space land surplus to requirements and that, subject to the statutory advertisement and consultation, the Committee approve the disposal of such sites.**
- 7. That authority is delegated to the Commissioning Director Growth and Development to obtain any statutory or other consents required to dispose of the Sites both under Housing Act 1985 where the Sites comprise land held under the HRA and also under s123 of the Local Government Act 1972 where land is held in the general fund. To delegate authority to use such of the general consents available for the disposal of the Sites and where required to apply for consent to disposal to the Secretary of State.**
- 8. That authority is delegated to the Commissioning Director Growth and Development to appropriate for planning purposes or any other relevant purposes of land included in the Sites identified in the full business case at Appendix 1A of the full business case to enable disposal and to facilitate the building of new homes in accordance with the planning permission and the specific Development Agreement for the Early 3 Sites and the separate Development Agreement in respect of all the residual Sites and to take all necessary steps that may be required to ensure statutory compliance in order to dispose of the Early 3 Sites and the Sites and to take all necessary steps that may be required to dispose of the Sites.**
- 9. That authority is delegated to the Commissioning Director of Growth and Development to implement the statutory advertising and consultation procedure in respect of any of the Sites comprising Open Space land and**

if any objections are received to consider the same in consultation with the Chairman of the ARG committee and if then it is considered suitable; to proceed with the formal appropriation of the land to complete the disposal of the Sites.

- 10. That authority is delegated to Commissioning Director, Growth & Development to dispose of each parcel of land comprising the Early 3 Sites and the Sites pursuant to the proposed Development Agreement and subject to Opendoor Homes becoming a Registered Provider by registration by the Homes and Communities Agency**

1. WHY THIS REPORT IS NEEDED

- 1.1 The attached report sets out the Full Business Case for transfer of sites to Opendoor Homes and provision of a loan to build them out as affordable housing. The land on which the new affordable homes is to be built is owned by Barnet Council and a resolution, including an approval of the financial terms of the disposal, is required to transfer the land to Opendoor Homes, the preferred vehicle for development of the sites.
- 1.2 The Assets, Regeneration and Growth Committee (ARG) approved at its meeting on 9 July 2014, the approach to, and the principles underpinning, the creation of a development pipeline on council owned land.
- 1.3 The Council's Housing Strategy 2015-2025 sets out how the Development Pipeline will include the building of new homes on existing council land held in the Housing Revenue Account (HRA) to be delivered by the Council's Arm's Length Management Organisation (ALMO), Barnet Homes.
- 1.4 As part of the review, undertaken in 2015, of the Council's Management Agreement with Barnet Homes, a target has been agreed for Barnet Homes to build 500 new homes by 2022, including 320 by 2020.
- 1.5 Barnet Homes has already built 43 new council homes on behalf of the Council.
- 1.6 Barnet Homes has reviewed a number of the available HRA sites and identified those upon which, initially, 320 of the 500 projected target new homes could be built, e.g. unused garage sites within established residential areas or sites with capacity on poor quality amenity space, which could be improved as a result of development. On 17 March 2016 ARG approved the outline business case for Barnet Homes to make planning applications with a view to developing affordable homes on these sites and to expect a full business case for the transfer of the sites in September 2016. Barnet Homes

has employed a design team and has now secured 13 planning permissions and sought tenders for building out 18 of the sites

- 1.7 Barnet Homes has set up TBG Open Door Homes Limited as a subsidiary organisation of The Barnet Group, which is in turn a subsidiary organisation of Barnet Council. An application was made to the Homes and Communities Agency to make Opendoor Homes a registered provider. Opendoor Homes' business plan was submitted to the HCA in September 2016, who has since requested further information. It is anticipated that the process of registration will be concluded in January 2017.
- 1.8 Subject to approval of Registered Provider status, it is proposed that Opendoor Homes will develop and own the 320 new homes on HRA sites which will be transferred at nil value. Opendoor Homes requires finance to fund the development of the sites and this report also sets out the case for the Council to lend finance to Opendoor Homes at a commercial rate. Approval of the terms of the loan and a decision to release funds are therefore also required.
- 1.9 The loan to Opendoor Homes was approved in principle by Policy and Resources Committee on 16 February 2016 and was ratified by full Council on 1 March and is conditional upon approval of Registered Provider status by the Homes and Communities Agency.
- 1.10 Should Opendoor Homes' registration be further delayed, it is proposed that three sites are transferred to Opendoor Homes. Such works will be pursuant to the Development Agreement with TBG Open Door Homes. The works will be funded by Right to Buy receipts (30%) and from the HRA (70%), subject to Policy and Resources Committee approval on 1 December 2016. In the event that Registered Provider status is not forthcoming it is proposed that Opendoor Homes will transfer the sites back to the Council and continue to build out the three sites as the Council's development agent under a development agreement. Stamp Duty Land Tax may be payable if the sites have increased in value.

2 REASONS FOR RECOMMENDATIONS

- 2.1 The Council's Housing Strategy 2015-2025 identifies the need to increase housing supply and to deliver homes that people can afford. The proposals contained in this report will facilitate the delivery of new homes for affordable rent in the borough. The affordable rent will be set at 65% of the market rent, in line with the Council's affordable rents policy.
- 2.2 The Council owns various small garage sites and areas of unoccupied land, which are either unused or attract anti-social behaviour. These parcels of land are in or near existing Council-owned residential accommodation and whilst serving very little useful purpose are in good locations for affordable housing, being close to established transport, education and retail facilities.

These sites present a good opportunity for the development of affordable housing.

- 2.3 The Barnet Group currently provides an excellent service for the management of the Council's housing stock and is ideally placed to extend this function to additional properties – not least to replace stock lost through Right to Buy sales. As the Council's ultimate subsidiary, Opendoor Homes is seeking to build consolidate its viability as a landlord and is looking to increase its stock holdings. It is currently seeking registered provider status with the Homes and Communities Agency (HCA). This will not only ensure independent regulation of the organisation at arms' length from the Council, but will also provide a route to securing external GLA affordable housing grant, another source of capital funding.
- 2.4 Development of the small sites in Tranche 3 will help to increase Opendoor Homes' portfolio. It also provides an excellent opportunity for the Council to secure a commercial return on its investment and to deploy Right to Buy receipts, which would otherwise be forfeited to central government.
- 2.5 The delivery of new affordable rented homes will help to meet the objective in the Council's Housing Strategy to prevent and tackle homelessness, by reducing the use of temporary accommodation.
- 2.6 All the new homes provided will meet the Lifetime Homes standard. At least 10% will be fully wheelchair adapted, meeting the objective in the Council's Housing Strategy of providing housing to support vulnerable people.
- 2.7 There are social benefits associated in developing these sites. The design proposals will improve the landscape of the sites and help to design out any areas of blight and improvements will be made to local amenity space.
- 2.8 A high-level review of the proposed accommodation on the sites shows that at least 1,000 bed spaces could be created by developing 320 new homes, providing a cost effective alternative to expensive temporary accommodation. The Council will have 100% nomination rights for lettings of this property, which will be let at affordable rents. Nomination rights will be secured by a Nomination Agreement. Affordable Rents (inclusive of service charges) will be set at 65%. In exceptional circumstances Intermediate and Affordable Rents (inclusive of service charges) may be set at a higher level, up to at no more than 80% of the estimated market rent, with the authorisation of the Opendoor Homes Board.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 There are various ways in which the HRA and General Fund land can be used to provide affordable housing. Not all of these need involve Opendoor Homes. The options include:
- 3.2 Do nothing

This option would not contribute either to the supply of new housing overall, nor to the Council's ambition to build more homes on HRA and General Fund land.

3.3 Transfer the sites to a Registered Provider

This option would provide new social housing and contribute to the supply of housing overall within the borough but would not provide the financial benefits of on-lending and the "homelessness dividend".

3.4 Sale on the open market

Many of the sites are too small to trigger the requirement for a legal agreement to secure affordable housing. Whilst the number of new homes would be unchanged, the vast majority would only be available for sale at market rates. Open market sale would not produce an on-going revenue benefit to the General Fund nor take up Right to Buy receipts, which would otherwise be forfeited to central government

3.5 The Council could develop itself

This option would not provide the additional financial benefits of on-lending and the "homelessness dividend" contribution to the costs of homelessness of the Opendoor Homes proposal.

3.6 Deliver mixed-tenure schemes.

As outlined above, this option would not deliver the ongoing revenue benefits to the Council of the Opendoor Homes proposal. The locations are generally within lower value neighbourhoods, decreasing potential profit. .

3.7 Opendoor Homes is the preferred option as it meets all critical success factors:

- Barnet Homes' dedicated Development Team can and has worked as an independent applicant to achieve successful planning applications. Opendoor Homes' independent status allows the planning authority to consider applications with due professional distance.
- Opendoor Homes will procure works in accordance with Barnet Homes' standing orders and in compliance with OJEU requirements where necessary. The lessons learnt from delivering the Tranche 0 programme will be deployed to ensure robust project management and cost containment.
- Barnet Homes has long experience of managing affordable housing and knows its customer base well.

4 POST DECISION IMPLEMENTATION

- 4.1 Subject to Opendoor Homes becoming a Registered Provider, Barnet Council will make a loan to be applied to the cost of carrying out the building works and associated costs such as legal and professional fees, management costs, finance and interest cost. The loan will be secured as a fixed charge against the property to be developed in the Tranche 3 programme.
- 4.2 The loan will be drawn down in monthly stages so that funding is available to pay development fees and contractor's applications for payment. This is set out in Appendix 2 of the full business case. On each draw down the Council will benefit from the payment of an arrangement fee. Barnet Homes will provide a schedule of payments made at the end of each quarter for reconciliation purposes. Draw-down for subsequent quarters will be adjusted to reflect variations. Interest will be paid on a quarterly basis and the loan is to be repaid in full by 30 March 2055 or later by agreement.
- 4.3 Barnet Council will transfer each site to Opendoor Homes with clean title. Opendoor Homes make an annual payment annum to the Council for each completed property (subject to scheme viability) and will grant 100% nomination rights for all initial lettings and subsequent voids. Opendoor Homes is responsible for submitting planning applications, appointing professional consultants and building contractors and managing the new homes when constructed.
- 4.4 A value for money statement will be prepared by an independent cost consultant including a tender report that includes benchmarked costs. At Practical Completion of each site the cost consultant will provide a forecast of the Final Account. This procedure reflects the standard requirements of the Greater London Authority for grant claims and scheme audit.
- 4.5 The delivery of the programme will be in six groups of sites and it proposed that reporting is at this level. Barnet Council as lender and provider of land will receive quarterly financial and programme monitoring information and more regular exception reporting should this be necessary. This will have particular relevance to variations to the Business Plan and any specific implications on the loan, the gifting of Right to Buy receipts or the release of sites for Opendoor Homes to develop
- 4.6 Reporting will cover:
- Overall progress
 - Phase appraisals
 - Finance
 - Quarterly cost update
 - Cash flow including loan and RTB
 - Risks
 - Coordination with The Barnet Group and Barnet Council

- 4.7 The Barnet Group’s governance arrangements provide complementary assurance on the delivery of the programme, both strategically and within the financial constraints as follows:

Level	Responsibility and control
Executive	Quarterly management accounts and forecast
ODH Board	Individual scheme approval – strategic and financial Business plan update
TBG Board	Quarterly forecast and revised ODH business plan

Opendoor Homes will procure works in accordance with Barnet Homes’ standing orders and in compliance with OJEU requirements where necessary. The lessons learnt from delivering the Tranche 0 programme will be deployed to ensure robust project management and cost containment.

Tranche 3 will be partially funded by on-lending from Barnet Council to Opendoor Homes and gifted Right to Buy receipts as grant. It is anticipated that loans will be drawn down at monthly stages; the timing of this will be coordinated by LBB and Opendoor Homes to meet the needs of the development programme and the phasing of Right to Buy receipts.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Council’s Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- Of opportunity, where people can further their quality of life
- Where people are helped to help themselves, recognising that prevention is better than cure
- Where responsibility is shared, fairly
- Where services are delivered efficiently to get value for money for the taxpayer

5.1.2 The Council’s Corporate Plan also sets out how residents will see a responsible approach to regeneration, with new homes built and job opportunities created.

5.1.3 The London Plan and Barnet’s Local Plan recognise the need for more homes in the capital. Managing housing growth and the provision of new homes is the first objective set out in Barnet’s Core Strategy. The London Plan and Core Strategy set challenging targets for the delivery of new housing, with the former having increased the minimum annual target for Barnet to 2,439 homes per annum.

- 5.1.4 The highest priority of the Council's Housing Strategy is increasing the supply of housing with the population of Barnet forecast to increase by 19% over the next 25 years.
- 5.1.5 Barnet's Health and Wellbeing Strategy recognises the importance of access to good quality housing in maintaining Well-Being in the Community.
- 5.1.6 Lack of affordable housing is highlighted in Barnet's Joint Strategic Needs Assessment (JSNA) as one of the top three concerns identified by local residents in the Residents' Perception Survey.
- 5.1.7 The Tranche 3 development programme will be managed by Barnet Homes with strategic management and oversight from the Development Pipeline Project Board, reporting to ARG to review the programme milestones and costs. When Opendoor Homes achieves Registered Provider status it is proposed that the delivery of the programme will be in six groups and reporting will be at this level. Barnet Council as lender and provider of land will receive quarterly financial and programme monitoring information and more regular exception reporting should this be necessary. This will have particular relevance to variations to the Business Plan and any specific implications on the loan, the gifting of Right to Buy receipts or the release of sites for Opendoor Homes to develop.
- 5.1.8 Progress updates will be included in the Council's Annual Regeneration Report with analysis of spend against the budget and completions against the target.

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

- 5.2.1 An exercise has been completed by 31ten Consulting, an independent development consultancy, on behalf of the Council to review the level of the loan required for Opendoor Homes and the potential interest rate that should be used.
- 5.2.2 This included a sensitivity and scenario analysis to establish the potential risks to any loan from the Council to Opendoor Homes, the new Registered Provider. The review also assessed different scenarios on the financial model such as varying the build cost, development delays and different interest rates. The review concluded that Barnet Homes could borrow £57.5m in stages
- 5.2.3 It is proposed to draw down the loan/RTB receipts in annual amounts, subject to review according to the needs of the programme. This is based on the estimated development costs included in the loan calculations
- 5.2.4 The loan will be released in stages and each stage will be agreed via the Council's gateway review process to ensure that the project delivers value for money. A value for money statement will be prepared by an independent cost

consultant that includes benchmarked costs. This is also required by the Greater London Authority as part of their regulatory audit process. These arrangements will be included in the loan agreement, with the details included in the FBC.

- 5.2.5 Procurement of the design and build contractors has followed OJEU compliant process.
- 5.2.6 Opendoor Homes' professional construction cost consultants will provide a tender report and a value for money statement for each site before the building contract is let.
- 5.2.7 The Full Business Case for the project is attached to this report. It includes an interim report from the cost consultant, including results from projects put out to tender thus far and budget costs for remaining schemes.

5.3 Social Value

- 5.3.1 Barnet Homes will seek to provide employment opportunities for local people and opportunities for small and medium enterprises through the procurement of the construction contract for the delivery of affordable housing. Tender documentation includes a requirement that the contractor undertakes to use all reasonable endeavours to ensure that local labour represents 20% of the total number of person-weeks required on site.
- 5.3.2 Contractors will also be invited to state what further social value they can deliver, and an assessment of this will form part of the selection criteria in the procurement process.

5.4 Legal and Constitutional References

- 5.4.1 Council Constitution, Responsibility for Functions, Annex A – The Assets, Regeneration and Growth Committee has responsibility for “Asset Management – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council”.
- 5.4.2 Council, Constitution, The Management of Assets, Property and Land Rules provide the governance structure within which the Council may acquire, lease, act as landlord, licence, develop, appropriate, change use of or dispose of Assets within its Asset Portfolio. The Rules inter alia are aimed at enabling the Council's holdings of land and property to be maintained and developed in a manner which enhances Social Value Section 2.8 states that the “Strategic Asset Management Plan will govern decisions on the future direction of the development of the Council's Built Environment”.
- 5.4.3 Site specific legal [title] matters for the sites included in the programme have been explored through joint working with LBB Customer & Support Group and HB Public Law. Devonshires Solicitors will report on title for Opendoor Homes.

5.4.4 Where land is subject to third party rights it may be prudent to appropriate the land for planning purposes to extinguish third party rights on any of the Sites. Such appropriation must be undertaken prior to the transfer and before works under the planning permission commence. 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. 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. If appropriated the Site cannot be subsequently transferred at undervalue without consent of the Secretary of State.

In order to dispose of land not held for planning purposes for the development and subsequent disposal it will be necessary to adopt 2 separate but linked processes as follows:

- a) To appropriate the land so that it is no longer held for its existing purposes, and is instead held for planning purposes (so section 203 Housing and Planning Act 2016 can be relied upon to clear the title to the land) and then;
- b) a disposal of the land to the Opendoor Homes.

5.4.5 The Housing Committee is responsible for the Housing Strategy (incorporating the Homelessness Strategy) and working with Barnet Homes to ensure the optimum provision of housing and associated facilities for those who require social housing.

5.4.6 A number of Sites are designated land in the HRA. Section 32 of the Housing Act 1985 allows the Council to dispose of land held for housing purposes provided it has the consent of the Secretary of State ("SoS"). The General Consent for the Disposal of Land held for the purposes of Part II of the Housing Act 1985 (2013) allows for the disposal of land held within the HRA in certain circumstances. There are specific rules as to the value at which a site is disposed and this will depend on whether the land falls under the definition of vacant land or includes land which falls under the definition of dwelling houses and unless a specific general consent applies site specific decisions will have to be made by the Chief officer as to what consents are required for disposal of each site in the HRA and this will be finalised through joint working with LBB Customer and Support Group and HB Public Law and the ALMO . Where HRA land is disposed of at an undervalue the Council must have regard to the Sections 24 and 25 of LGA 1988 Act (if privately let accommodation is to be provided) and also the State Aid provisions when making any transfers at an under-value. Any other land must be disposed of land at market value.

5.4.7 Different provisions apply to the sites that held in the general fund. Local authorities are given powers under Section 123(1) of the Local Government Act 1972 (as amended) to dispose of land held by them in any manner they wish but the disposition must be for not less than best consideration that can be reasonably obtained assessed by a valuer. Any disposal less than best

consideration that can be reasonably obtained requires the express consent of the Secretary of State. In determining best consideration the Local Authority must have regard to commercial and/or monetary value to the Local Authority. Specific consent can be obtained for a particular site or it may be possible to dispose of the site using the General Consent 2003 (under LGA 1972). The general consent will apply where the Council considers the disposal of the site will contribute to the achieving or securing the promotion or improvement of the economic, social or environmental well-being of its area. The General Consent permits disposal at an undervalue in these circumstances but in all cases the disposal cannot be at an undervalue which exceed £2,000,000.

Where any of the Sites comprises public open space the advertising requirements for the disposal of open space pursuant to S.123 (2A) of the Local Government Act 1972 apply. The proposed disposal must be advertised for two consecutive weeks in a newspaper circulating in the area in which the land is situated, with any objections to the proposed disposal being considered by the Council. The advertisements in accordance with the statutory requirements should provide for a period of four weeks from the date of the first public notice for any objections to be made. Any objections made to the disposal will have to be considered before the disposal proceeds

5.4.8 Where land is disposed either from the HRA or GF at less than market value or best consideration there is a concern about whether the State Aid provisions apply. An exemption to State Aid exists for services in the general economic interest and if Opendoor Homes is letting accommodation at less than market value then the relevant exemption may apply provided always that the land is acquired and developed for social/affordable housing to qualify for this exemption.

5.4.9 The Council has taken the project through the following governance procedures, leading up to presentation of the full business case for transfer of the sites to Opendoor Homes.

20 October 2015 - The Council approved the creation of a Registered Provider subsidiary of Barnet Homes.

30 November 2015 - Assets and Regeneration Committee (ARG)

- Approved proposals to develop new affordable homes for rent on existing housing land owned by the Council through Barnet Homes.
- Noted expenditure of up to £2.1m from the Council's Housing Revenue Account (HRA), the costs to achieve planning consents for approximately 120 affordable homes.
- Noted that a further report will be put forward in March **2016** with details of proposed sites for development on Council owned housing land following consultation with ward councillors and local residents.

1 March 2016, the Council

- approved the of a loan of £57.5m to Opendoor Homes, subject to approval of the establishment of Opendoor Homes as a Registered Provider by the Homes and Communities Agency
- resolved that authority be delegated to the Council's Section 151 Officer to increase the loan amount up to £65m during the draw down period, if needed to provide contingency for unanticipated increases in costs over the life of the development programme.
- resolved that authority be delegated to the Council's Section 151 Officer; in consultation with HB Public Law and other professional advisors as appropriate, to agree the legal documentation to support the loan, including the Loan Agreement and Development Agreement.
- resolved that authority be delegated to the Council's Section 151 Officer, in consultation with HB Public Law, to authorise entering into the Agreements on behalf of the Council and to do such acts as are reasonably required to give effect to the Agreements.

17 March 2016 ARG

- Approved the outline business case for Opendoor Homes, a subsidiary of Barnet Homes, to make planning applications with a view to developing 170 homes on Housing Revenue Account land for affordable rents.
- Approved the location of the sites included in Phase 1 of the development programme
- Noted that a further report regarding sites for the second phase of this development programme would be brought to Committee in June 2016
- Provided authority to agree substitution of sites in the initial programme be delegated to the Commissioning Director, Growth & Development, subject to necessary due diligence and permissions and consultation with Ward Members.
- Noted a further report to approve the final Full Business Case for Phase 1 of the development programme will be brought to Committee in September 2016.

11 July 2017 ARG

- Approved the outline business case for Opendoor Homes, a subsidiary of Barnet Homes, and delegated authority to officers to make planning applications with a view to developing 150 homes for affordable rents
- Approved the location of the sites included in Phase 2 of the development programme
- Agreed substitution of sites in the programme is delegated to the Commissioning Director, Growth & Development, in consultation with the Chairman and subject to necessary due diligence and permissions and consultation with Ward Members.
- Agreed acquisition of homes for sale on the open market that may further enable the development of sites in the programme is delegated to the Commissioning Director, Growth & Development, in consultation with the Chairman subject to necessary due diligence and permissions.

- Noted a further report to approve the final Full Business Case for Phase 2 of the development programme would be brought to Committee in December 2016.

6 October 2016

Policy and Resources Committee approved a further advance of £900,000 to be made available to Barnet Homes to fund consultants' fees in anticipation of HCA registration in December 2016

5.5 Risk Management

5.5.1 The key risks for the project are concerned with

- **Finance** – that the costs of developing the sites are too high: building price escalation and cannot be contained within the business plan taking account of the contingency sums available

Mitigation – a number of financial scenarios have been modelled to prove that the Opendoor Homes business plan can contain cost increases. The loan agreement allows for further contingency borrowing.

- **Loan repayment** – that the loan becomes unaffordable to Opendoor Homes and default of payment arises

Mitigation – the business plan allows for sufficient deductions to be made from rental income, including a realistic assessment of voids, management and maintenance allowances, major repairs sinking fund and service charge costs.

- **Programme delay** – incurring increased loan interest costs without rental income

Mitigation - The project team will monitor the progress of works on site, anticipating problems and managing solutions. Sanctions (LADs) will be put in place to ensure that works are kept to programme

- **Future Government policy** regarding affordable housing rents or other significant changes of legislation

Mitigation – the business plan allows for a certain amount of rent control but a prolonged rent freeze would require the business plan to be remodelled and repayment terms renegotiated.

- **Contractor failure** – contractors become insolvent or are affected by wider economic uncertainty

Mitigation - The financial status of contractors will be scrutinised and performance bonds put in place to cover the additional costs of contractors going into liquidation

- **Delay** in achieving Registered Provider status

Mitigation - The HCA has approved the first stage of the registration process. The programme could commence by transferring the first three sites to Opendoor Homes and commencing construction using HRA funds and Right to Buy receipts.

- **HCA fails to confirm Opendoor Homes' status as a Registered Provider**

Mitigation - In the extremely unlikely event that registration is not forthcoming, Opendoor Homes will transfer back to the Council those sites, which had been transferred to Opendoor Homes prior to achievement of Registered Provider status, and continue to build them out as development agent. Such transfer back provisions will be secured in a specific development agreement and transfer. This is only relevant to those sites transferred prior to ODH achieving RP status.

5.5.2 A risk register has been compiled, in order to monitor risk and action taken to mitigate risk.

5.5.3 All risk will be managed by LBB in its role as funder and Opendoor Homes in its role as a regulated Registered Provider. Risks will be escalated through the governance arrangement outlined in the project structure chart. High risks will be reported to LBB through regular highlight reports and financial returns.

5.5.4 The business plan has been subjected to external validation and stress testing to understand the potential impact of these risks and the potential mitigations that could be brought forward to manage them.

5.6 Equalities and Diversity

5.6.1 A full equalities impact assessment was completed for The Housing Strategy 2015-2025 which identified that the Strategy would have a positive impact on all sections of Barnet's Community.

5.6.2 Allocation of properties acquired will be made in accordance with the Council's Housing Allocations Policy. Analysis of data has shown that women and members of Barnet's black and minority ethnic communities are over represented among those living in temporary accommodation. Over 70% of households in temporary accommodation are from non-white households, compared to around 40% of the Borough's population as a whole. Of those in temporary accommodation the main applicant is female in 65% of households.

5.6.3 It is not expected that these groups will be adversely affected by implementing the policies set out in this report. However the impact will be monitored to ensure that these groups are not adversely affected.

All units of accommodation that are procured will meet minimum standards and in placing households into accommodation out of the borough the Council will consider the needs of protected groups.

5.6.4 Ten per cent of the homes to be built will be suitable for wheelchair users. All houses and ground floor flats will be built to Lifetime Homes standards. The new affordable housing units delivered by Opendoor Homes will be let in accordance with the Council's Allocations scheme, which has been subject to a full equalities impact assessment which included extensive consultation with residents, housing applicants and other stakeholders, including local Housing Associations and third sector organisations.

5.6.5 A full equalities impact assessment was completed for The Housing Strategy 2015-2025 which identified that the Strategy would have a positive impact on all sections of Barnet's Community.

5.6.6 The proposals in this report do not raise any negative impacts for equalities and demonstrate that the Council has paid due regard to equalities as required by the legislation. The proposals anticipate a positive impact for residents because they:

- Underline the Council's aim that all residents from our diverse communities – the young, old, disabled people and those on low incomes – benefit from the opportunities of growth.
- Contribute to Barnet's commitment to fairness - to be mindful of the concept of fairness and in particular, of disadvantaged communities - which was adopted at Policy and Resources Committee in June 2014.
- Form part of Barnet's Housing Strategy 2015-2025 which includes the objective to deliver homes that people can afford.
- Provide homes for people who are homeless and may be currently disadvantaged.

5.7 Consultation and Engagement

5.7.1 A Stakeholder Engagement Plan has been prepared. The plan has been followed in respect of planning applications already sought and:

- Sets up a stakeholder engagement team
- Identifies key stakeholders
- Maps sites by ward and potential political sensitivities
- Reviews housing management concerns
- Combines an assessment and preparation of a risk register
- Agrees a bespoke engagement plan for each site
- Briefing of relevant ward members and committee chair, shadow chair and senior member

5.7.2 Public consultations have taken place before a planning application for each site. This has been a useful learning experience and the views of those consultees have been taken into account where feasible.

5.8 Insight

5.8.1 The Council's Housing Strategy, which identifies the need for new affordable homes, is supported by a comprehensive evidence base, including a Housing Needs Assessment and a study of affordability carried out by the Council's insight team.

6 BACKGROUND PAPERS

- 6.1.1 Cabinet Resources Committee, 24 June 2013, 'Local Authority New Housing Programme'<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=151&MId=7457&Ver=4>
- 6.1.2 Assets Regeneration and Growth Committee, 9 July 2014, Strategic Asset Management Plan
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=7960&Ver=4> .
- 6.1.3 Assets Regeneration and Growth Committee, 8th September 2014, Strategic Asset Management Plan
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=7885&Ver=4>
- 6.1.4 Assets Regeneration and Growth Committee, 15 December 2014, Strategic Asset Management Plan
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=7886&Ver=4>
- 6.2 Assets Regeneration and Growth Committee, 15 December 2014, Local Authority New Housing Programme (Barnet Homes)
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=7886&Ver=4>
- 6.3 Council, 20 October 2015, Report of Policy and Resources Committee – The Barnet Group – Creation of new legal entity and subsidiary
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8340&Ver=4>
- 6.4 Council, 20 October 2015, Report of Housing Committee – Housing Strategy and Commissioning Plan
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8340&Ver=4>
- 6.5 Housing Committee, 19 October 2015, Housing Revenue Account (HRA) Business Plan
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=699&MId=8268&Ver=4>

- 6.6 Assets Regeneration and Growth Committee, 30 November 2015, Housing Development Pipeline- Barnet Homes
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=8311&Ver=4>
- 6.7 Policy and Resources Committee, 16 February 2016, Loan to Barnet Homes' Registered Provider (Opendoor Homes) for the development of new affordable homes
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8351&Ver=4>
- 6.8 Assets, Regeneration and Growth Committee, 17 March 2016, Development of new affordable homes by Barnet Homes Registered Provider ("Opendoor Homes")
<http://barnet.moderngov.co.uk/documents/s30501/Development%20of%20new%20affordable%20homes%20by%20Barnet%20Homes%20Registered%20Provider.pdf>
- 6.9 Delegated Powers Report, 2 June 2016 Commissioning Director of Growth and Regeneration approved the substitution of some sites within the programme in order to ensure outcome targets can be met.
- 6.10 Assets, Regeneration and Growth Committee, 11 July 2016, Development of new affordable homes by Barnet Homes Registered Provider ("Opendoor Homes")
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=8881&Ver=4>
- 6.11 Approval was received from Policy and Resources Committee on 1 December 2016 for £8m for the Development Pipeline Tranche 3 HRA. This will be funded by Right to Buy Receipts of £2.4m (30%) and £5.6m HRA (70%).

Appendix 1A - Tranche 3 sites

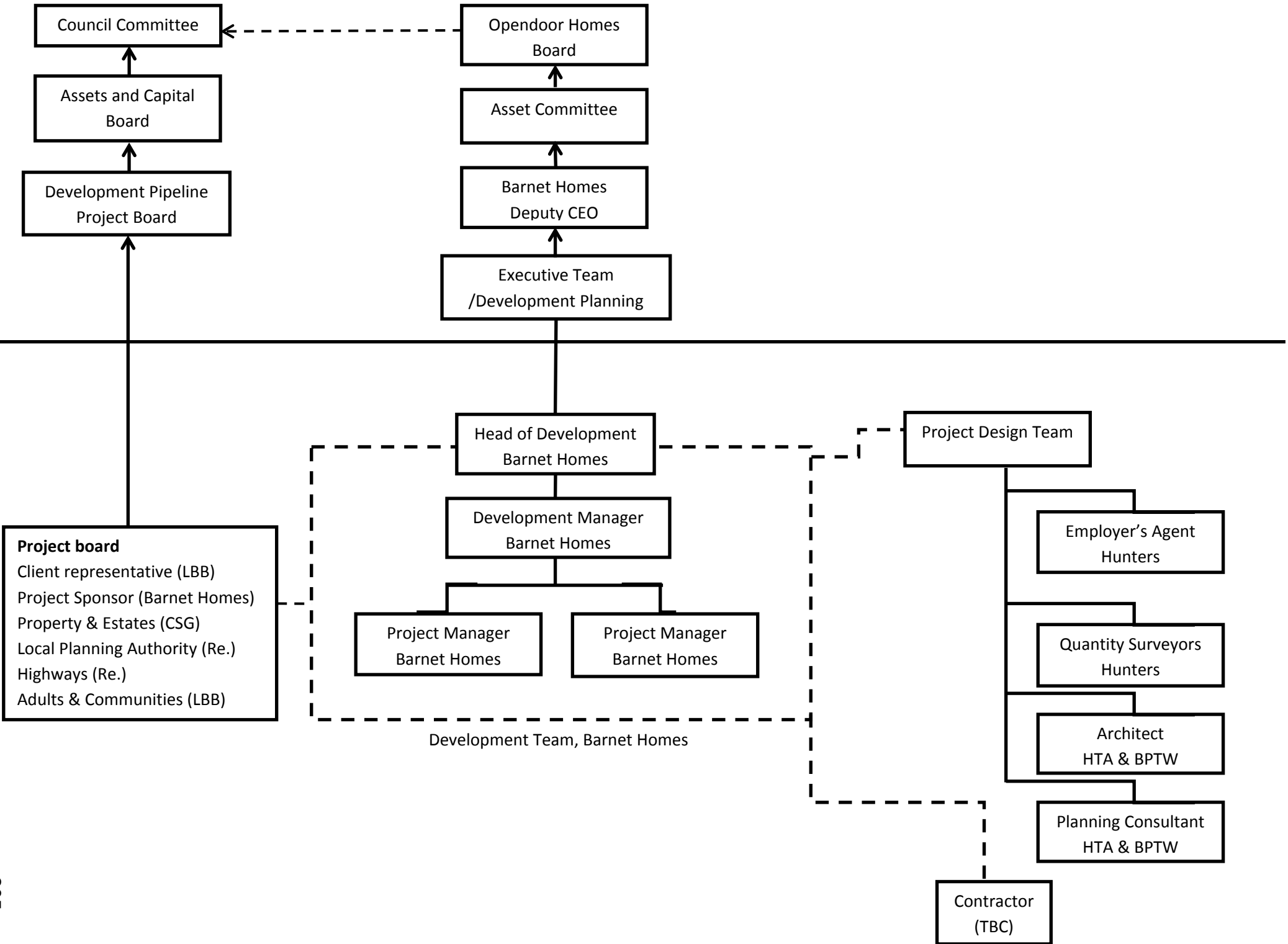
	Postcode	Ward	General Fund/HRA	Current Use	No. of units proposed	M2
Back Lane	HA8 0HS	Burnt Oak	HRA	demolished garages	4	347
Basing Way Garages	N3 3DB	Finchley Church End	HRA	garages	14	1,150
Elmshurst Crescent	N2 0LN	East Finchley	HRA	garages	13	1,194
Sheaveshill Court	NW9 6SJ	Colindale	HRA	garages	34	2,756
Hanshaw Drive	HA8 0AP	Burnt Oak	HRA	garages	6	642
The Croft	HA8 0FH	Burnt Oak	G/F	temporary accommodation	36	2,796
Linden / Pine Rd	N11 1ER	Brunswick Park	HRA	garages	6	521
Adamson Court	N2 9BW	East Finchley	G/F	temporary accommodation	12	905
Norfolk Close	N2 8ET	East Finchley	HRA	amenity space	8	643
Burnt Oak Registry Of	HA8 0AU	Burnt Oak	G/F	redundant registry office	32	2,560
Friern Court	N20 0NJ	Totteridge	HRA	amenity space	12	905
Basing Way Green	N3 3DB	Finchley Church End	HRA	open space	43	3,405
Summers Lane	N12 0JY	Woodhouse	G/F	temporary accommodation	9	720
Prospect Ring	N2 8BP	East Finchley	HRA	amenity space	42	3,360
Warwick Close	EN4 9SF	East Barnet	HRA	garages	6	423
Alexandra Road	N10 2EY	Haringey	HRA	garages	4	332
West Close Garages	EN5 3BY	Underhill	HRA	garages	3	249
West Farm Place	EN4 9DS	East Barnet	HRA	garages	4	314
Brunswick Park Road	N11 1JH	Brunswick park	HRA	house and garden	8	664
Underhill Court	EN5 2BD	Underhill	HRA	amenity space	4	358
Church End Library	N3 1SA	Finchley Church End	G/F	redundant library	20	1,600
					320	25,844

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Governance

Operations



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	<p>Assets, Regeneration and Growth Committee</p> <p>12 December 2016</p>
<p style="text-align: right;">Title</p>	<p>Entrepreneurial Barnet - Annual Update and Forward Plan</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director, Growth and Development</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix One: Business Failure Analysis summary findings</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Luke Ward, Commissioning Lead - Entrepreneurial Barnet, Growth & Development Email: luke.ward@barnet.gov.uk, Telephone:020 8359 2672</p>

<p>Summary</p>
<p>This report provides an update on progress towards delivering the 2016 programme of activity for Entrepreneurial Barnet, which the Committee approved on 15 December 2014. It sets out progress against each of Entrepreneurial Barnet’s five theme areas, including describing key activities that have been completed so far and areas where further activity will be undertaken in 2017. It also sets out a forward plan of decisions to be made in the year ahead.</p>

<p>Recommendations</p>
<p>1. That the Committee note the progress of Entrepreneurial Barnet in 2016.</p>
<p>2. That the Committee note the forward work plan set out on page 10 of this report and identify any additional items that it would like to be incorporated into it or to return to a future meeting.</p>

WHY THIS REPORT IS NEEDED

- 1.1 This report sets out progress to date and planned future activities associated with Entrepreneurial Barnet, which is the borough's cross-public sector approach to becoming the best place in London to be a small business. The Committee agreed to receive an annual progress report when it approved Entrepreneurial Barnet on 15 December 2014 and this paper represents the second such update, the previous one being considered at its meeting on 30 November 2016.
- 1.2 Entrepreneurial Barnet is divided into five theme areas, each having an associated set of actions and outcomes: A. Getting the basics right B. A great place to live, work and invest C. Skilled employees and entrepreneurs D. Improving access to markets E. Facilitating business growth.
- 1.3 This update is divided into **two broad sections**. **The first** provides an overview of progress against each of the five theme areas set out above. **The second** presents a forward plan detailing key activities and decisions anticipated or planned in 2017.
- 1.4 Entrepreneurial Barnet brings together a range of different activities. Some of these are new and reflect the opportunities to strengthen coordination across the public sector that have been created by the framework that Entrepreneurial Barnet provides e.g. in relation to securing new external funding for supporting town centres, or closer working to create apprenticeships. Others reflect areas of existing activity that were previously occurring within services but have a wider value to the Barnet economy and businesses.

2. PROGRESS OF ENTREPRENEURIAL BARNET IN 2016

- 2.1 This section provides an update on progress delivering Entrepreneurial Barnet over the previous year. It includes outlining progress on individual projects, and also identifies the small number of areas not yet completed that had been expected by this time, and what is being done to ensure they are delivered.

THEME A: Getting the basics right

- 2.2 Theme A relates to the way businesses interact with the council and public services on a day to day basis, including how they find information about core council services like planning applications and environmental health, as well as more specific information on things like how to take on new members of staff. This theme increasingly recognises the potential of technology to making life easier for business and to reduce costs associated with a joined up "back office" within the council.
- 2.3 ***Improved customer access***
- 2.4 **The business pages of the council underwent a full refresh and relaunch in the first part of 2016**, following a process of engagement with businesses to understand what information they valued most, and with Re, to ensure that the areas of greatest

focus on the new web pages reflected the most common sorts of transactions that local businesses have with the council. For instance, licences, paying Business Rates, and permits. The goal is to increasingly treat businesses and entrepreneurs as customers, with similar status to residents and similarly high levels of satisfaction. The new business pages can be found at: <https://www.barnet.gov.uk/citizen-home/business.html>.

- 2.5 **Business queries** to the council associated with business support and advice continue to be actively monitored and responded to. Where we can address business queries within the council this is now happening, and for those that are less specific to council services we have built an effective working relationship with local business networks and groupings such as the Federation of Small Businesses and the Wohl Enterprise Centre.
- 2.7 We undertook a successful pilot for a **“Fast Track” planning service**, making it easier for developers to get building quickly. This service will now be embedded in to the core service provided by Re.
- 2.6 We are engaging regularly with major developers about the need to deliver schemes that create new apprenticeships and jobs through **Section 106 agreements**, as well as new high quality public realm that meets the needs of local businesses and residents.
- 2.8 Key areas of focus for this theme next year (details in the Forward Plan)
- Developing a refreshed “Local Plan” for Barnet that has a greater focus on supporting businesses, employment and education space, particularly close to town centres.
 - Strengthening the link between Entrepreneurial Barnet and the council’s “Customer Transformation Strategy”, to embed a more customer focused and technologically enabled approach to all aspects of business transactions with the council.
 - Continued close working with local business networks to ensure the council understands and is able to respond to the top issues and barriers to growth faced by local businesses, and as a place for business queries to be referred to when they are outside the scope of council activity.

3.1 THEME B: A great place to live, work and invest

- 3.2 This theme is about making Barnet a place where people want to live and work, and businesses want to invest, through improving town centres and making the most of the economic opportunities presented by regeneration in the borough.
- 3.3 *Thriving town centres that people want to live in, work and spend time in***
- 3.4 In 2015 the Committee identified the seven **“main” town centres** as hubs for future growth based on an analysis of their size and economic characteristics. 2016 has

seen this approach embed across council decision making and resource allocation, and the development of plans being either started or planned for each of the main town centres. Specific achievements in 2016 have been:

- **“Town Centre Offer”**: a tailored offer has been developed setting out how we will work with local groups of residents, businesses and groups in different types of Town Centre. The intention is to equip different areas with all the tools and information they need to take greater leadership over their local area on a range of areas such as external funding, events, and markets. Based on the initial success of this approach the offer is currently being expanded to include new topics such as how to secure more locally tailored Christmas lighting, and how to secure a town notice board. The Town Centre Offer can be found at: <https://www.barnet.gov.uk/citizen-home/housing-and-community/town-teams.html>.
- **Burnt Oak – Forward Together**: In 2015 the council secured £300,000 from the GLA (plus an additional £300,000 of council match funding) to develop and deliver a new strategy for improving Burnt Oak Town Centre. The final strategy is currently being publicly consulted on at <https://engage.barnet.gov.uk/> and will be published in final form by January 2016.
- **Finchley Church End Plan**: The council has commissioned the development of a comprehensive and locally-rooted long-term plan for improving Finchley Church End (also known as Finchley Central) main town centre. This plan is currently at an advanced stage of development, and work is now being undertaken to incorporate feedback received at a public consultation event that took place in the town centre on 30 November 2016, attended by 50 people. The final strategy will be consulted on in early 2017, to be published by March 2017 and embedded into future council planning activity.
- **Golders Green and Edgware**: Initial work has been undertaken in 2016 in anticipation of significant developments in both in 2017. Both the GLA and TfL are also engaged with this work, which will result in the delivery of new town centre frameworks for both in 2017 (see para 3.8).
- The Town Centre Offer has been applied notably and successfully in Mill Hill Ward, where the Mill Hill Neighbourhood Forum has worked with the council and the GLA to raise over £60,000 to improve **the Salcombe Gardens shop fronts**.
- **Deansbrook Road**: This is a smaller local centre located between Mill Hill and Burnt Oak. Following the guidance set out in the Town Centre Offer above, local ward councillors submitted a bid to the Hendon Area Committee on 26 October 2016 to improve footfall to the area which was approved. It is expected that improved signage to and from Deansbrook Road will be implemented in the first half of 2017 following the completion of a short feasibility study that’s being funded through the Area Committee budget.

3.5 Key areas for this theme next year (details in the Forward Plan)

- We will work with the GLA to jointly develop and fund town centre frameworks for **improving Edgware and Golders Green town centres** in a way that reflects the significant infrastructure and housing potential of these two areas in the coming years.
- Resources will be secured to implement the delivery of the forthcoming **Finchley Church End** Strategy.
- We will ensure that our approach to supporting town centres and town centre businesses is increasingly reflected in the council's key planning guidance policies, in particular the forthcoming Local Plan and the new Corporate Plan.
- We will continue to support **Town Teams and other local groups** such as neighbourhood forums to take a greater leadership role in their local areas
- We will continue to explore **innovative new approaches and models for improving our town centres** and to securing investment in them.
- Building on its initial success, we will expand the types of guidance available to local groups such as town teams in the **Town Centre Offer**.

3.6 *Fit for purpose infrastructure and transport networks*

- 3.7 2016 saw significant investment in new technology in the borough that will make it easier for residents and businesses to thrive. **The council secured an investment of £20m from Virgin Broadband to deliver a new high speed broadband to 40,000 homes in the west of the borough** between Friern Barnet and Chipping Barnet (and including much of both these areas). Virgin has noted that the Entrepreneurial Barnet approach positively influenced their decision to invest in Barnet. Physical works are expected to start in early 2017 and to be completed by the end of 2017.

3.8 Key areas for this theme next year (details in the Forward Plan)

- We will continue to promote the **use of technology to improve town centres** and local growth, particularly in relation to making parking easier, improving access by businesses and residents to high speed broadband, and to using technology to improve the experience businesses have when undertaking transactions with the council.
- We will work with TfL and the GLA to ensure that planned **infrastructure investments in Golders Green and Edgware town centres** are undertaken in a way that benefits Barnet businesses and residents.
- More broadly, we will work to protect the unique characteristics of the borough's different town centres, preserving what's best, making improvements where possible, and addressing longer-term weaknesses or issues of concern to local traders and residents.
- Delivery of **high speed broadband to 40,000 homes** in the borough through Virgin's "Project Lightning".

4.1 **THEME C: Skilled Employees and Entrepreneurs**

4.2 This theme focuses on skills development and employment support in the borough, recognising that having a workforce with the right skills, behaviours and a sense of entrepreneurialism is essential to unlocking economic growth.

4.3 ***Supporting residents to develop the skills they need to succeed***

4.4 Supporting workless residents into sustainable employment is a key outcome of Entrepreneurial Barnet, and a number of new initiatives this year have driven some positive progress in this area;

- The **WorkFinder** project, delivered by Groundwork, was launched in April 2015 and is designed to support 55 long-term unemployed residents into work over a 2 year period with a focus on the Barnet regeneration estates. The has achieved 32 into work outcomes so far, with further Barnet residents having been supported into work through local work clubs, delivered as part of the project.
- **S106 Employment and Training obligations** outline that property developers make provision to train Barnet residents. Partnership working enables Barnet applicants to enter employment and training with a range of developers and training providers. Construction Training Initiative (CTI) obligations for work placement may also be included.
- **Support on regeneration estates is providing a coordinated skills and employment offer** in Dollis Valley, Stonegrove and Grahame Park, with an additional service to be implemented in West Hendon.
- Along with other West London Alliance boroughs we have piloted a community rooted jobs team in Burnt Oak. The multi-agency team, called **BOOST provides support for long-term unemployed and aims to increase incomes**. As of October this year, 654 people have signed up to BOOST and 258 have found employment under the BOOST project.
- The multi-agency **Welfare Reform Task Force have continued to provide support to residents affected by Welfare Reforms**.
- There has been continued investment by Public Health in health and employment support for people with mental health needs.

4.5 ***Working with employers to develop a skilled workforce***

4.6 The council and its partners continue to work together through Entrepreneurial Barnet to ensure that education and skills provision locally meets the needs of employers and that those who live or study in Barnet have opportunities to develop the skills the market demands.

4.7 The **Opportunities for Young People** project was launched in 2015 in partnership with the West London Alliance. In September 2015 new targeted support programmes for young people aged 14-18 at risk of becoming Not in Employment, Education or Training (NEET) were trialled. The success of the programme is currently being evaluated. Key findings to date have included:

- 113 pupils at risk of becoming NEET engaged with in Barnet
 - Models of delivery in re-engagement programmes that involved a wrap-around service across organisational boundaries were a success
 - Employer engagement was an important aspect of the project
- 4.8 A key emerging recommendation from the research is that the Project is scalable and should be rolled out to more schools across West London.
- 4.9 This year, Barnet has worked with colleagues across the West London sub-region to understand the skills needed in the West London economy and how best to deliver them, as part of a national **review of post-16 education and training** institutions. The review recognises that we need to work together to provide a clear message for colleges operating in West London, including Barnet and Southgate College, about the skills demanded by our residents and businesses.
- 4.10 Our approach to the area review has provided a valuable opportunity to think strategically about the role of the further education sector in the economy. National government has recognised the importance of this strategic approach and the strength of the existing West London Alliance and so agreed that the review in West London could be led locally, with Barnet taking a leading role.
- 4.11 The London-wide area review will be concluding at the end of 2016. Barnet, along with our colleagues in the Further Education sector are committed to continuing the work started by the area review to work together to ensure residents and businesses have the skills they need to thrive well into the future.
- 4.12 In April 2017 the national “**Apprenticeship Levy**” will come in to force, requiring any organisation (both private and public sector) with a pay bill in excess of £3m per annum to allocate a percentage of its budget to the delivery of apprenticeships. We will work with employers in Barnet as well as education providers to ensure that we respond effectively to the opportunities presented by the Levy to create quality careers for residents.
- 4.13 Alongside the Area Review, the Chancellor of the Exchequer announced in the 2016 Autumn Statement that government funding for the national Work and Health programme would be devolved to West London. Barnet will work alongside its partners West London Alliance boroughs through the West London Economic Prosperity Board to establish a sub-regional skills commissioning function that focuses on engaging with employers to understand current and future skills needs in the population, and colleges to ensure a high quality workforce with the skills to succeed.
- 4.14 Encouraging a culture of entrepreneurship**
- 4.15 Finally, we are currently running the second annual “**Entrepreneurial Barnet competition**” in partnership with Middlesex University and Barnet and Southgate College. The intention is to give local people and students who are either thinking of starting a business or have recently established one the opportunity present their

business care to a professional panel, and to win a cash prize that has been donated by a private sponsor.

- 4.16 Barnet and Southgate College are working with Hammerson and Microsoft to deliver a two week **Pop Up Business School** for budding entrepreneurs in December 2016. This interactive and engaging programme will support people to get their business ideas off the ground.

4.17 A healthier workforce

The Barnet Public Health team have promoted the London Healthy Workplace Charter amongst local businesses. In November 2016 a 'Health and Wellbeing in the Workplace' business engagement event promoted the charter and other tools available for businesses to promote health and wellbeing. The Public Health team have also produced a web page to share resources.

- 4.18 Areas not yet completed that should have been

- The West London Alliance trailblazer scheme for better coordinated mental health and employment services, which places employment advisors in local mental health teams, is due to launch in December 2016.
- As part of the Healthy Workplace Charter, the London Digital Mental Wellbeing service, commissioned by Barnet Council, has been delayed and will go live by Summer 2017 This resource will be shared with local businesses as part of ongoing engagement work around the healthy workplace agenda.

4.19 Key areas for this theme next year (details in the Forward Plan)

- Work with sub-regional partners to explore opportunities for further investment into health and work support.
- Support employers and public services (including the council) to make best use of the Apprenticeship Levy to deliver high quality apprentice opportunities.
- Implement the West London Alliance Skills Escalator model to support those in low wages to increase their income through wage progression.

THEME D: Access to Markets

- 5.1 This theme relates to supporting businesses and voluntary sector organisations to access public sector contracts and procurement activity, and generally to engage with the local supply chain.

- 5.2 Over the last year, significant progress has been made in these areas, including;

- A number of **business events** have been undertaken over the year, engaging with over 200 businesses in total and giving information and training about how to access the council supply chain through the Procurement Portal.

- In November 2016 the council and its partners in CSG agreed to develop a new Barnet **Business Directory** with Burrows Communications. This directory will be in place in by Autumn 2017 along with a “**Barnet Business” Magazine and website**, providing a highly accessible, professional “front door” for businesses and entrepreneurs looking to locate to or invest in the borough. This activity will be supported by advertising and so will not have any associated cost to the council or wider public sector.
- Council officers continue to **attend regular meetings of the North London Federation of Small Businesses** to address any queries from local businesses relating to procurement or supply chain issues, and to provide an accessible way for businesses to engage with the council.

5.3 Key areas for this theme next year will be in completing the Barnet Business Directory and magazine, increasing the value of council spend with local suppliers, and continuing to engage with and be accessible to local businesses that want to engage with the local supply chain. A review of the councils procurement priorities will also be undertaken in 2017, with the aim of improving the involvement of local businesses with the council supply chain.

THEME E: Business Growth

6.1 This theme is about making sure that businesses and entrepreneurs who are looking to either establish themselves or grow have access to the information, advice, space, and networks they need to do this. In 2016 the following activity has taken place:

6.2 *Businesses able to access the support they need*

6.3 2016 has seen significant progress made in the development of a Barnet “**Business Hub**” that will in 2017 make **work space available to micro-businesses and entrepreneurs** in the Borough through the council’s Localities Strategy, using available space in some council buildings located in or close to the boroughs larger town centres. Alongside this there will also be a strand of activity to provide mentoring and business support services to local businesses, independently of the physical workspace.

6.4 In addition, a portion of the ground floor of the council’s **new offices in Colindale** will be made available to local start-ups and micro-enterprises, once construction has been completed in 2018.

6.5 The intention is that council officers will engage with external organisations with proven experience running such spaces and an exercise will be undertaken to identify the most appropriate one.

6.6 In addition to creating incubator space for local entrepreneurs, this programme will provide an income generating opportunity for the council in the form of rent generated by its estate.

6.7 Finally, the Committee will note it’s previous discussions about **high growth potential “Gazelle” businesses** and the need to identify these and support them to expand. The intention is that these businesses may be given access to business hub spaces at a subsidised rate and also provided with additional support such as

business mentoring and marketing advice to support their success within the borough.

6.8 In addition, 2017 saw the completion of an insight project (summary in appendix one of this report) to understand the cause of the relatively high rate of business failure in Barnet. This analysis has been completed. The core message from this analysis is the borough's relatively high business failure rate is because there are higher levels of the sorts of businesses that tend to fail than the London Average, not that it is less friendly to business on average. This finding is useful because it allows us to focus attention on identifying and supporting high growth potential businesses, rather than on addressing business failure which does not appear to be a cause for concern but rather a product of the borough's particular mix of businesses.

6.10 Key areas for this theme next year (details in the Forward Plan)

- Delivery of a network of **small business incubator spaces** in the borough making use of under-utilised council buildings located in town centres. A more detailed report on this will return to the committee for its consideration in mid-2017.

7.0 Items in last year's forward plan but not yet delivered:

Theme	Title	Description	When will it be completed by
E	Barnet Business Directory	Commission a printed business directory and website that local businesses can register with at no cost to the council. Local businesses have identified this as an important tool on a number of occasions	The agreement for developing this has now been signed and the business directory will be in place by September 2017
E	Implement business hub	Implement the business hub development as set out in 6.3 – 6.6	This will be delivered via the council's "Localities Strategy". It is anticipated the hubs will be in operation by November 2017.

8.1 FORWARD PLAN OF ACTIVITY FOR 2017

Theme	Title	Description	Timescale
A	Businesses finding it easy to transact with the council	Increasingly closer working with the wider council's "Customer Transformation Strategy" to embed a customer focused and technologically enabled approach to all aspects of business transactions with the council	Ongoing for several years, completion by 2019
A	Business engagement	Continued partnership working with local business networks to respond to	Ongoing

		business queries quickly and accurately as they arise and to ensure the council understands the key issues and concerns of the local business community.	
B	A Local Plan that supports local businesses and entrepreneurs	Focus on developing a refreshed “Local Plan” for Barnet that has a greater focus on employment space, town centres, and place-making, and is linked to the council’s Corporate Plan and resource allocation.	Throughout 2017
B	Town Centre Offer expansion	Building on its initial success, we will expand the types of guidance available to local groups such as town teams in the Town Centre Offer. New guidance will include how to access funding, how to get hanging baskets and town notice boards, and Christmas lighting.	January 2017
B	Finchley Church End (Finchley Central)	Completion of a Town Centre Strategy for Finchley Church End that recognises the future growth potential of the local area. Work with GLA to secure resources to implement the strategy.	March 2017
B	Implementation of Burnt Oak Project	Following a significant period of consultation in 2016, the implementation of the Burnt Oak strategy will see the completion of the Burnt Oak Project including the delivery of public realm interventions.	March 2017
B	North Finchley	The creation of a North Finchley Town Centre Area Framework SPD will provide the scope to gather additional evidence to make recommendations on the shape of proposed developments within the town centre and support the ongoing prosperity of the North Finchley Town Centre.	Commencing in 2017, ongoing for several years.
B	Town Centres and Transport Infrastructure	We will work with TFL and the GLA to ensure that planned investments in Golders Green and Edgware town centres are undertaken in a way that benefits Barnet businesses and residents.	On-going
B	Using technology to support growth	We will continue to develop our “smart cities” approach to use technology to improve town centres and local growth, particularly in relation to making parking easier, improving access by businesses and residents to high speed broadband, and to using technology to improve the experience businesses have when undertaking transactions with the council	On-going

C	Apprenticeship Levy	Large employers make good use of their levy and smaller businesses benefit from the co-investment model	From April 2017
C	mental health and employment trailblazer	An externally funded programme to support people with common mental illness back to work using an evidence based programme	December 2016
C	Social investment in health and work	Additional investment into employment support for those with health barriers to employment	Ongoing
C	Launch of the Skills escalator	Support for people who are on a low wage through IAG and access to a training budget	January 2017
D	Business Directory	Completion of Barnet Business Directory and magazine	September 2017
E	Business incubator space	Delivery of business hubs across Barnet in 2017 making maximum use if under-utilised council buildings	October 2017
E	Council Offices in Colindale	Creation of small business space in part of the ground floor of the councils new offices in Colindale, once it is completed in 2018.	2018
E	Business Competition 2017	This will be the third year that this competition, delivered in partnership with Middlesex University and Barnet & Southgate College, has taken place	December 2017
E	Business Support Service	In conjunction with the business workspace offering, the borough will implement a business support service initially targeting high growth potential "gazelle" businesses, offering targeted support to these businesses to support their success in the borough. The exact provision of services will be developed alongside the development of the workspace provision to ensure that duplication of offering is minimised.	November 2017
E	Economic Insight Research	Following on from research completed this year into business failure (see Appendix One), we will refresh the evidence base for Barnet's economy to better understand the businesses, residents and economic drivers in the borough.	December 2017

9.1 REASONS FOR RECOMMENDATIONS

9.2 Entrepreneurial Barnet is focused on delivering a range of activities that will collectively make the borough the best place in London to be a small business. This annual update reflects progress made in year two of the five year life of Entrepreneurial Barnet. It is appropriate to recommend that the progress to date is noted and proposals in the Forward Plan are agreed and implemented.

9.3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

9.4 The purpose of this annual update is to enable the Committee to review progress and to consider the forward plan. The alternative is not to give an annual update which would weaken the ability of the Committee to track progress and ensure the Entrepreneurial Barnet strategy is delivered along the lines it agreed in December 2014.

9.5 POST DECISION IMPLEMENTATION

9.6 Following the Committee, work will commence to deliver the objectives within the forward plan and the individual areas of activity within each theme. Partnership work is essential in achieving the objectives set out in Entrepreneurial Barnet and work will continue with Middlesex University, Barnet and Southgate College, the Department for Work and Pensions, and Barnet Homes.

9.7 Individual decisions relating to particular elements of the 2017 work plan will return to the committee on a case-by-case basis.

9.8 IMPLICATIONS OF DECISION

9.9 Corporate Priorities and Performance

9.10 The implementation of Entrepreneurial Barnet directly supports the delivery of the Corporate Plan 2016-2021, particularly the following priority areas:

- There will be a broad offer of skills and employment programmes for all ages
- Residents will see a responsible approach to regeneration, with thousands of new homes built and job opportunities created
- Barnet's local environment will be clean and attractive, with well maintained roads and pavements, flowing traffic, increased recycling and less waste sent to landfill

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

9.12 Specific areas within Entrepreneurial Barnet that have financial implications (e.g. business hubs) will be brought to the Assets, Regeneration and Growth

Committee on a case by case basis. The current work programme is being managed within existing council resources.

9.13 Social Value

9.14 The Public Services (Social Value) Act 2013 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

9.15 The Entrepreneurial Barnet strategy contributes social value through improving people's experience of public space and town centres, creating jobs and supporting residents into employment, improving education, promoting health and wellbeing, and ensuring local businesses are able to engage with the council and secure and sustain council contracts.

9.16 Legal and Constitutional References

9.17 There are no specific legal issues associated with this Annual update. The proposals are in line with the Localism Act (2011), and particularly the General Power of Competence given to local authorities.

9.18 Council Constitution, Responsibility for Functions, Annex A- details the terms of reference of the Assets, Regeneration and Growth Committee-which includes 'Engagement with the business community and measures to support local business' and 'To approve any non-statutory plan or strategy within the remit of the Committee that is not reserved for Full Council or Policy and Resources.' In addition, Annex A –The Assets Regeneration and Growth Committee has responsibility for "Asset Management. – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council. Where there are land and property implications for the council, the authorisation thresholds and asset disposals must be authorised by the Assets Regeneration and Growth Committee. The committee has a role to develop strategies which maximise the financial opportunities of growth, and which promote skills and enterprise.

9.19 Risk Management

9.20 There is a risk that if the forward plan is not realised then the vision of Entrepreneurial Barnet will not be realised and the range of benefits as envisaged by the economic strategy e.g. higher business satisfaction with the council and the borough as a place to do business, or lower employment etc. will not come to fruition.

9.21 Equalities and Diversity

9.22 An EIA was undertaken on Entrepreneurial Barnet as a part of its

development in 2014, and the result was that a slight positive impact was identified from the analysis. Individual projects commissioned within the framework of Entrepreneurial Barnet will be equality impact assessed on a case-by-case basis.

9.23 Consultation and Engagement

9.24 No consultation or engagement was required as part of this decision and future consultation and engagement will take place for individual projects as required e.g. in relation to town centres improvements or business hubs.

9.24 Insight

9.25 Insight data has been used to inform the update on progress to date and to identify areas for improvement, for example to identify the reasons for business failure, or to understand the causes of unemployment in the borough. Barnet's Joint Strategic Needs Assessment (JSNA) is being used to inform decision making relating to Entrepreneurial Barnet, and can be found at: <https://www.barnet.gov.uk/jsna-home>

9.26 BACKGROUND PAPERS

- Assets, Regeneration and Growth Committee Report, 15 December 2014
<http://barnet.moderngov.co.uk/documents/s19842/Entrepreneurial%20Barnet%20Report%20-%20Publish.pdf>
- Assets, Regeneration and Growth Committee town centres Report, 16 March 2015
<https://barnet.moderngov.co.uk/documents/s21967/Town%20Centres%20in%20Barnet.pdf>
- Assets, Regeneration and Growth Committee Annual Report , 30 November 2015:
<https://barnet.moderngov.co.uk/documents/s27635/Entrepreneurial%20Barnet%20Annual%20Update.pdf>
- Entrepreneurial Barnet page on the council's website:
<https://www.barnet.gov.uk/citizen-home/business/Entrepreneurial-Barnet.html>

APPENDIX One: Business Failure Analysis summary findings

(attached separately)

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The drivers behind business births and deaths in Barnet

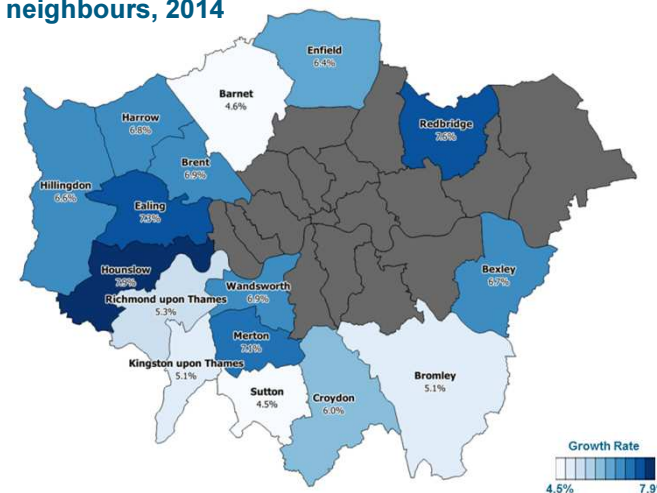
Objective

- To examine business growth in Barnet relative to other Local Authorities and to better understand the key drivers behind business births and deaths in the borough.

Key Findings – LA comparison

- Compared to other Local Authorities and ‘statistical neighbours’, Barnet has recorded lower rates of growth, driven by relatively high death and relatively low birth rates
- Barnet is over-represented in sectors associated with high death rates
- Increasing growth rates to match average growth rates could mean an additional £860K from Non-domestic business rates.

Growth rates, Barnet & its statistical neighbours, 2014



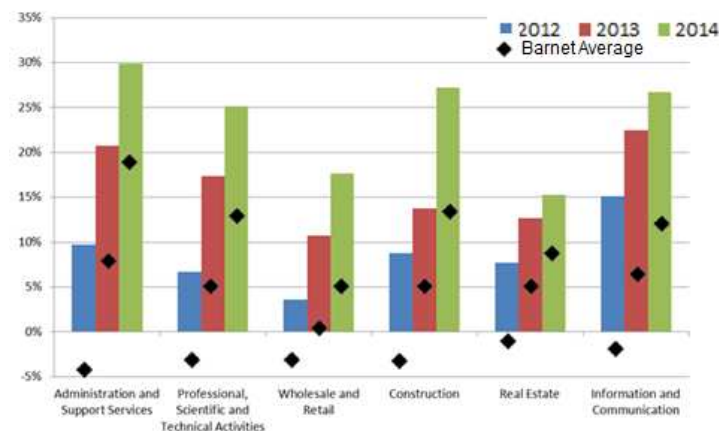
Key Findings – Drivers impacting Barnet’s growth

- The professional and businesses sectors recorded the highest birth and death rates. These sectors are associated with low costs of entry/exit and strong competition
- Regeneration areas showed significantly higher growth rates across sectors, with growth also spilling over into nearby areas
- More deprived areas showed higher death rates
- 17% of all businesses set up since 2011 closed within 3 years
- Business rates do not appear to have an impact on business survival

Recommendations

- Strategic Planning Documents should recognise the importance of regeneration areas in generating business growth, not just in these areas, but in neighbouring areas as well
- Non-domestic business rates do not appear to be a burden to small businesses and do not need to be addressed in any policy changes. However, there is a role in supporting businesses as they step up from owner-operator into a business with several employees
- The biggest impact on overall growth would be the targeting of key sectors within Barnet which show high birth but also high death rates – Administration & Support, Professional, Scientific & Technical Activities
- Strategies should focus on addressing the higher death rates in more deprived areas.

Year-on-year growth rates in regeneration areas



Customer and Support Group

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	<p>Assets Regeneration and Growth Committee</p> <p>12 December 2016</p>
<p>Title</p>	<p>Barnet Museum, Wood Street, EN5 4BE</p>
<p>Report of</p>	<p>Director of Resources</p>
<p>Wards</p>	<p>High Barnet, Underhill, East Barnet</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>No</p>
<p>Enclosures</p>	<ul style="list-style-type: none"> I. Appendix 1 - Heads of Terms II. Appendix 2 – Lease Plan III. Appendix 3 – Extract from Barnet Record Society Meeting 7th February 1938. IV. Appendix 4 – Evidence of National Accreditation V. Appendix 5 - BMHLS Strategy Paper 2016 Update
<p>Officer Contact Details</p>	<p>Chris Smith – Head of Estates Chris.smith@barnet.gov.uk</p> <p>Michael Gillespie – Lead Valuer Michael.gillespie@barnet.gov.uk</p>

Summary

The Barnet museum is being managed by the Barnet Museum and Local History Society (BMLHS), which is a voluntary organisation with Charitable Trust status and therefore regulated under that Charities Act. The BMLHS were initially the Barnet Record Society, and are currently managing the building and grounds, with the day to day building and running costs provided by various sources from within the BMLHS.

The Barnet Museum will given its age and location, require maintenance and investment to preserve and enhance the condition of the property over time. The building is used solely as a museum and was in effect donated to the Barnet Record Society in 1938 in perpetuity for that purpose. The Museum has also recently gained national accreditation. As a result, it is inappropriate to classify it as a community asset per se.

The recommendation of this report is to remove the property from the Community Asset Strategy and to obtain an in principle agreement to offer the BMLHS a 125 year lease of the building and the grounds within which it resides, at a peppercorn rent.

Such an agreement will be subject to a number of conditions to protect and preserve the property and to provide benefits to the community, and to maintain the property to a good state of repair, which will be economically advantageous for the Council and the wider community in the long term.

Recommendation

- 1. That the Committee approve the removal of the Barnet Museum from the Community Asset Strategy.**
- 2. That the committee approve the granting of a new 125 year lease in accordance with the Heads of Terms attached in appendix (1) and on the principle and terms detailed in this report.**
- 3. That authority be granted to the Director of Resources and the Chairman of ARG Committee, to take any further steps necessary to effect the grant of the lease, to be made in accordance with the Management of Assets, Property and Land Rules.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is needed to enable the Assets, Regeneration and Growth committee approve the removal of the Barnet Museum from the Community Asset Strategy.
- 1.2 To approve the proposed granting of a new 125 lease to the BMLHS in accordance with the Heads of Terms of Agreement appended at appendix (1)
- 1.3 To ensure the property no longer a financial burden to the Authority but also to enable the BMLHS to raise external funding that they cannot otherwise do, given the current arrangements.
- 1.4 The recommendations, set out in this report, will ensure that this asset, whilst leased to the BMLHS for 125 years, notwithstanding that the freehold is still retained by the Council, there will be a stringent forfeiture clause and various repairing clauses within the lease. These will be there to ensure that the asset is managed and maintained in an appropriate manner, and continues to benefit the wider community in the long term.

2. REASONS FOR RECOMMENDATION

- 2.1 The Community Asset Strategy (CAS) was agreed in July 2015, through Assets, Regeneration and Growth Committee, and the recommendation on

implementation of the methodology to be used, was approved by Policy & Resources Committee in June 2016

2.2 The CAS originally identified the museum as being part of that strategy but information presented by the BMLHS demonstrated that this was not the most appropriate designation for this asset, namely:

a. The Barnet Record Society (now the BMLHS) was granted occupation of No. 31 Wood Street in 1938 to constitute a Museum in perpetuity (see appendix 3)

b. The BMLHS obtained national accreditation as a museum from the Arts Council England on the 18th November 2010, as shown in appendix (4).

c. During this financial year the BMLHS have recently been granted, £98,200 from the Heritage Lottery Fund.

d. The building provides very specific benefits to the community i.e. the provision of museum facilities. The vast majority of assets contained within the CAS are activity based, be that sports, arts or community centres, whereas the Museum's main purpose is to maintain an archive and provide context to artefacts that form part of the heritage of the borough.

2.3 The principal objectives of the BMLHS and the museum itself is to:

a) collect, catalogue and conserve artefacts, documents, photographs and objects pertaining to the history of Barnet;

b) to interpret and research the collection;

c) to offer the collection to the public through exhibitions, online presentation, lectures, publications and responding to requests for information

2.4 It is essential therefore, in order to ensure the longevity and secure the future of the Museum as well as to fulfil the terms of the original occupational arrangement, to place the running of the facility within the hands of those dedicated to its preservation.

2.5 The property is not let under any formal tenancy but the Barnet Record Society, and its successor the BMLHS, have been using the building, as a museum, since 1938. Further, the property houses the collection of the Barnet Museum. Currently the BMLHS occupies the building under an informal arrangement managing the museum. It is critical therefore, that the BMLHS's occupancy is regularised as soon as possible in order to mitigate risks to both the tenants (BMLHS) and landlord (LBB).

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Regularising the Current Occupation with a short lease: The Council has in the past considered regularising the occupation of the BMLHS's occupation of the museum by issuing a shorter term lease. However this has given rise to a number of challenges, not least is that of the BMLHS not being able to raise funding by way of grants, due to the shortness of the proposed lease.

3.2 Leaving the operation of the Museum as per the current arrangements: This does not allow the Museum, or the BMLHS to potentially establish itself in the longer term. It also has financial implications for the BMLHS, in that they will be

prevented from raising external funding for capital projects, such as installing disabled access into the building.

4. POST DECISION IMPLEMENTATION

4.1 The Heads of Terms and extent of the property and land to be leased will be agreed and form the basis of the final Lease Agreement. This lease will contain a number of tenant covenants such as:

- a) Maintaining its charitable status,
- b) Not to assign the building to any organisation but only to the successors of the BMLHS or trust etc.
- c) That the lease will be subject to any other statutory consents required. e.g. Less than best transaction and potential for Secretary of State Approval.

The lease will also include other such clauses as deemed necessary to protect the building and its ongoing governance and compliance.

All of these documents shall be drafted by HB Public Law and signed off in accordance with the Management of Asset, Property and Land Rules.

4.2 The BMLHS have developed and published their business plans and have ambitions to operate the “Physic Well” in conjunction with the Museum. This will be the subject of a further report to this committee early in the New Year.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Council’s Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life.
- where people are helped to help themselves, recognising that prevention is better than cure.
- where responsibility is shared, fairly.
- where services are delivered efficiently to get value for money for the taxpayer

5.1.2 The grant of this lease will support the Corporate Plan by bringing an asset inline with its strategy and assist with the tenant’s long term business plan and business objectives.

5.1.3 The BMLHS Business Plan was and has been further developed in response to Barnet Council’s Museum Consultation Document, which presented the case for the ongoing development of Barnet Museum. This includes a forward looking proposal which fits with Central Government’s community based initiatives. The business plan is attached, see Appendix (5).

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

5.2.1 Following the acceptance of the Council’s proposal, the Council’s responsibility for

costs related to the maintenance and repairing obligations will be reduced.

5.3 Social Value

5.3.1 The aims and objectives of the BMLHS for this property are well documented and widely known. The BMLHS seek to encourage a wider more inclusive use of the facilities. This ideal is further reinforced by the proposed capital project, for installing and facilitating disabled access.

5.3.2 The Museum has had reported to the following annual visitor figures to “Visit England”

5.3.2.1	2012 – 5,000
5.3.2.2	2013 – 5,000
5.3.2.3	2014 – 5,000
5.3.2.4	2015 – 7,000

5.3.3 Currently the Museum has around 500 followers on Facebook over 250 hits per week on its website and just over a 100 plus followers on their newly constituted Twitter account.

5.4 Legal and Constitutional References

5.4.1 Local authorities are given powers under Section 123(1) of the Local Government Act 1972 (as amended) to dispose of land held by them in any manner they wish. Except with the consent of the Secretary of State for Communities and Local Government, a council cannot dispose of land, other than for the grant of a term not exceeding seven years, for a consideration less than the best that can reasonably be obtained. A general consent dated 2003 has been issued by the DCLG, this can be used where the value foregone is less than £2 Million and the proposed lease would be for the social, environmental or economic well-being of the residents of the Borough.

5.4.2 Further, Section 123 of the Local Government Act 1972 requires the Council to advertise the disposal of Public Open Space in a local newspaper for two consecutive weeks and to consider any objections received.

5.4.3 Should the matter be considered to fall under these provisions, the matter will be dealt with under these rules and the appropriate action taken. This is to ensure that the Council does not breach statutory rules.

5.4.4 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 2, Table B sets out the acceptance thresholds which provides authority for the action. Financial arrangements in excess of £100,000 must be approved by Asset, Regeneration and Growth Committee.

5.5 Risk Management

5.5.1 Prolonged un-regularised occupation; this could put LBB and BMLHS at risk of expensive and potentially damaging litigation to all concerned. Regularising the tenancy in a manner that suits both parties minimises the risks to both to an acceptable level.

5.5.2 Day to Day Running Costs: The potential risk of the Museum having insufficient funds to maintain itself in the short medium and longer term; the museum has

made considerable savings on running costs since the December 2010 consultation. The Museum has secured long-term financing commitments from external resources which have and will continue to meet any potential shortfalls.

- 5.5.3 Staffing Costs: Exposure to staffing costs not accounted for within the business and financial planning; the Museum is run entirely by volunteers and as such, the museum is not financially exposed to such costs.
- 5.5.4 Assignment of the Lease: Transfer to a third party outside the control of the Council; any transfer agreement will be drafted in such a way that, should Barnet Museum be unable to continue, the property shall revert to the Council.
- 5.5.5 The management committee: The inability of the staff and management team to handle the day to day running of a museum; the quality, experience of the Museums Trustees and its volunteers bring with them all the necessary range of competences and skills to manage an independent Museum. This can be clearly demonstrated by the way the Museum has been run over the years. Furthermore the Trustee skills and competencies are kept under regular review, so that any deficiencies are identified and dealt with appropriately.
- 5.5.6 Governance: Lack of compliance and loss of Charitable Status; the Museum is a registered Charitable Incorporated Organisation (CIO).The museum has therefore an established its organisational status and governance structure. The constitution of the BMLHS that is lodged with the Charities Commission does not preclude or prevent the Society from accepting an asset transfer. Further the Museum is a member of Community Barnet and the National Council of Voluntary Organisations.
- 5.5.7 Arts Council Accreditation: Potential loss of accreditation; the Museum has attained Arts Council accreditation which confirms compliance with stringent professional and operational requirements. The ongoing work needed to maintain the accreditation (which is externally and independently verified) mitigates the risk of operational failure.

5.6 Equalities and Diversity

- 5.6.1 Under the 2010 Equality Act, 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 and belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination.
- 5.6.2 The proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal.
- 5.6.3 The BMLHS's own documentation addresses the issue of Equality and Diversity, see appendix (5) contains the following passage;
 - 5.6.3.1 As a window to the town and its people, BLMS prides itself on its openness to the acceptance of all. BMLHS's policy on diversity and equality of opportunity

is that each individual involved with the Society (Trustee, volunteer, visitor etc)has the right to be treated with respect and dignity and that each and every individual involved with the Society also has the responsibility to treat others with respect and dignity..

5.7 Consultation and Engagement

5.7.1 Historically there has been considerable dialogue between the parties over the years.

5.7.2 The BMHLS have actively engaged and been encouraged to participate with and the development of this report.

6. BACKGROUND PAPERS

6.1.1 The Barnet Museum Local History Society Strategy Paper 2015 - 2017 (2016 Update).

6.1.2 The Community Asset Strategy

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HEADS OF TERMS

DRAFT: December 2016

SUBJECT TO CONTRACT AND COUNCIL APPROVAL

Property	Barnet Museum, 31 Wood Street, Barnet, EN5 4BE
1. Landlord	The Mayor & Burgesses of The London Borough of Barnet, North London Business Park Oakleigh Road South London N11 1NP
2. Landlord's Solicitor	Legal Services to Barnet and Harrow Council Harrow Council PO Box 2 Civic Centre Station Road Harrow HA1 2UH (DX 30450 HARROW 3) For the attention of (legal office to be formally instructed following Councils approval).
3. Tenant	Barnet Museum Local History Society Barnet Museum 31 Wood Street Barnet EN5 4BE Telephone No: 020 8440 8066 Email: enquiries@barnetmuseum.co.uk Charity Reg No: 295950 The museum is now a Charitable Incorporated Organisation. Barnet Museum and Local History Society CIO Ref 1169214
4. Tenant's Solicitor	Horizon Law Highstone House, 165 High Street Barnet EN5 5SU For the attention of Mr Guy Wheatcroft LLB (Hons) Tel: 020 3348 3592 Fax: 020 8449 4436

5. The Property	Barnet Museum, as shown edged red on the attached plan
6. Surety/Rent Deposit	None
7. Term of Lease	125 years from (DATE TO BE AGREED)
8. Permitted Use	<p>The property shall be used in accordance with the General Classes User Order 1987, as amended from time to time. And shall not be varied without landlords consent such consent shall not be unreasonably withheld.</p> <p>To use the Property as a museum (D1 Use) with ancillary community use in line with the aims and objectives of the organisation's constitution, in the spirit of the agreed Declaration as set out at 23 below and in line with the following charitable purposes being:</p> <ol style="list-style-type: none"> 1. the advancement of community development; and 2. any other purpose currently recognised as being charitable or which can be recognised as charitable by analogy to those charitable purposes specified in the Charities Act or for any other purpose recognised as charitable under the Law of England and Wales as approved by the Landlord. <p>The Landlord shall within 5 days of written request be sent copies of all applications from the various applicants requesting to utilise and occupy parts of the Property together with the tenant's responses to such applications and any information reasonably requested by the Landlord to enable the Landlord to evaluate as to whether there has been a breach of any of the terms of the user and governance covenants in the lease.</p> <p>The Landlord's approval to the terms of agreements regulating the use and occupation by community groups from time to time shall be required to reflect the concessionary rent being applied at the commencement of the term.</p> <p>Not to carry on upon the Property any noisy noxious offensive or dangerous trade or occupation provided that the lawful use of the Property for the purposes permitted above shall not be a breach.</p> <p>Not to use the Property for any illegal or immoral purpose.</p>
9. Insurance	The Landlord is to insure the Property for the usual insured risks which the Council insures against (in respect of the usual perils) and the Tenant is to reimburse the premiums so expended.
10. Statutory Obligations	<p>The tenant must comply with any/or Statutory Obligations and regulatory issues applicable in respect of running a property for community use.</p> <p>The Tenant will be obligated to observe the standard equality and diversity obligation as follows:</p>

	<p>(a) to perform its obligations under the lease (including those in relation to the provision of any arrangements or agreements with community users in accordance with:</p> <p>(i) all applicable equality Law (whether in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy, maternity or otherwise);</p> <p>(ii) the Council's equality and diversity policy as provided to the Supplier from time to time; and</p> <p>(iii) any other requirements and instructions which the Council reasonably imposes in connection with any equality obligations imposed on the Council at any time under applicable equality Law; and</p> <p>(b) take all necessary steps , and inform the Council of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation).</p> <p>The Tenant will be obligated to observe the Council's current rules relating to Health and Safety together with all applicable rules and regulations relating to such matters and make available to the Council its published health and safety policy within 5 days of request.</p>
<p>11. Maintenance and Repairs</p>	<p>The Tenant is to put and keep in good and substantial repair the building and grounds demised, save for the tenant shall not be required to put the property in to any greater state of repair or condition than evidenced by the schedule of condition attached to the lease.</p> <p>At all times during the Term to keep the Property (including for the avoidance of doubt all buildings structures landscaping , any areas which are unbuilt upon and other erections forming part of the Property) clean and tidy and keep in a state of good repair and to make good:</p> <p style="padding-left: 40px;">(a) any damage it causes to the Property and/or</p> <p style="padding-left: 40px;">(b) any deterioration to the condition of the Property that may arise.</p> <p>provided that the Tenant shall not be in breach of this covenant if and for so long as disrepair arises due to damage caused to the Property by any of the Insured Risks and the Tenant is diligently pursuing its insurance claim and reinstating such damage;</p> <p>To notify the Landlord in writing immediately if any structural damage occurs to the Property.</p>
<p>12. Outgoings</p>	<p>The tenant is to be responsible for the payment of all outgoings</p>

	how so ever they may arise.		
13. Alterations	The Tenant shall not carry out any additions or alterations to the Property without landlord's consent, such consent not to be unreasonably withheld or delayed.		
14. Alienation	<p>Not to assign, underlet or part with or share possession or occupation, hold on trust or charge the whole or any part of the Property save as permitted by the terms of the lease. The holding on trust by the BMLHS will not be a breach of the terms of this covenant. The lease will provide for ad hoc occupation on the basis of an agreed form of occupational licence to be approved by the Council (approval not to be unreasonably withheld and/or delayed) and on the basis that no relationship of landlord and tenant is created and that no third party acquires 1954 Act rights.</p> <p>The Tenant shall be entitled to assign the Lease to a successor body with the consent of the Landlord such consent not to be unreasonably withheld or delayed.</p> <p>In the event of any breach regarding compliance the Landlord shall be able to forfeit the Lease.</p> <p>A breach shall arise where a decision made by the Charities Commission finds the Tenant in breach of any Charities Act requirements</p> <p>The Tenant shall notify the Landlord in the event that the Tenant wishes to change the legal status of its constitution.</p>		
15. Start date	TBA		
16. Break Clauses	None		
17. Landlord and Tenant Act	The tenancy to be excluded from sections 24 to 28 of the Landlord and Tenant Act 1954.		
18. Rent	per annum £ peppercorn	Rent free period: None	
19. Rent Reviews	Frequency: None		
20. Costs to be paid by tenant	Legal £ 1,500	Surveyors £ 750	Other £0
21. Other:	Any breach of the terms of this agreement must be notified to the tenant in written form and is to be remedied within 1 month, or such agreed reasonable time period otherwise the agreement will be terminated.		
Plan	Please see attached plan		
	<p>Governance:</p> <p>Grant of Lease conditional upon Council reviewing and being satisfied with the Charitable Purposes/Statement of its Charitable Objectives. Any change to those must be approved by Council</p>		

	and Charity Commission. On going compliance with Charities Act 2011 and Charity Commission Regulations.
22. Forfeiture:	Lease can be terminated inter alia if Tenant ceases to be a Charity or if the Tenant does anything which either directly or indirectly causes or is likely to cause the Council's reputation to be brought into disrepute and/or which in the opinion of the Council acting reasonably is contrary to the spirit of the Declaration.
23. Declaration:	The Lease will contain a declaration and acknowledgement that the primary objective in the parties entering into the lease is to actively promote the sense of community by the provision of museum facilities available to all engaged in that objective on a universal and un-discriminatory basis and that the parties will use all reasonable endeavours to fulfil and actively assist each other in achieving that objective of wider social/community benefit.

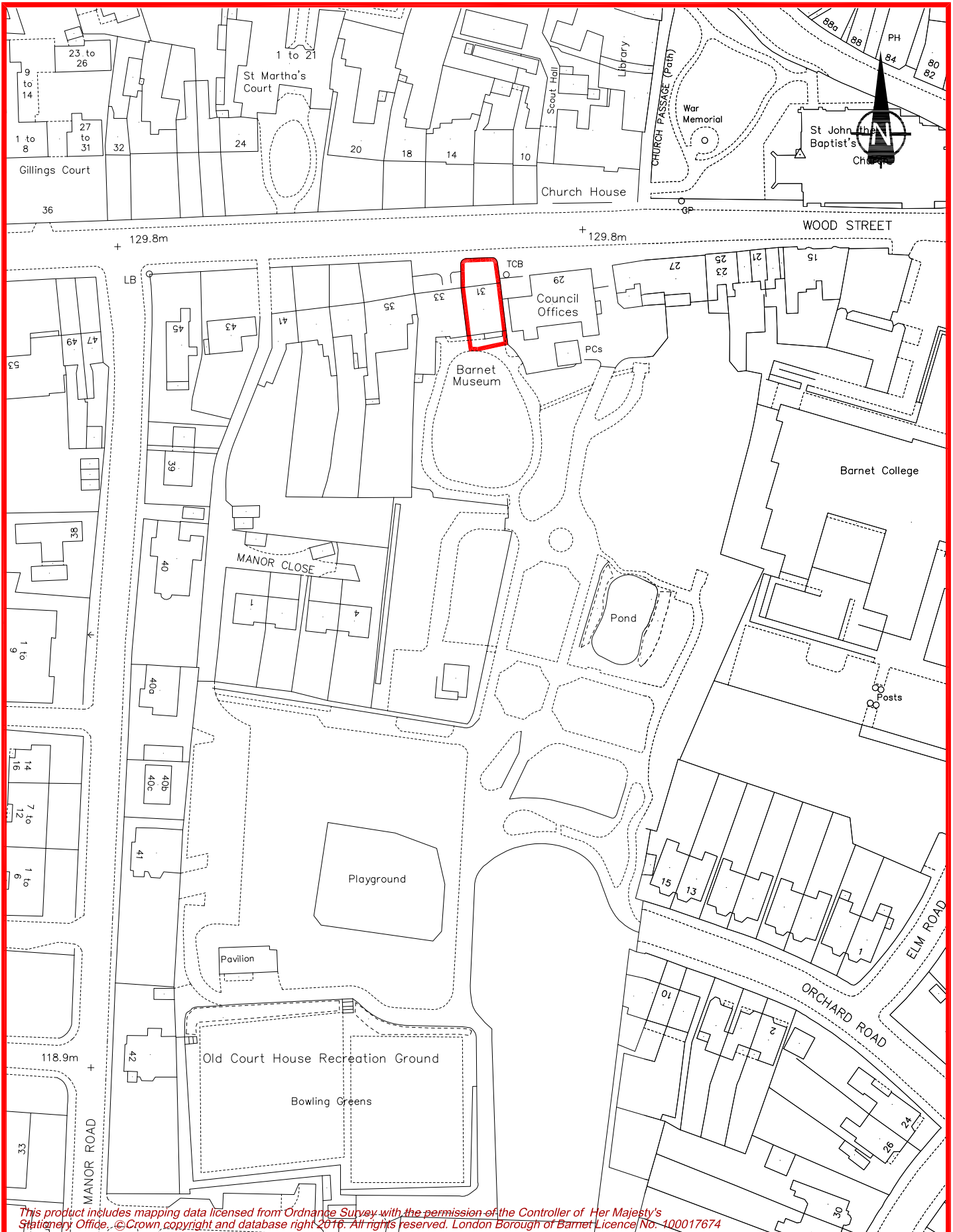
Notes:

1. Agreed terms will in due course be published on the Council's Website which is available for public viewing.
2. Other terms will be in accordance with the Council's standard form of lease, as reasonably required.

Terms agreed (signed).....on behalf of tenant

Date.....

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Initiated by
 Drawn by
 Checked by
 Date

SCHEME:
BARNET MUSEUM,
31 WOOD STREET, BARNET

TITLE:
LOCATION PLAN

Scales 1:1250

Steve Dunevein,
 Director of Estates.

London Borough of Barnet,
 Barnet House,
 1255 High Road,
 Whetstone,
 London, N20 0EJ
 Tel. 020 8359 2000

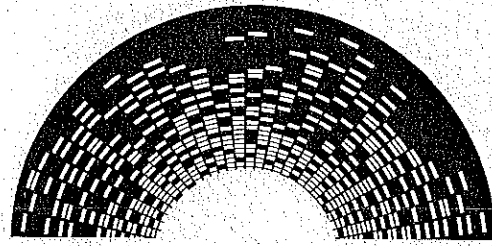
BARNET
 LONDON BOROUGH
 PROPERTY SERVICES

DRAWING No.

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ACCREDITED
MUSEUM

Barnet Museum

Awarded 11/18/2010

The Accreditation Scheme sets nationally agreed standards for UK museums. To qualify, museums must meet standards on how they are managed, for the services they offer and on how they care for collections.

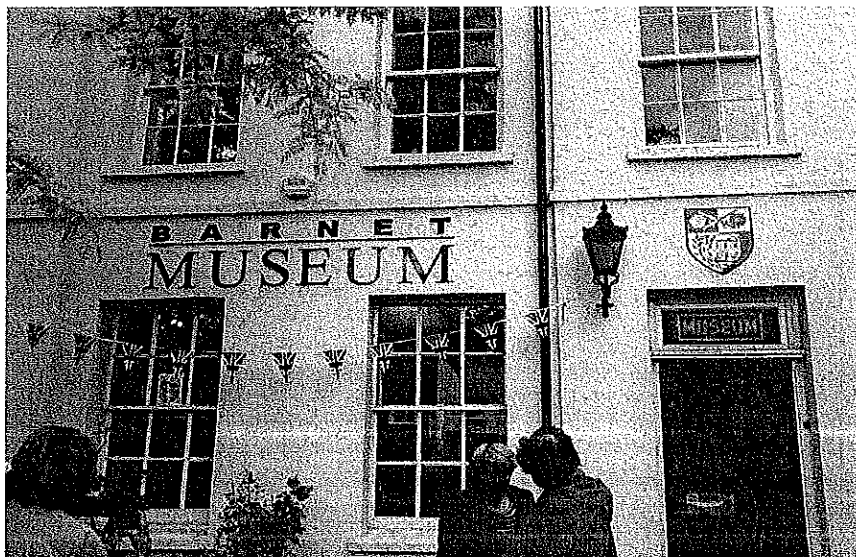
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B A R N E T
MUSEUM
& Local History Society
STRATEGY PAPER 2015-2017
2016 update



BARNET MUSEUM & LOCAL HISTORY SOCIETY

Strategy Paper 2015 -2017 – update 2016

1. INTRODUCTION

This document outlines the strategic direction for Barnet Museum & Local History Society (“BMLHS”, “The Museum”, The Society”).

BMLHS is a charity registered with the Charity Commission (no. 295950), with a largely local, but by no means exclusive, membership of over 300.

2. WHY? - OUR VISION

Since 1938, the Trustees and volunteers of the Barnet Museum & Local History Society (BMLHS), supported by eminent citizens (including local Members of Parliament) and locally elected representatives (from Hertfordshire County Council, the former Barnet Urban District Council and, since 1965, the London Borough of Barnet), deliver a local history Museum and local history society:

- to inspire an interest, understanding and appreciation of the history and rich heritage of Chipping Barnet, East Barnet, New Barnet and the immediate vicinity (“Barnet”);
- to record and explain the impact of Barnet on, and to, its community and beyond;
- to celebrate the historic contributions made by the people and organisations of Barnet.

3. WHAT? - HERITAGE ASSETS

BMLHS comprises three groups of Heritage Assets:

- the Collection, donated by and held in trust for the community and citizens of Barnet;
- Intellectual Capital, that is, the knowledge, skills and disciplines of the Trustees, volunteers and members of the Museum and History Society;
- 31 Wood Street – the Museum Building, itself a part of the collection by dint of its central location, age, conservation area status, integrated Museum facilities (e.g. archive racking, display equipment, library), and historical connection with BMLHS.

4. HOW? - OPERATIONAL OBJECTIVES

- To collect, catalogue and conserve artefacts, documents, maps and photographs *etc* pertaining to the history and development of Barnet and the surrounding district;
- To interpret and research the collection;
- To offer the collection to the public through permanent display, temporary exhibitions, lectures, publications, events and outreach programme, online presentation and responding to requests for information from the citizens of Barnet town, the Borough of Barnet and the County of Hertfordshire, and to a national and international audience.

5. SUCCESS INDICATORS

BMLHS looks for success to be an ongoing, rather than a finite, aim. The Society fills a gap in the cultural and heritage life of the town of Barnet; therefore indicators of success include:

- the continued survival of the Museum and Society as key aspects of Barnet life;
- the maintenance of the BMLHS's reputation for the recording, conservation and care of heritage assets (evidenced by ongoing Museums, Libraries & Archives Council accreditation and completeness of catalogue);
- the maintenance of the schools/education/work experience offer (evidenced by uptake and feedback);
- the development of membership and the volunteer cadre (evidenced by year-on-year comparison);
- the maintenance of the Museum's reputation for scholarly research (evidenced by feedback and published work);
- the maintenance (and, where manageable, expansion) of visitor numbers (evidenced by daily tallies, and web hits);
- the maintenance of a strong internet and social media presence (evidenced by web hits and Facebook/blog responses);
- the maintenance and development of relationships with local businesses, press and media and other organisations (evidenced by contacts and media success);
- continuing enhancement of the visitor experience and the maintenance of the Museum's reputation for assisting visitors (evidenced by feedback, media success and ongoing MLA accreditation).

The above indicators are the topics reported to and reviewed by the Trustees to gauge the success of the Museum and inform continuous improvement.

Crude or simple indicators, such as visitor numbers or cost per visitor, are important but the Museum's focus is on the quality of service. The relatively small size of the Museum and the limits of a volunteer workforce dictate that any growth must be carefully managed.

Apart from the ongoing activities of the Museum, which are monitored by the above success indicators and are only subject to marginal change in year, the Museum is also involved in five specific "projects". These are: (i) Registered Museum Accreditation; (ii) Extension to the Premises; (iii) Security of Tenure (Lease/Asset Transfer); (iv) The Battle of Barnet Project; (v) The Physic Well. Each of these has its own project team and is reported on to the Management Committee. In this document these projects are featured in italics, in text boxes.

6. EQUALITY AND DIVERSITY

As a window to the town and its people, BMLHS prides itself on its openness to and acceptance of all. BMLHS's policy on diversity and equality of opportunity is that each and every individual involved with the Society (Trustee, volunteer, visitor etc) has the right to be treated with respect and dignity and that each and every individual involved with the Society also has the responsibility to treat others with respect and dignity.

7. GOVERNANCE

BMLHS is staffed entirely by volunteers. It is registered with the Charity Commission (no. 295950).

HONORARY PRESIDENT	Dr Ian Johnson
HONORARY VICE PRESIDENTS	Mike Jordan, Pat Alison, Brian Green, Peter Willcocks
TRUSTEES	Mike Jordan (Chairman), Terence Atkins, Mike Noronha, Carla Herrmann, Dennis Bird, Pat Alison

The Management Committee and Volunteer responsibilities are listed in a separate annex (held privately for Data Protection reasons)

All volunteers receive training to equip them to deliver Museum services; the Museum is a member of the National Council of Voluntary Organisations (NCVO) and CommUNITY Barnet, and has access to support from them in managing and developing staff. The Museum staff have achieved the appropriate CRB and other clearances to work with children and vulnerable adults. The Museum holds the requisite insurance certificates for Employer's and Public (e.g. Health and Safety) liabilities.

BMLHS is affiliated to:

- the Association of Independent Museums (AIM);
- Arts Council (through the Museum of London);
- British Association for Local History;
- London and Middlesex Archaeological Society;
- Hertfordshire Association for Local History (HALH);
- Hendon and District Archaeological Society (HADAS);
- Action for Archives;
- Barnet Arts Council.

In addition, the Museum works with:

- The Barnet Society;
- Barnet Residents' Association;
- East Barnet Residents' Association;
- Potters Bar Local History Society;
- Friern Barnet Local History Society;
- Museum of London;
- The Battlefields Trust;
- London Museum of Film;
- Hertfordshire Archive and Local Studies Centre (HALS);
- Hertfordshire University;
- University of the Third Age (U3A);
- Cambridge University;
- University of Huddersfield (battlefield research).

8. ACCREDITATION

In 2010 the Museum achieved full accreditation under the Museums, Libraries and Archives Council (MLA) Accreditation Scheme (Acc no.6 – 30/07/2009). MLA's Accreditation Scheme sets nationally agreed professional standards for museums in the UK. As stated above, accreditation covers both the "technical" aspects of Museum work (e.g. recording, care and conservation of heritage assets) and the "customer" aspects (e.g. delivery of the service, including the provision of adequate facilities for health and safety etc for visitors.) The Museum will be looking to renew its Accreditation when it lapses in 2015/16.

Barnet Museum has also been designated as a suitable venue to hold Manorial records by The National Archives.

Barnet Museum is a key location for research and interpretation of the Battle of Barnet, liaising closely with the Battlefields Trust, and Barnet Society ("The Battle of Barnet Partnership") and the University of Huddersfield. With the recent discovery of the skeleton of Richard III (who fought at the Battle as an 18 year old) there is now worldwide interest in the Wars of the Roses period.

9. ENVIRONMENT

The Museum is housed in a Georgian house within the Wood Street Conservation Area. Therefore any adaptations to the building must, rightly, be carried out within strict conservation guidelines. This will limit the options available to the Museum when considering environmental issues. For example, energy saving actions such as double glazing and solar panels are not easily available. However BMLHS does take seriously its environmental responsibilities. The Trustees have appointed a Recycling Officer; heating systems will be reviewed (the Museum will be joining the AIM "Basket" in 2018); where possible low energy lightbulbs will be used; when new windows are fitted, insulation will be a major consideration; solar panels are being investigated but their installation awaits an environmental and roof condition survey; new hygrometers have been purchased so that atmospheric conditions can be monitored (this will inform the heating review and also help conserve the collection). The Management Committee will review these environmental matters regularly.

10. OPTIONS FOR FUTURE

In 2011 BMLHS, under the provisions of the Freedom of Information Act, requested sight and copies of all Barnet Council documents relating to the 31 Wood Street property especially those dealing with ownership and BMLHS occupation. There were no documents confirming the true ownership of the building (which was apparently bought by Barnet Urban District Council for Barnet Records Society – a former name of BMLHS – to run a museum "in perpetuity" on behalf of Hertfordshire County Council). The UDC became part of Barnet Council in 1965. Also absent from the documents released by Barnet Council was any covenant requiring the building to be used as a museum, however there were documents implying the existence of such a covenant. The Museum discovered that, in 2013, Barnet Council registered the property with the Land Registry without consulting the Museum or registering the Museum's interest (BMLHS is pursuing this with our legal advisor)

There are two options for future operation of BMLHS that the Trustees would like to see considered by the Council. Previously, when presented with similar options, the Council quoted Section 123 of the Local Government Act 1972 as a reason for not proceeding with either of these options; the

Council claimed that it is forbidden to "dispose" of the asset at an "undervalue". This was erroneous in two respects – first, the Council could have made a request to the Secretary of State and second (and more appropriately), a 2004 Statutory Instrument allowed the Council to make its own decision on "undervalues" of less than £2million.

Either option would lead to developments of the Museum that will enhance the value of the 31 Wood Street to the community (e.g. installation of disabled access/facilities, extension, better use of energy, damp-proofing, solar panels etc) and that the costs of these developments would not fall to the Council.

Enhancement of Assets

Option 1 - Community Asset Transfer

*The Trustees propose that **ownership of 31 Wood Street property (including a portion of the Museum Garden) be formally transferred to BMLHS under the provisions of the Community Asset Transfer Initiative** - whereby public sector property holdings are transferred to community ownership - ownership responsibilities pass to community groups with the consequent reduction of costs to the public purse. This option is encouraged and facilitated by the Localism Act which now replaces the Local Government Act in this matter. It is also a clear implementation of national Government policy. Whereas this option compared with a lease makes little substantial difference to the management of the Museum, it has the advantage to the Council of ending any involvement (and therefore the cost of any involvement) with the Museum. Conversely the Council may consider it a disadvantage to lose the building from its portfolio of fixed assets. In our opinion, BMLHS clearly meets all the criteria set out for an appropriate "community organisation" to receive an asset transfer.*

Option 2 - A Lease

*An alternative proposal is that **BMLHS seeks a long-term lease (say, 99 years) on 31 Wood Street property at a peppercorn rent.***

*A lease at anything other than a peppercorn rent is not feasible given the Museum's limited potential for generating significant trading income. **It is Museum policy, enshrined in the earliest terms of service, that the Museum will not charge for entry.** The building is not large enough and does not have adequate facilities to enable the Museum to run major income generating events, such as conferences or contributing businesses such as a cafeteria or a substantial shop.*

*A long-term lease is essential. In order to meet the Council's requirement that Barnet Museum is run at zero cost to the Council taxpayer, the Museum will have to raise funds from other sources in the public, private and tertiary sectors for both running and capital/project costs. The Museum will therefore **need to demonstrate security of tenure**. It has been established that funding (especially for capital work such as the installation of disabled facilities) is available but only if the longer term future of the Museum is guaranteed. For example, the Heritage Lottery Fund will not consider applications from organisations without long lease security.*

The lease option allows the Council to retain the building on its portfolio as an asset – however, this is with the attendant costs of administration.

11. FINANCE

Income

BMLHS has five main sources of income – membership subscriptions; sales (mainly of publications and photographs); fundraising events (eg tea parties, quizzes etc); donations (including speaking fees and smaller scale donations from visitors and members) and grants.

The Museum has secured, through a local charitable trust, substantive assurances that, if long term arrangements are in place, funds will be granted annually to meet the shortfall between the amount raised by the BMLHS and its running costs – this offer specifically excludes, as an eligible “running cost”, the payment of any rent charged by the Council.

This arrangement has been in operation since Financial Year 2012-13.

Expenditure

By decision of the Trustees and Management Committee fully supported by the membership, BMLHS does not and will not include any market rent payment in its plans. The understanding that the Society will provide a Museum service in exchange for free use of the Wood Street premises has pertained since the opening of the Museum in 1938.

Regardless of rent, BMLHS has a number of running costs all of which, since 2012 (when LBB declared that the Museum would have to be “zero cost to the Council Taxpayer”), have fallen to the Society to meet. The main running costs are: Business Rate (at 80% charity discount); insurance; utilities; alarm/security; telephone/internet. The Museum also has to bear the costs of caring and conserving the collection to accreditation standards. The Council has discretion to waive the 20% Rate altogether; Barnet Council has declined to do so.

Charging for entry

When the Museum was first opened in 1938, the Barnet Record Society (the original name of BMLHS) agreed with the Local Authority that it would provide a Museum service in exchange for the provision of the fully serviced building “in perpetuity”. The vision was then, as it is now, that local citizens would have free access to a collection held in trust for them by the Society. **It is, therefore, a non-negotiable BMLHS policy to allow free public access to the Museum during published opening times.** There is evidence that charging in a local Museum will act as a deterrent to casual visitors without raising significant cash (eg Redbourn Museum in Hertfordshire unsuccessfully trialled charging)

Similarly, the Museum will not charge for school visits (which are carried out when the Museum is closed to the public) – however, many schools offer donations which are gratefully received.

Most other group activities that take place during closed sessions are not charged for. However, donations are invariably made when groups visit. Levying a charge has been considered but the donations have proved a more effective source of income, in terms of both amount and administration.

The Museum runs some events for a small charge. Although the amounts raised are welcome and useful, the main aim of the Museum remains raising awareness - the levels of interest and knowledge in the community.

Fundraising

The Trustees are aware that considerable and constant fund-raising will be required in the future. Several local fund-raising initiatives have been implemented. The Museum has been selected as the local Waitrose's charity of the month three times and will apply for further opportunities. We have held quizzes at local pubs, and three “Tea in the Park” parties. These occasions/events raise in the region of £250 to £500 net each and are a useful contribution to running costs and raising

awareness. The Museum received a £500 grant from the Hyde Foundation in 2015 to enhance the Photograph Collection storage.

Funding for capital projects

Previously without security of tenure, the Museum has not qualified for funding from a number of sources; these include public sector funding (e.g. Heritage Lottery Funding), charitable trusts and some private donors. However, with either an asset transfer or a long lease the Museum will be in a much stronger position to access third-party funds.

An application for capital funding for disabled access (lift and ramp) will be considered. The Museum has asked for a disability access assessment by the Council (not yet actioned by LBB) and will make every effort to comply with its recommendations. Consideration will be given to a number of capital projects that may need to be undertaken following the results of a structural survey.

The Trustees have a number of plans for the Museum to expand its promotional activities. However, without a lease or the transfer of the building – and the goodwill of the Council – these plans remain on hold.

12. BARNET MUSEUM'S CONTRIBUTIONS TO THE COMMUNITY

Contribution to the Community

(i) Notional Pay Cost of Service (Salary element only)

BMLHS is managed and run entirely by volunteers; therefore there are no staff salary costs. Based on a mix of plain-time payments at London Living Wage (approx £8ph) for volunteers and senior National Museum staff/management rates (approx £25ph) for others, the labour cost saved by using a totally voluntary staff is estimated at some £116,500 per annum. The Museum has a cadre of some 50 volunteers covering a wide range of roles – for example, many are allocated research and administration tasks which are continuously being carried out.

Notional Pay Calculation

Officer	No of Hours	@ £/hr rate	£Total
Chief Executive	10hrs	25	250
Archivist	20hrs	25	500
Volunteers	6 x 10hrs	8	480
Treasurer	20hrs	25	500
Web/other mgt	10hrs	25	250
School guide	4hrs	25	100
Curator	10hrs	25	250
	WEEK TOTAL		2330
	ANNUAL TOTAL		116500

Contribution to the Community

(ii) Estimated Economic Impact

The Association of Independent Museums' (AIM) has developed an Economic Impact Toolkit (using HM Treasury ready reckoner indicators and methodologies for assessing tourism, employment and procurement). According to this toolkit, Barnet Museum brings an estimated economic benefit of over £182,110 pa to the area. This is based on visitor figures of 5000 pa of whom 80% are adults. (Source: AIM/DC Research: 2014 Economic Value of the Independent Museum Sector Toolkit).

2008 audience research (last available) shows that the Barnet catchment had **266,000** active and potential visitors to museums and galleries - this compared with 226,000 in Enfield; 205,000 in Haringey; 171,000 in Waltham Forest; 204,000 in Brent; 166,000 in Harrow (Source: MLA "Insight: A survey of the London museums market").

BMLHS's position is that there is **educational and cultural significance** in researching, understanding and celebrating history; we also believe that the **economy of Barnet will benefit** greatly from investment and support in promoting its heritage. This view is evidenced by the success of Bosworth (Battle), Leicester (Richard III) and Tewkesbury (Battle) – all of which share the similar tourist/academic interests as Barnet. It is arguable that the combined topics around the Battle of Barnet are of even greater interest (Wars of the Roses/Military and weaponry history/monarchy/Richard III). Barnet Society, The Battlefields Trust, the local Member of Parliament, the Councillors for Underhill (The Museum's ward), the Chipping Barnet Town Team, the Mayor of Barnet (Cllr Shooter) have all expressed support for promotion of Barnet's heritage and particularly the Battle of Barnet.

Contribution to the Community

(iii) Enhancement of Community Asset – Extending the Museum Building

The formal transfer of 31 Wood Street property to the Museum, whether by asset transfer or long lease, would maintain its status as a community asset. The Museum intends a number of improvements in the service it delivers to the public. Many of these improvements will involve updating, refurbishing and repairing the infrastructure of the property. Furthermore, the installation of disabled access and an extension of the premises is now in planning stages. The proposal extends the three floors of the Museum for three specific purposes and two overarching reasons.

Specifically:

Extending the Basement will give more conservation and storage space;

Extending the Ground Floor will give more exhibition and display space;

Extending the First Floor will give more room for research and education work.

The two overarching reasons are:

First, so that the Museum can install Disabled Access; this is key to our application; we are ashamed and embarrassed that we have to discriminate against people with mobility issues.

Secondly, to provide the people of Barnet with a top class Museum that meets growing demand especially from schools now that local history is on the National Curriculum.

It is intended that these improvements will be funded by grants from relevant private, public and tertiary sector (e.g Heritage Lottery Fund, charitable trusts etc) sources. These proposed improvements will enhance the value of, and access to, a community asset thereby contributing to the ongoing attraction of Barnet. Furthermore, the property has already benefitted from enhancements using funds raised by BMLHS; for example, the basement archive store has been fitted with up-to-date mobile shelving, entirely funded through donations.

Contribution to the Community

(iv) Education

As well as hosting visits by groups of schoolchildren and other groups, the Museum holds sessions for local schools, particularly Key Stages 1 and 2 schoolchildren, using material devised by BMLHS members. The schools which have visited the Museum and which we have worked with and visited, include:

St Andrews Totteridge	Christ Church	St Mary's
Underhill	Christ's College Finchley	Livingstone
Whittings Hill	Pardes House	Totteridge Academy
All Saints	Tudor School	Friern Barnet
Cromer Road	QE Boys	Hollickwood
Moss Hall	QE Girls	East Barnet
Barnet Hill	Monken Hadley	Susi Earnshaw Theatre
Foulds	Sacred Heart	School
St Martha's Convent –	St Catherine's	Wren Academy
Junior and Senior	Goodwyn	Danegrove
Barnet College	Grasvenor	

The Museum's involvement in local education also includes close working with the University of the Third Age (U3A), Women's Institute (Totteridge, High Barnet, Hadley), Christ Church Fellowship, Underhill Baptist Fellowship, Cherry Lodge Cancer Support, St John the Baptist's Church, Scouts/ Guides/Brownies/Cubs/Beavers groups and Community Focus. The Museum also participates in work placement programmes giving opportunities for local students.

Contribution to the Community

(v) Battle of Barnet

*A major recent development is growth in interest in the Wars of the Roses. This has been largely due to popular novels and television programmes and the exhumation in 2013 of the skeleton of Richard III and inclusion in the school curriculum. The Battle of Barnet was a key battle in the Wars of the Roses and research into it has grown. This interest is a huge opportunity for the Barnet area – military historians, mediaevalists and tourists can bring economic and educational benefits. Barnet Museum is part of a project management team (with University of Huddersfield, Barnet Society and the Battlefields Trust) proposing a full archaeological investigation of the potential battlefield site. Supported and encouraged by the local MP (the Rt Hon Theresa Villiers MP), the Mayor of Barnet (Cllr Mark Shooter) our local (Underhill) Councillors and the Chipping Barnet Town Team, Barnet Museum is formally representing the local community. The Museum is committed to providing administrative support, storage, display space and **the interpretative centre** for the findings of this major project. The project will bring much history and tourism related activity to Barnet and the Museum. Finds processing at the Museum started in late 2015 and will continue for the duration of the archaeological investigation.*

Contribution to the Community

(vi) The Physic Well

The Physic (or Pepys) Well is a key historical feature of the locality. It has a long and interesting history including visits from diarist Samuel Pepys. The Well and its mock-Tudor housing are protected by various Conservation listings and are owned by the people of Barnet (London Borough of Barnet). The housing is in a state of disrepair but the well itself is in good condition. The Museum has a set of keys to the building (it is kept locked closed) and has conducted a number of viewings of the Well for local residents and interested groups in 2015. The Museum will continue to do this but will also be actively pursuing the authorities and others to try to have the housing repaired (at least weatherproofed).

13. RISK ANALYSIS AND MITIGATION

Financial Risk

A key risk to Barnet Museum's proposals for a capital asset transfer/long lease is financial - that the Museum could be unable to sustain its existence financially once a transfer is realised.

In mitigation, the Museum has made considerable savings on current running costs as stated by LBB in the December 2010 consultation; LBB costs included overheads which did not apply to the Museum. Also, as stated above, the Museum has secured long-term financing commitments from external sources which have met and will meet any running cost shortfalls. Furthermore, there are no staffing costs as the Museum is run entirely by volunteers. The collection is already entirely owned by the BMLHS and therefore there is no extra cost implication in a transfer. Also a key mitigation is that any transfer agreement could be drafted in such a way that, should Barnet Museum fail, the property would revert to the Council.

Organisational and Operational Risk

Two other risks to the future of BMLHS are organisational – that the Museum does not have the structure or support to maintain and manage itself or to accept the transfer of the building; and operational – that the Museum does not have the skills and competences to deliver a museum service.

Organisational and operational risks are mitigated by the quality and experience of its Trustees and volunteers who have the necessary range of competences to manage an independent Museum. The management of the Museum has a wide and deep range of appropriate experience, knowledge, skills and disciplines.

The Museum is registered as a charity and therefore has an established organisational status and governance structure to receive any transfer; the rules of the BMLHS, lodged with the Charities Commission do not preclude or prevent the Society from accepting the transfer. The Museum is a member of CommUNITY Barnet and the National Council of Voluntary Organisations and, as such, has access to their support, advice and assistance.

The Museum has attained Arts Council accreditation which confirms compliance with stringent professional and operational requirements. The ongoing work needed to maintain the

accreditation (which is externally and independently verified) mitigates the risk of operational failure.

14. SWOT ANALYSIS

Strengths

- a BMLHS is an established community service provider with an eighty year, successful, track record;
- b There is no staffing cost as the Museum is run entirely by volunteers - a very clear example of 'the Big Society' community-based vision;
- c The Museum is rooted deeply in the local community and is very popular (as evidence, note the petitions drawn up in support of the Museum and Visitor Book comments);
- d The Museum is registered as a charity and therefore has an established organisational status and governance structure to receive any transfer;
- e The Museum has Arts Council accreditation which confirms that the Museum complies with stringent professional and operational requirements;
- f The collection is entirely owned by the BMLHS and therefore there is no extra cost implication in a transfer;
- g The Museum has access to a unique level of intellectual capital (in terms of experts, artefacts and documents) in the field of Barnet history;
- h In terms of location, 31 Wood Street is central to its target area and accessible by all forms of transport, the building is a source of local identity and pride, helping to maintain the fabric and uniqueness of the historic town of Barnet;
- i The Museum has an established online presence (www.barnetmuseum.co.uk and on Facebook – www.facebook.com/barnetmuseum);
- j Analysis shows that Barnet Museum has attracted visitors, web-hits and interest from around the world.

Weaknesses

- a The Museum is a not-for-profit organisation with clear terms of reference which preclude trading activities likely to earn significant funds;
- b The Museum's small size and inability to diversify make it more vulnerable to external factors such as the downturn in the economy;
- c donations from its members and benefactors are also vulnerable to external economic factors;
- d The building is always likely to need a higher level of maintenance due to age
- e The Museum will need to provide disabled access;
- f The Museum is new to the field of local fund-raising (although help is available through MLA, CommUNITY Barnet, AIM and NCVO);
- g The Museum will need to expand its marketing and promotional activity;
- h The small size and voluntary nature of the workforce means that there is a great deal of reliance placed on individuals with experience and expertise. It is difficult to plan succession in these instances. The Trustees are aware of this and therefore keep aware of the longer term development potential of current staff and of new recruits.

Opportunities

- a Having control over the Museum's running costs will give the Trustees the scope to make savings on various items (e.g. through energy audits and some discretionary expenditure);
- b It is intended that governance arrangements will be recast to embed the Museum in the community (e.g. through CIO incorporation)
- c With security of tenure there would be a wider choice of direct fund-raising sources (e.g. Heritage Lottery funding);
- d Greater control of the building will allow the Museum to continue to develop its services to the community, through different use of some space, holding small lectures, developing its school/group visit programme etc.;
- e The Council's Consultation Document states that Museum funding in 2010 from the Borough was approximately £28K. Transfer of the building will enable the Council to save this sum (indexed) annually;
- f Such a transfer would be good publicity for Barnet Council as this is a clear example of 'Big Society' community-based activity;
- g Proposed improvements to the Museum's service will also enhance the overall value of the building as a heritage asset.

Threats

- a There may be building maintenance issues which would involve excessive costs; as the building is in the Wood Street Conservation Area this restricts what can be done in the way of extensions/alterations;
- b There is a great deal of work involved in maintaining Arts Council accreditation and sustainability of curatorial expertise that will always be a priority for a small Museum. However, this is the case regardless of ownership/tenancy of the building;
- c Should the Museum have to close, the collection – given freely by the citizens of Barnet over nearly eighty years and for which the Museum has a duty of trust - will be too costly to put into long-term storage. There are over 50,000 items. The consequence will be that the collection will be dispersed and never be assembled again. This will permanently deprive the community of an asset that illustrates their history and identity and which is much loved, much appreciated and much used.

15. CONCLUSION

The community has been extremely supportive in its response to campaigns to secure Barnet Museum's future. The membership of BMLHS, which includes residents of all backgrounds has grown, as have visitor numbers. A quote from a petition in support of the Museum summarises the rationale behind this paper:

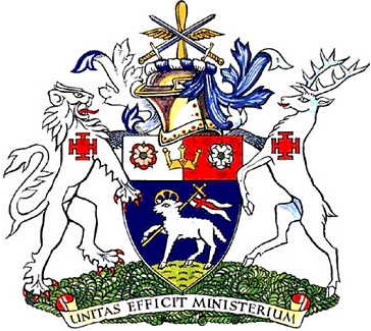
“This Museum is vital to the identity and culture of this town”

This document has been approved by

The Trustees of Barnet Museum and Local History Society

(Signed): *Mike Jordan, Chairman* 18th January 2016

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	<p>Assets Regeneration and Growth Committee 12th December 2016</p>
Title	<p>Lease Renewal Fenella, The Burroughs, NW4 4AX</p>
Report of	<p>Director of Resources</p>
Wards	<p>Hendon</p>
Status	<p>Public</p>
Urgent	<p>No</p>
Key	<p>No</p>
Officer Contact Details	<p>Chris Smith – Head of Estates Chris.smith@barnet.gov.uk 0208 359 2987</p> <p>Melanie Chiknagi melanie.chiknagi@barnet.gov.uk 0208 359 6058</p>

Summary

This report sets out the details of a Lease Renewal between the London Borough of Barnet, as Landlord and Middlesex University, as Tenant of the premises known as the land and buildings at Fenella, The Burroughs, Hendon (the “Property”) with a commencement date of 1st August 2014

Recommendation

1. That the committee approve the proposed new lease of the Property for 20 years commencing on 1 August 2014 between the London Borough of Barnet and Middlesex University at a new commencing rent of £248,000 p.a.

1. WHY THIS REPORT IS NEEDED

- 1.1 The London Borough of Barnet are the Landlords for the Fenella Building and land with Middlesex University being the Tenants. The previous lease expired in July 2014.
- 1.2 The previous lease was drawn upon standard terms with the exclusion of sections 24 to 28 of the Landlord and Tenant Act 1954 part 2.
- 1.3 The new lease has been drawn up to reflect the same terms and conditions of the previous lease and again sections 24 to 28 have been excluded from the lease.
- 1.4 Details of the proposed new Lease are as follows:
 - 1.4.1 Lease Commencement date 1 August 2014
 - 1.4.2 Term 20 Years
 - 1.4.3 Repairing Terms Full Repairing and Insuring
 - 1.4.4 Rent reviews 5 yearly, upwards only direction.
 - 1.4.5 Previous rent payable £200,000
 - 1.4.6 Proposed new rental £248,000
- 1.5 There has been interest from some local residents in purchasing the L shaped parcel of land to the rear of the Fenella parking lot. In order to be able to easily facilitate a sale, should agreement with residents be reached, LBB have agreed with Middlesex University that the land will be shown as hatched in the lease plan, and the lease will contain a specific clause that states 'the land hatched on the plan can be removed from Fenella's demise by LB Barnet providing three months' written notice to Middlesex University'.

2. REASONS FOR DECISIONS

- 2.1 The reason for this decision is to regularise the current situation between the parties and allow for the recovery of the backdated market rent.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3.1 Do nothing: Would result in a substantial Council property not generating a market rent.

4. POST DECISION IMPLEMENTATION

- 4.1 A new lease will be issued to the tenant enabling collection of the backdated market rent for the period starting on 1st August 2014.

5. IMPLICATIONS OF DECISION

- 5.1 **Corporate Priorities and Performance**

The Corporate Plan 2013-16 has a strategic objective to responsible Growth, Development and Success across the Borough.

5.2 The Council's Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life.
- where people are helped to help themselves, recognising that prevention is better than cure.
- where responsibility is shared, fairly.
- where services are delivered efficiently to get value for money for the tax payer

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

5.2.1 The proposed agreement produces an increase in rent as follows:

5.2.2 Previous rent payable £200,000

5.2.3 Proposed new rent £248,000

5.2.4 The above rent has been calculated on an open market basis.

5.3 Legal and Constitutional References

5.3.1 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 2, Table B sets out the acceptance thresholds which provides authority for the action. Financial arrangements in excess of £100,000 must be approved by Asset, Regeneration and Growth Committee.

5.3.2 The Council has the power to dispose of leasehold and freehold interests in land by agreement pursuant to section 123 of the Local Government Act 1972 for the best consideration reasonably obtainable.

5.4 Risk Management

5.4.1 If the Lease renewal is not implemented, this could set a precedent and could have a significant impact on the future use of Council owned land.

5.5 Equalities and Diversity

5.5.1 under the 2010 Equality Act, 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 and belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination.

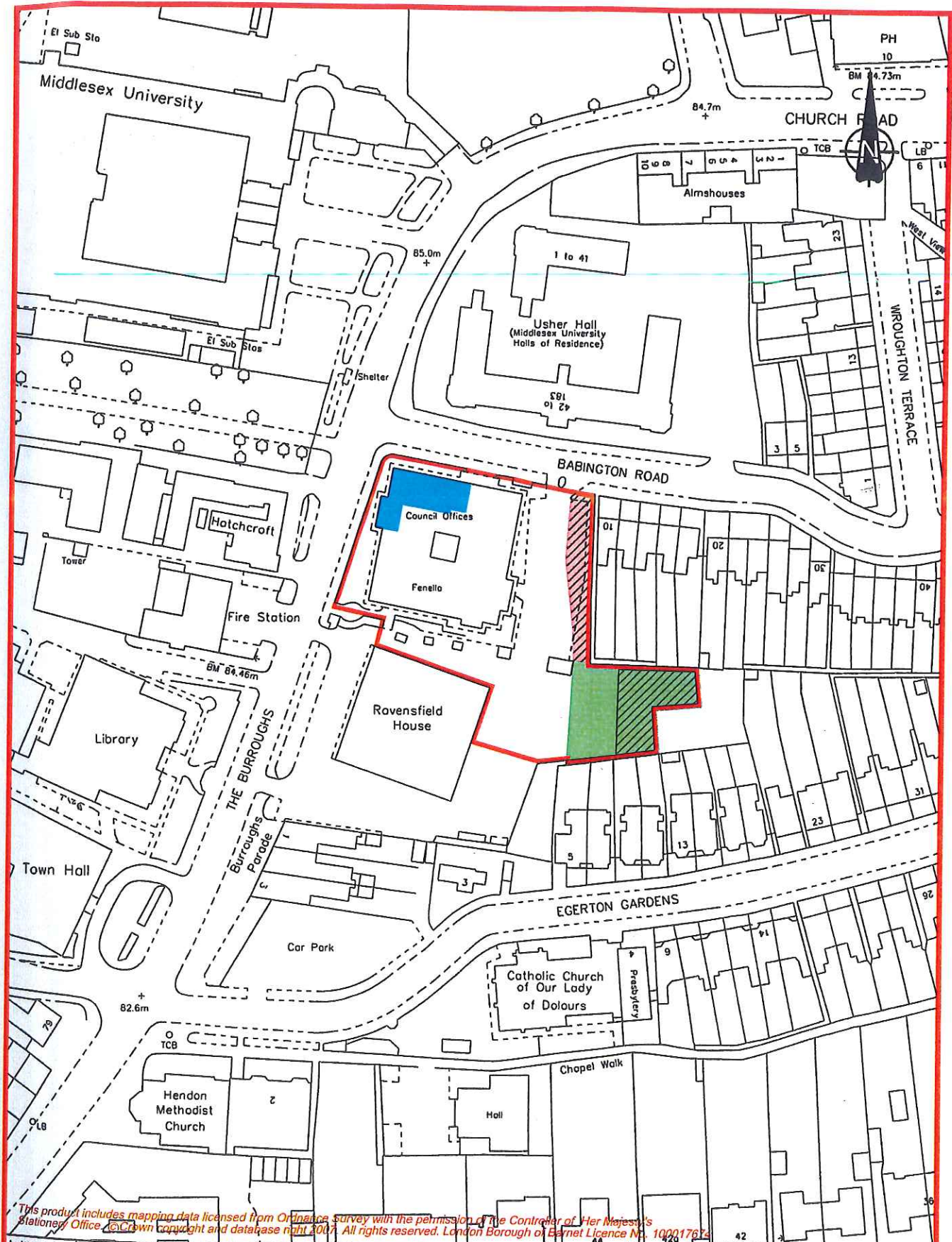
5.5.2 The proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal.

5.6 Consultation and Engagement

5.6.1 A series of meetings and full negotiations have been undertaken with the University of Middlesex Estates Team. No other parties are directly affected by the Proposed new lease.

6. BACKGROUND PAPERS

6.1 None



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Initiated by P.C.
 Drawn by KEB/AJP
 Checked by P.C.
 Date 27/07/07

SCHEME:
**FENELLA, THE BURROUGHS,
 HENDON, NW4.**

TITLE:
**PROPOSED LEASE
 TO MIDDLESEX UNIVERSITY**

Scales 1:1250

Nick Walkley,
 Executive Director of Resources.

London Borough of Barnet,
 North London Business Park,
 Oakleigh Road South,
 New Southgate,
 London, N11 1NP.
 Tel. 020 8359 2000

BARNET
 LONDON BOROUGH
 VALUATION SECTION

DRAWING No.
 23769/1

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	<p align="center">Assets Regeneration and Growth Committee 12th December 2016</p>
<p align="right">Title</p>	<p>Rent Review at Hendon Town Hall, The Burroughs, NW4 4AX</p>
<p align="right">Report of</p>	<p>Director of Resources</p>
<p align="right">Wards</p>	<p>Hendon</p>
<p align="right">Status</p>	<p>Public</p>
<p align="right">Urgent</p>	<p>No</p>
<p align="right">Key</p>	<p>No</p>
<p align="right">Officer Contact Details</p>	<p>Chris Smith – Head of Estates Chris.smith@barnet.gov.uk 0208 359 2987</p> <p>Melanie Chiknagi melanie.chiknagi@barnet.gov.uk 0208 359 6058</p>

Summary

This report sets out the details of a Rent Review of the head lease and the Underlease of land and buildings at Hendon Town Hall, which has an effective date of 31st March 2015.

The Head lease is between the London Borough of Barnet, as Landlord and Middlesex University, as the Tenant, with the Under Lease between Middlesex University as Head Lessee and the London Borough of Barnet as Under Lessee.

Recommendation

1. That the committee approve the proposed Head Lease rent review agreement between the parties at £498,000 per annum.

2. That the committee approve the proposed Under lease rent review agreement between the parties at £124,500 per annum.

1. WHY THIS REPORT IS NEEDED

1.1 The London Borough of Barnet are the Landlords for Hendon Town Hall, Middlesex University are the Tenants and LB Barnet are then under Lessees for a proportion of the property.

1.2 Details of the Head Lease are as follows:

1.2.1 Lease Commencement date	31 March 2010
1.2.2 Term	20 Years
1.2.3 Repairing Terms	Full Repairing and Insuring
1.2.4 Current rent payable	£422,000
1.2.5 Proposed Agreement	£498,000

1.3 The underlease rent is calculated by way of a ratio of 25% of the Head Lease rent.

:

1.4 Details of the Underlease are as follows:

1.4.1 Lease Commencement Date	31 st March 2010
1.4.2 Term	20 Years less 3 days
1.4.3 Repairing Terms	Internal Repairing and Insuring
1.4.4 Current rent payable	£105,500
1.4.5 Proposed Agreement	£124,500

2. REASONS FOR DECISIONS

2.1 The reason for this decision is to bring the outstanding rent review to a conclusion.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3.1 Do nothing: Would result in a substantial Council property not generating a market rent. Further, should the rent review not be implemented, this could possibly set a precedent which might go on to have a significant impact on rest of the estate and subsequent rent reviews elsewhere.

4. POST DECISION IMPLEMENTATION

4.1 A rent review memorandum will be issued to the tenant enabling collection of the backdated rent as of 31 March 2015.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

The Corporate Plan 2013-16 has a strategic objective to responsible Growth,

Development and Success across the Borough.

5.2 The Council's Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life.
- where people are helped to help themselves, recognising that prevention is better than cure.
- where responsibility is shared, fairly.
- where services are delivered efficiently to get value for money for the tax payer

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

5.2.1 The proposed agreement is in line with the lease terms, which sets out that the review is to be calculated on an open market rent basis.

5.3 Details of the Head Lease are as follows:

5.3.1 Lease Commencement date	31 March 2010
5.3.2 Term	20 Years
5.3.3 Repairing Terms	Full Repairing and Insuring
5.3.4 Current rent payable	£422,000
5.3.5 Proposed Agreement	£498,000

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5.4.1 Lease Commencement Date	31 st March 2010
5.4.2 Term	20 Years less 3 days
5.4.3 Repairing Terms	Internal Repairing and Insuring
5.4.4 Current rent payable	£105,500
5.4.5 Proposed Agreement	£124,500

5.5 **Legal and Constitutional References**

5.5.1 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 2, Table B sets out the acceptance thresholds which provides authority for the action. Financial arrangements in excess of £100,000 must be approved by Asset, Regeneration and Growth Committee.

5.5.2 The rent review has been carried out in accordance with the terms Page 29 Schedule 4 of the headlease and the underlease.

5.6 **Risk Management**

5.6.1 If the rent review is not implemented, this could set a precedent and could have a significant impact on the future use of Council owned land.

5.6.2 Should we not agree to the proposal the matter would be referred to an Arbitrator and as such, we would be at risk to incurring costs following the award.

5.7 Equalities and Diversity

5.7.1 under the 2010 Equality Act, 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 and belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination.

5.7.2 The signing of the rent review will not give rise to any issues under the Council's Equality Policy and does not compromise the Council in meeting its statutory equality duties.

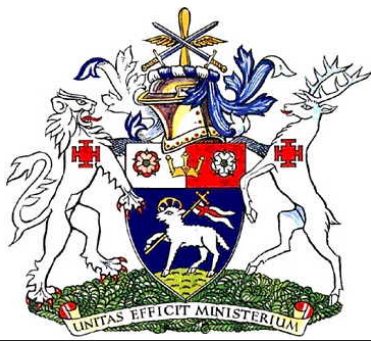
5.8 Consultation and Engagement

5.8.1 A series of meetings and full negotiations have been undertaken with the University of Middlesex Estates Team.

6. BACKGROUND PAPERS

6.1 Copy of page 29 Schedule 4 of the Head Lease.

6.2 Copy of page 30 Schedule 3 of the Underlease.



ASSETS, REGENERATION AND GROWTH COMMITTEE

12th December 2016

Title	Dollis Valley Estate Regeneration
Report of	Commissioning Director, Growth and Development
Wards	Underhill
Status	Public
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	Nicola Bird, Housing Development Partnership Manager (RE) Nicola.bird@barnet.gov.uk , 0208 359 4862

Summary

As a result of changes to the advanced acquisitions strategy in respect of the Dollis Valley regeneration scheme, approved by Urgency Committee on 17th October 2016 it has become necessary to make amendments to the development agreement and compulsory purchase indemnity agreement to facilitate the early acquisition of properties. This report requests that the committee delegates authority to make the amendments required, to the Commissioning Director of Growth and Development. The amendments will ensure that the Council’s commercial and financial position in respect of the acquisition of units on phases 3, 4 and 5 of the scheme is underpinned through the contract protecting the Council’s financial investment.

Recommendations

That the Asset, Regeneration & Growth Committee agrees:

- 1.1 to delegate authority to the Commissioning Director of Growth and Development to authorise amendments to the Regeneration Agreement and associated documents for the Dollis Valley regeneration scheme and to take**

all necessary actions to implement acquisitions and shared equity arrangements for phases 3, 4 and 5 of the scheme.

1. WHY THIS REPORT IS NEEDED

- 1.1.1 The Regeneration Scheme will replace existing properties within the Dollis Valley Estate which are sub-standard, with new mixed tenure housing constructed to modern standards. The Scheme will deliver 631 new homes. These will be delivered over an 8 year period, with all new homes expected to complete by 2022. The scheme is being delivered by Countryside Properties and London and Quadrant Housing Trust and a Regeneration Agreement was signed with the Council on 23rd October 2012.
- 1.1.2 As a result of the decision at the Urgency Committee on 17th October 2016 to progress advanced acquisitions at Dollis Valley on phases 4 and 5, and of the Policy and Resources Committee on 1 December 2016 to provide funding for acquisitions on Phase 3 of Dollis Valley and the Shared Equity options available to resident leaseholders, amendments are required to the Regeneration Agreement and Compulsory Purchase Order Indemnity Agreement (CPOIA) to vary the commercial arrangements.
- 1.1.3 The commercial arrangements to be amended are to facilitate the Council providing funding in order to enable the acquisition of properties on the remaining three phases which are subject to the compulsory purchase order which expires in August 2017. Any properties acquired by the council will where possible be used as temporary housing accommodation pending future transfer to the development partner on the commencement of development of the relevant phase.

2. REASONS FOR RECOMMENDATIONS

On the 17th October 2016 Urgency Committee took the decision to include the Dollis Valley regeneration scheme in the advanced acquisitions programme. The decision makes way for the early acquisition of properties on the scheme to facilitate delivery. The current agreement between the Council and the developers does not have a mechanism to deal with the financial arrangements in cases where the Council buys property early and the agreement has to be amended to include such a mechanism. Officers will be working with the developers to agree legal terms and this report seek to delegate the agreement of those terms to the Commissioning Director for Growth and Development.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The only alternative to seeking amendments to the Regeneration Agreement is that the council would not be contractually able to seek full reimbursement from the developers of the money spent on the advanced acquisitions.

4. POST DECISION IMPLEMENTATION

- 4.1 Post committee, negotiations will continue with the developer on the amendments that will be required to the Regeneration Agreement and CPOIA. Delegated authority will be sought from the Commissioning Director, Growth and Development to authorise the final amendments.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The vision for 2020 expressed within the Council's corporate plan 2015- 2020 expresses the principles of fairness, responsibility and opportunity and the following strategic objectives.

- 5.1.2 The council, working with local, regional and national partners, will strive to ensure that Barnet is the place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves
- where responsibility is shared, fairly
- where services are delivered efficiently to get value for money for the taxpayer

- 5.1.3 The regeneration of Dollis Valley also supports the Sustainable Community Strategy for Barnet 2010–2020 through the following objectives:

- 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 to other people in the wider community.
- A one-public-sector approach - the Council is working together with other public sector partners to ensure the delivery of the schemes.
- A relentless drive for efficiency - the Council is working with development partners to ensure that the scheme is delivered in the most cost effective way.

- 5.1.4 The regeneration scheme also complies with strategic objectives in the Council's Housing Strategy 2010-2025 which include:

- Increasing housing supply, including family sized homes, to improve the range of housing choices and opportunities available to residents; and promoting mixed communities and maximising opportunities available for those residents wishing to own their own home.

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

- 5.2.1 In October 2012, the Council entered into a Regeneration Agreement which included a Compulsory Purchase Order Indemnity Agreement (CPOIA) with the Developer. Under the terms of the Regeneration Agreement, arrangements for cost recovery of all costs related to the CPO paid by the Council can be recovered. These costs include the purchase price or any compensation for any land or interest which the Council has to acquire either pursuant to the Compulsory Purchase Order.
- 5.2.2 The strategy for progressing the CPO and advanced acquisitions has now changed and the contractual arrangements need to be amended to reflect these changes so that the financial risk to the Council in not recovering its costs is minimised.
- 5.2.3 Once acquired all third party interests will be transferred to the Developer when the relevant phase is ready for development and the amendments to the Regeneration Agreement will ensure that the Council's costs will be recovered at the point of transfer.

5.3 Social Value

- 5.3.1 As indicated in sections within this report, the Dollis Valley regeneration project will secure wider social, economic and environmental benefits.

5.4 Legal and Constitutional References

- 5.4.1 The Council has the power to acquire the properties in phases 3, 4 and 5 compulsorily in accordance with the existing confirmed compulsory purchase order and by negotiation in accordance with the provisions of the Housing Act 1985 and the Local Government Act 1972.
- 5.4.2 The terms of reference of the Assets, Regeneration and Growth Committee include overseeing the council's major regeneration schemes and all matters relating to land and buildings to be acquired by the Council.

5.5 Risk Management

- 5.5.1 The delivery of the Dollis Valley Regeneration Scheme ("the Scheme") is dependent upon the ability of the Council and its development partner Countryside ("the Developer") to acquire all third party proprietary interests in the land and/or rights over the land.
- 5.5.2 The Council has secured a CPO for the Dollis Valley Estate. This CPO expires in August 2017. Amendments to the Regeneration Agreement and CPOIA will ensure that the new commercial arrangements to bring forward the acquisitions are reflected in the agreements.

5.5.3 By acquiring the properties subject to CPO, there is a risk that the Council will not be compensated by the developer if future phases do not go ahead. The financial loss to the Council would be any home loss or disturbance payments the Council has made to leaseholders. There are commercial arrangements within the Regeneration Agreement in the event that future phases do not progress.

5.6 Equalities and Diversity

5.6.1 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 Dollis Valley 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.

5.6.2 At present the Dollis Valley Estate does not reflect a mixed and balanced community, with a heavy bias towards an affordable housing tenure. The Estate offers little by way of variety of unit mix. The regeneration proposals seek to address this imbalance through the delivery of a range of residential tenures across the site e.g. private housing, a new range of intermediate housing, wider range of unit sizes across all tenures and 10% of all residential units meeting Wheelchair Standards. The Scheme seeks to improve the demographic of the Estate to provide a step change in the levels of social inclusion to create a sustainable, mixed and cohesive community.

5.6.3 The public sector equality duty under section 149 of the Equality Act 2010 ("PSED") requires the Council to have due regard to: (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; and (ii) the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. 'Protected characteristics' are: gender, race and disability, sexual orientation, age, religion or belief, pregnancy and maternity and gender reassignment.

5.6.4 Having had due regard to its duty under the Equality Act 2010, the Council is confident that the delivery of the Scheme will contribute towards the social, economic, educational and cultural improvements for existing and future residents. It will also increase levels of social inclusion within a mixed and diverse community.

5.7 Consultation and Engagement

5.7.1 The Council and its partners on regeneration schemes are engaged in a wide range of consultations which are required at every stage of the regeneration programme.

5.7.2 The Council and its partners have established a Dollis Valley Partnership

Board which meets bi monthly. The membership includes local residents, Ward Members, representatives from local community groups.

5.8 Insight


5.8.1 None applicable to this report.

6.0 BACKGROUND PAPERS

- 6.1 Cabinet Resources Committee, 11 November 2011 (Decision 5) approved amongst others: Countryside Properties (UK) Limited, London & Quadrant Housing Trust as the Council's preferred development partner for the regeneration of the Dollis Valley Estate; and authorised entering into a Regeneration Agreement between partners for the Dollis Valley Scheme.
- 6.2 Cabinet Resources Committee, 4 April 2012 (Decision 6) approved amongst other items the appropriation of land on the Dollis Valley site to planning purposes.
- 6.3 In 2012 (1st October), the Council entered into a Regeneration Agreement with Countryside Properties (UK) Limited and London & Quadrant Housing Trust for the delivery of the regeneration. Following the selection of Countryside Properties and London & Quadrant Housing Trust, officers were engaged in detailed pre-application discussions leading to the submission of a planning application for planning permission in February 2013.
- 6.4 In June 2013 (17th June), a Resolution to Grant Planning Permission (Detailed consent for Phase 1 & Outline Consent for Phases 2-5) was passed by the Planning & Environmental Committee. This was subject to the necessary Greater London Authority approvals, which have now been received.
- 6.5 In October 2013 (1st October), Full Planning Permission/Decision Notice for Phase 1 of the Dollis Valley proposed regeneration scheme was granted by the Planning & Environmental Committee.
- 6.6 The Compulsory Purchase Order was appropriately signed and sealed by the Council on the 29th July 2014.
- 6.7 The Reserved Matters Planning Application for Phase 2 was unanimously approved by the members of the Planning & Environmental Committee on the 30th July 2014.
- 6.8 On 17th October 2016 the Urgency Committee resolved to include the Dollis Valley Estate within the Council's advanced acquisition programme for regeneration estates.

- 6.9 On 1st December 2016, Policy and Resources Committee resolved to include Phase 3 leaseholder acquisitions and shared equity funding for Dollis Valley into the Council's Capital Programme.

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	<p>ASSETS, REGENERATION AND GROWTH COMMITTEE</p> <p>12th December 2016</p>
Title	<p>Granville Road New Housing Development Compulsory Purchase Order (CPO) of Pramsheds and Beech Court</p>
Report of	<p>Commissioning Director, Growth and Development</p>
Wards	<p>Childs Hill</p>
Status	<p>Public</p>
Urgent	<p>No</p>
Key	<p>No</p>
Enclosures	<p>Annex 1 – Plan showing Pramsheds and Beech Court to be affected by the CPO</p>
Officer Contact Details	<p>Nicola Bird nicola.bird@barnet.gov.uk 0208359 4862</p>

Summary

This report seeks authority to make a Compulsory Purchase Order for the Granville Road Estate pramsheds and Beech Court. The use of a Compulsory Purchase Order will be an option of last resort and will only be utilised where third party interests cannot be acquired through private treaty negotiations.

Recommendations

That the Assets, Regeneration and Growth Committee:

- 1. Authorises the making of a compulsory purchase order to purchase the Pram Sheds and Beech Court, at Granville Road Estate and as shown on Annex 1 to secure the delivery of Granville Road New Housing Development Scheme;**
- 2. Authorises the appropriate Chief Officer to negotiate and complete a Compulsory Purchase Order Indemnity Agreement to ensure that the Granville Road LLP indemnify the Council for the full financial costs incurred in**

- preparing, making and implementing the CPO.
3. **Authorises the commencement of all preparatory work required for the making of the CPO(s), including (but not limited to):**
 - (a) **appointing a land reference company to review all relevant proprietary interests with a view to producing a draft schedule and plan for the CPO(s);**
 - (b) **the service of requests for information notices under section 16 of the Local Government (Miscellaneous Provisions) Act 1976 on those who may be affected by the proposed CPO(s);**
 4. **Authorises appropriate Chief Officer to issue and sign the order, notices and certificates in connections with the making, confirmation and implementation of the CPO.**
 5. **Authorises the appropriate Chief Officer to issue and serve any warrants to obtain possession of property acquired by the Council following the execution of a General Vesting Declaration or service of a notice of entry relating to the CPO if it was considered appropriate to do so;**
 6. **Authorises the appropriate Chief Officer to transfer all properties and proprietary interests acquired pursuant to the CPO to New Granville LLP in accordance with the terms of the Development Agreement dated 23rd December 2013.**
 7. **Authorises the appropriate Chief Officer to take any further necessary actions to secure the making, confirmation and implementation of the CPO.**
 8. **That any amendments required to the Development Agreement regarding the CPO to be delegated to the Commissioning Director of Growth and Development.**

1. WHY IS THIS REPORT NEEDED

- 1.1 The Granville Road Estate, NW2 is situated at the southern end of the Borough within Child's Hill Ward. This 1960s social housing estate is typical of its type and time resulting from clearance of traditional terraced streets within an area which is characterised by low rise suburban housing. It consists of three tall tower blocks, as well as three lower rise blocks. The quality of the estate is generally poor; reflective of the problems of 1960s council estate developments.
- 1.2 The estate includes large areas of under-utilised and unstructured land including garage courts, undefined parking, unused amenity space, pram sheds and vacant land. In addition, the estate does not offer a range of housing types or tenure options but is predominantly social rented. It is not well integrated into the surrounding neighbourhood, and does little to enhance Childs Hill as an attractive residential location. There is potential to radically improve the estate and transform it into a desirable residential location for all tenures.
- 1.3 Further to a Competitive Dialogue Procurement Process in November 2012, Cabinet Resources Committee agreed to appoint Sherrygreen (New Granville LLP) and One Housing Group to take forward the New Housing Project at

Granville Road Estate. The Development Agreement was signed on 23 December 2013.

- 1.4 Following a Planning Appeal in June 2016 Planning Permission was achieved on 8th August 2016 and it is now necessary to complete the land acquisition to allow the development to proceed.

2 REASONS FOR THE RECOMMENDATIONS

Compulsory Purchase Powers

- 2.1 Following the execution of the Granville Road Development Agreement a number of actions are required before the development of the Granville Road New Housing Project can commence. One of these actions is the acquisition or extinguishment of any third party interests which includes the pram sheds. All the pram sheds on the estate are to be demolished. Approximately 66 of the pram sheds are owned by leaseholders although many are derelict and not being used. The pram sheds are located in 5 different areas on the estate. Three pramsheds have been purchased so far by private treaty.
- 2.2 Negotiations have begun with the leaseholders to acquire the pram sheds. Two letters have been sent to each leaseholder. Only 7 leaseholders are prepared to sell. HB Public Law has been instructed to progress these acquisitions and three pramsheds have been purchased so far.

Of the remaining leaseholders:

- 24 are prepared to accept an alternative pram shed if positioned close to their flat
- 5 are undecided
- 30 have not responded to the letters but assumptions have been made that their requirements will be similar to those who have responded.

Given the number of leaseholders that have either failed to respond to the letters, or have refused to enter into negotiations concerning the buy-back of their pram-shed, the remaining course of action to acquire the pram sheds is to progress matters via a CPO.

The pram sheds form a critical part of the proposed development. The new housing development can only sensibly be achieved in a timely fashion with the acquisition of the pram sheds.

Although negotiations with the leaseholders will continue, it is advisable to begin the first stages of CPO action if voluntary negotiations fail.

- 2.3 Failure to secure the pram sheds will result in amendments to the phasing of the development, delayed capital receipt, more disruption to the estate residents as the development will begin at the north and south end of the

development site. Stage 1 expiry date is 19th June 2017 and Stage 2 expiry date is 19th September 2017.

- 2.4 In Beech Court, there is one leasehold property that has not yet been acquired by the development partner. Although negotiations are continuing with the leaseholder of 16 Beech Court, this property is to be included in any CPO actions.
- 2.5 The costs of acquiring or re providing the pram sheds and the purchase of 16 Beech Court will be paid for by the development partners. We are currently in negotiation with development partners on them covering the costs of CPO action. The costs are likely to be up to £200,000 in legal and administrative costs and disbursements for the making of the CPO (including any public inquiry costs) and take up to two years in the worse case scenario where a public inquiry is required.

The power to compulsorily acquire third party proprietary interests would only be exercised as a last resort in the event that those interests cannot be obtained by private treaty.

Resolution in principle to exercise compulsory purchase powers

- 2.6 Consultants will be appointed to assist the Council with the preparation, making and progression of any CPO. Officers are seeking authority for the New Granville LLP to appoint a land reference company to identify third party proprietary interests, and to help the council serve appropriate notices.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 In order to deliver the Granville Road New Housing Development the Granville Road LLP will require vacant possession of the pramshed land. Although the Council and its development partner will seek to acquire the relevant interests through private treaty negotiation, in order to secure the delivery of the scheme within the programmed timescales the use of CPO powers as a last resort will mitigate against any potential risk that it may not be possible to acquire all interests by agreement.

4. POST DECISION IMPLEMENTATIONS

- 4.1 Post ARG, delegated authorities will be sought for the final CPO proposals, including an making an application to the Secretary of State for confirmation of the Order. Subject to those formal decisions and to formal confirmation of the CPO(s), vesting dates will be agreed and appropriate legal notices issued.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The vision for 2020 expressed within the Council's corporate plan 2015-2020 emphasises the principles of fairness, responsibility and opportunity and the following strategic objectives

5.1.2 The council, working with local, regional and national partners, will strive to ensure that Barnet is the place:

- Of opportunity, where people can further their quality of life
- Where people are helped to help themselves
- Where responsibility is shared, fairly
- Where the services are delivered efficiently to get value for money for the taxpayer.

5.1.3 The Granville Road New Housing development also supports the Sustainable Community Strategy for Barnet 2010-2020 through the following objectives:

- 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 other people in the wider community.
- A one-public sector approach – the Council is working together with other public sector partners to ensure the delivery of the scheme
- A relentless drive for efficiency – the Council is working with development partners to ensure that the scheme is delivered in the most cost effective way.

5.1.4 The new development also complies with the strategic objectives in the Council's Housing Strategy 2010-2025 which include:

- Increasing housing supply, including family sized homes, to improve the range of housing choices and opportunities available to residents; and promoting mixed communities and maximising opportunities available for those residents wishing to own their own home.

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

5.2.1 The Council will recover the costs incurred in preparing, promoting and implementing the CPO (including the recovery of professional fees and staff time), by entering into an indemnity agreement with the Granville Road LLP. The Committee is therefore requested to authorise the appropriate Chief

Officer(s) to negotiate and complete the CPO Indemnity Agreement on behalf of the Council.

- 5.2.2. As reported in 2.5., the use of CPO powers is a last resort; the costs are likely to be up to £200,000. It may be that the developers carry out initial work on behalf of the Council. Any costs that need to be funded initially by the Council will be charged to the HRA (Granville Road regeneration budget), which will then be reimbursed by the developer.

5.3 Social Value

- 5.3.1 As indicated in sections within this report, the new housing development at Granville Road will secure wider social, economic and environmental benefits.

5.4 Legal and Constitutional References

- 5.4.1 The Council has the power through various enactments to make a Compulsory Purchase Order and to apply to the Secretary of State for confirmation of the Order. The Management of Asset, Property and Land Rules with the Council Constitution, outlines the governance structure within which the council may acquire, lease, act as Landlord, licence, develop, appropriate, change use of or dispose of Assets within its Asset Portfolio. In addition it states that the Council may delegate responsibility to Authorise Service Providers to manage the Council's Asset Portfolio on its behalf in accordance with any approved scheme of delegation maintained by the Council and published on the Council's website.

Town and Country Planning Act 1990 Powers

- 5.4.2 Section 226 (1) (a) of the Town and Country Planning Act 1990, (as amended by the Planning and Compulsory Purchase Act 2004), provides that a local authority shall, on being authorised to do so by the Secretary of State, have power to acquire compulsorily any land in their area if they are satisfied that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land. However the power must not be exercised unless the authority thinks that the development, redevelopment or improvement is likely to contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of their area. The compulsory acquisition of third party proprietary interests and/or rights in the CPO land will enable the delivery of the Granville Road New Housing Development in accordance with an agreed programme and will provide certainty with regard to land assembly and the implementation of the Scheme. The ability to deliver the pramsheds will enable the Council and New Granville LLP to progress the delivery of development in its entirety.

- 5.4.3 In using the enabling powers pursuant to section 226 (1) (a) of the Town and Country Planning Act 1990 and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976, the Council is using the most specific powers available to it for the purposes of the new housing development at Granville Road.
- 5.4.4 In the drafting of this Report consideration has been given to the provisions of the Human Rights Act 1998 including Article 8 (respect for private and family life and home) and Article 1 of the First Protocol (right to peaceful enjoyment of possessions). Any decision to make a compulsory purchase order must strike a fair balance between the public interest in the regeneration of the land and interference with private rights. In this case most of the existing pram sheds are un-used and in many cases derelict and sufficient replacement pram sheds will be provided as part of the redevelopment to cater for the needs of those who require them. Full account of Human Rights issues will be taken throughout the process of the CPO.
- 5.4.5 Constitution, Responsibility for Functions,– Membership and Terms of Reference of Committees – the terms of reference for the Assets, Regeneration and Growth Committee includes all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.
- 5.4.6 Constitution - Management of Asset, Property and Land Rules provide the governance structure within which the Council may acquire, lease, act as landlord, licence, develop appropriate change of use of, or dispose of assets within its portfolio.

5.5 Risk Management

- 5.5.1 A CPO is essential to enable satisfactory completion of the project. Whilst it is hoped that all outstanding property interests can be acquired by negotiation, the project cannot proceed with the risk that negotiations may not prove successful in all cases and the scheme be brought to halt. To avoid this potential risk to the financial viability of the scheme and its satisfactory delivery officers are seeking a resolution in principle to the making of up of a CPO in order to work towards progressing the redevelopment of the Scheme.
- 5.5.2 As previously mentioned in this report a CPO Indemnity Agreement is being sought for all CPO costs to be recovered.

5.6 Equalities and Diversity

- 5.6.1 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 Granville Road New Housing Development 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.

- 5.6.2 At present the Granville Road Estate does not reflect a mixed and balanced community, with a heavy bias towards social rent. The development proposals seek to address this imbalance through the delivery of a range of residential tenures across the site e.g. private housing, a new range of intermediate housing, wider range of unit sizes across all tenures and 10% of all residential units meeting Wheelchair standards. The Scheme seeks to improve the demographic of the Estate to provide a step change in the levels of social inclusion to create a sustainable, mixed and cohesive community.
- 5.6.3 The public sector equality duty under section 149 of the Equality Act 2010 ("PSED") requires the Council to have due regard to: (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; and (ii) the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. 'Protected characteristics' are: gender, race and disability, sexual orientation, age, religion or belief, pregnancy and maternity and gender reassignment.
- 5.6.4 The Council is aware that within the Granville Road estate there may be residents for whom English is a second language. The Council will offer a translation service when sending out CPO literature;
- 5.6.5 Having had due regard to its duty under the Equality Act 2010, the Council is confident that the delivery of the Scheme will contribute towards the social, economic, educational and cultural improvements for existing and future residents. It will also increase levels of social inclusion within a mixed and diverse community.

5.7 Consultation and Engagement

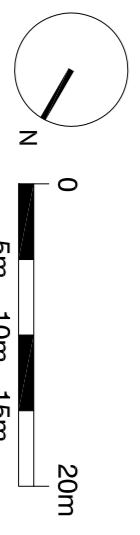
- 5.7.1 Regular resident engagement has taken place with public exhibitions and fun days. The plans for the demolition of the pramsheds have been available to the public since the beginning of 2013. Council has appointed Strategic Urban (StUF) as the Independent Resident Advisors for the development.

6. BACKGROUND PAPERS


- 6.1 CRC 7th November 2012

-

<https://barnet.moderngov.co.uk/documents/g6756/Public%20reports%20pack%2007th-Nov-2012%2000%20Cabinet%20Resources%20Committee.pdf?T=10>



- standard notes**
1. Do not scale this drawing.
 2. All dimensions must be checked on site and any discrepancies verified with the architect.
 3. Unless shown otherwise, all dimensions are to structural surfaces.

- drawing notes**
1. Information provided by New Granville LLP
-  Proposed CPO Area

THIS IS NOT A CONSTRUCTION DRAWING. IT IS UNSUITABLE FOR THE PURPOSE OF CONSTRUCTION AND MUST ON NO ACCOUNT BE USED AS SUCH.

revisions

no	date	description
P1	13.01.15	first issue
P2	01.11.16	red line boundaries added
P3	02.11.16	red line boundaries revised


Granville Road

London Borough Barnet

date	13/12/2015	client	New Granville LLP
scale	1:500@A1	drawing	Proposed CPO Plan
drawn	CG	checked	SL
drawing number	SK063	rev	P3
File/location			

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	<p>Assets Regeneration and Growth Committee 12 December 2016</p>
<p style="text-align: right;">Title</p>	<p>Brent Cross Cricklewood Update Report</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director, Growth and Development</p>
<p style="text-align: right;">Wards</p>	<p>Childs Hill, Golders Green and West Hendon</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>Yes</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix 1 - Plan: Brent Cross Cricklewood Appendix 2 - Residential Relocation Strategy</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Karen Mercer, Programme Director Re, Karen.Mercer@barnet.gov.uk, 0208 359 7563</p>

Summary

This report provides a progress update since the last Committee on 5 September 2016 on key areas of activity across the Brent Cross Cricklewood programme. It seeks the required approvals to enter into contract with the preferred residential provider for the Part 1 Whitefield Estate residents and undertake the necessary steps to appropriate land within Council ownership for planning purposes. It also proposes amendments to the governance of the exercise of the Council's decisions as a shareholder of the Brent Cross South joint venture

Recommendations

That the Committee

- 1) **Note the content of this report.**
- 2) **Agree that the shareholder board previously proposed will only act in an**

advisory capacity.

- 3) Delegate authority to the Chief Executive to finalise and enter into the legal documentation between the Council, the Brent Cross North Partners and Catalyst in accordance with the parameters set by the Property Development Agreement and the approved Residential Relocation Strategy for the rehousing of the Whitefield Estate residents included in the area of CPO1.**
- 4) Delegate authority to the Chief Executive to consider whether to appropriate to planning purposes Council-owned land within the red line planning application boundary for the scheme (attached – Appendix 1) which is held by the Council for other purposes and, if he considers it appropriate to do so, to effect the appropriation of such land to planning purposes subject to complying with the statutory procedures for such appropriation and obtaining any necessary consents.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report provides a progress update on the comprehensive regeneration of the Brent Cross Cricklewood area since the last Committee meeting on 5 September 2016 and seeks the required approvals to ensure that the project momentum is maintained.

Background

- 1.2 As the Committee is aware, Hammerson UK and Standard Life Ltd (the Brent Cross North Partners/HSL) will deliver the redevelopment of the shopping centre at Brent Cross and the land around it, together with the northern elements of the infrastructure required to support the comprehensive regeneration proposals. The Council with Argent Related will deliver the southern parts of the Brent Cross Cricklewood Regeneration masterplan, including the southern elements of the infrastructure and the land to be redeveloped in connection with the station improvements. The Council is leading on the delivery of the new Thameslink Station within the regeneration area, working together with public sector partners. The Council is committed to steering and supporting the delivery of community engagement activities across the regeneration programme.
- 1.3 A summary of the key decisions relating to the regeneration scheme is set out in Section 6 of this report.
- 1.4 A progress update since the last Committee on 5 September is set out below and Members are referred to earlier reports for further context.

Brent Cross North

- 1.5 The Committee will recall that the variations to the Brent Cross Property Development Agreement and Co-operation Agreement documentation alongside the CPO Indemnity Agreement were completed on 11 July 2016 in parallel with the Brent Cross South documentation.

- 1.6 Earlier this year, the Committee will recall receiving a presentation from the Brent Cross North Development Partners demonstrating the significance of the scheme which would result in Brent Cross Shopping Centre becoming one of the top shopping and leisure destinations in the UK.
- 1.7 The Brent Cross North Partners are continuing to progress the detailed design of the shopping centre and it is anticipated that a reserved matters application will be submitted to the Local Planning Authority in late Spring 2017. The Brent Cross North Partners recently held face to face briefings with Ward Councillors and local politicians and GLA members. Public exhibitions were held within the shopping centre and at Hendon Leisure Centre to showcase the emerging design proposals. Council Members were informed of these events via the monthly members briefing.
- 1.8 The Brent Cross North Partners have also just submitted planning applications to move infrastructure works from Phase 1A (North) to Phase 1B (South). These works include road infrastructure within Brent Cross South as well as the improvements to Clitterhouse Playing Fields and Claremont Park. These infrastructure works are integral to the Brent Cross South (BXS) development, and by transferring delivery of these works to the BXS Joint Venture Partnership (JVLP) means that these works will be coordinated to best fit the phasing and delivery of the Brent Cross South masterplan as reported earlier to the Committee on 30 November 2015 as part of the change in delivery strategy and variations to the legal documentation.
- 1.9 The transfer will enable the improvements to Claremont Park and Clitterhouse Playing Fields to be delivered sequentially so to avoid closure of both parks at the same time. Whilst this means that the improvements to the Clitterhouse Playing Fields and Claremont Park will be delivered later than originally planned, the transfer will have a positive impact to the area and local residents as an area of temporary open space will be delivered very early in the development programme, prior to the proposed closure of Clarefield Park. The provision of the temporary open space, together with the proposed new delivery timetable for the improvements to Claremont Park and Clitterhouse Playing Fields, will ensure that residents have continued access to as much open space as possible throughout construction works.
- 1.10 These applications are anticipated to be reported to the Planning Committee in the New Year.
- 1.11 Running parallel to the emerging detailed design work are the highway and infrastructure workstreams, which includes progressing the approval in principle infrastructure designs for approval by the Highways Authorities (LBB, TfL and Highway England) and negotiating the required Infrastructure Agreements to enable the Brent Cross North Partners to undertake the necessary works to the public highway and ensure the delivery of the significant road infrastructure improvements. In this regard, the Brent Cross North Partners together with the Council and Argent Related (through the BXC Integrated Programme Management office) are beginning to review the

emerging construction programmes, with a particular focus on ensuring that the construction traffic across the programme is managed in a co-ordinated and effective manner. The Transport Advisory Group comprising the Development Partners, TfL, LB Brent, LB Camden as well as LB Barnet has now been re-established in accordance with the S73 permission and the monthly Programme Communications Group, which includes TfL and LBB Highways, is starting to consider how traffic management proposals will be effectively communicated to the local residents and businesses as well as the wider community. Further updates on construction and traffic management will be provided to the Committee as the strategy develops.

- 1.12 In respect of the relocation of the residents within the CPO1 area of the Whitefield Estate, the Brent Cross North Partners are now in final contractual negotiations with Catalyst (the selected preferred RP) and both parties intend to enter into a conditional contract in February next year. This contract is being progressed in line with the provisions and obligations set out in the Property Development Agreement (PDA) and principles established in the Residential Relocation Strategy which was approved (by way of discharging a planning condition attached to the S73 permission) by the Local Planning Authority on 3 December 2015 and the completed Section 106 Agreement was attached to the S73 permission. The Residential Relocation Strategy is attached at appendix 2.
- 1.13 The Council will be required to be party to this agreement given the provisions and obligations contained within the PDA, which includes the requirement for the Council to grant a long leasehold interest to the Residential Provider in respect of the relocation sites on Brent Terrace upon completion of the relocation units. Consequently, the Committee's approval is sought to authorise the Chief Executive to approve the terms of the agreement and enter into contact in accordance with the parameters set by the Property Development Agreement and the approved Residential Relocation Strategy.
- 1.14 In relation to programme, the Brent Cross North Partners anticipate undertaking early construction work late 2017/18, with an anticipated main construction start date for the Phase 1a Infrastructure and Phase 1b Shopping Centre works in mid-2018, with a target completion date September 2022. The longer construction programme follows a detailed review of the extent of works proposed by the Brent Cross North Partners and reflects the complexity and scale of the infrastructure improvements and shopping centre extension.

Brent Cross South

- 1.15 As the Committee will recall, the south side legal documentation (which includes the Project Agreement, Limited Partnership Agreement, Shareholder Agreement and associated documentation was completed on 11 July 2016, and the Brent Cross South Joint Venture Limited Partnership (JVLP) formally created.
- 1.16 The BXS JVLP is currently updating the BXS Business Plan approved by the Committee at the 17 March 2016 meeting. Argent Related are in discussions

with the Council's Commissioning teams and undertaking consultations with the local community, specialised groups and key stakeholders to inform the update. It is anticipated that the updated Business Plan will be submitted to LB Barnet (acting as Shareholder) for approval early next year. Following submission, the Business Plan will be presented to the next Assets, Regeneration and Growth Committee in March 2017 for formal consideration and agreement.

- 1.17 A second round of engagement with the local community is planned to take place in December 2016 / January 2017. This will include the second edition of the BXS Positive Dialogue Newsletter and consultations with the local specialist groups and key stakeholders included holding a series of targeted focus groups on topics such as sports, leisure, youth, older people and later living. The objective of these discussions is to inform the masterplanning process and to help shape the emerging identity for Brent Cross South. Further engagement with the dedicated Community Liaison Groups is planned to take place on 12, 13 and 15 December 2016, which will be followed up with public exhibitions early in the New Year.
- 1.18 The first phase proposal, which will follow the principles established by the updated Business Plan, is anticipated to be submitted to the Council (acting as Shareholder) in late Spring next year for approval. This proposal will form the basis of the reserved matters planning application submissions in line with the S73 planning application.
- 1.19 JVLP is also in the process of selecting the preferred Registered Provider (RP) for those residents falling within the CPO2 area (Part 2 Whitefield Estate). A representative scoring panel (comprising LB Barnet and Argent Related) has met with the three shortlisted bidders and each bidding RP was invited to present directly to residents on Wednesday 16 November 2016. All residents of CPO2 were invited to this event and were asked to submit their feedback on the selection of a new landlord via a scorecard and this will feed into the evaluation process. The CPO2 Residents Steering Group was briefed on this proposed process for the RP on 1 November 2016. It is anticipated that the preferred RP will be selected shortly. Finalising the Shared Equity Offer has been identified as a top priority and will be reviewed jointly with the RP once the RP Partner is confirmed. This is in keeping with prior communications to the residents and CPO2 Resident Steering Group members.
- 1.20 In respect of the governance arrangements for Brent Cross South, the JVLP Board has been established and meets monthly. The Council's Directors are Cath Shaw, Interim Deputy Chief Executive and Commissioning Director, Growth and Development, Anisa Darr Director of Resources and Stephen McDonald Director of Place at Re.
- 1.21 The Committee will recall that the Council previously approved the establishment of a LBB Shareholder Board to ensure that decisions were taken in a timely manner to ensure that project momentum is maintained.

- 1.22 The establishment of a separate Brent Cross decision making Board has been reviewed by the Council's Governance team and HB Public Law, and it is no longer considered necessary for that group to sit in a decision making capacity given the frequency of the Assets, Regeneration and Growth Committee, and also that the Committee can, if it wishes, authorise an express delegation on a particular matter to a senior officer if a decision can be anticipated between scheduled meetings. It is also noted that any urgent decisions required between meetings could be dealt with either by a special Assets, Regeneration and Growth Committee or an Urgency Committee.
- 1.23 It is currently envisaged that any required delegations to officers will be to the Chief Executive in order to maintain a separation of functions between the activities of the Council and the JVLP board.
- 1.24 It is proposed that the Shareholder Board Group comprising the Members identified in the November 2015 ARG report should still meet, but in a more informal member working group capacity to review and comment on the Brent Cross South Business Plan and the emerging proposals for the first phase, which will then be formally considered by the Committee for approval, as well as monitoring progress.

Thameslink Station

- 1.25 The Council is continuing to work with the GLA, HM Treasury, DCLG, Network Rail and the Department for Transport to deliver the new Thameslink Station and associated infrastructure within the regeneration area. As the Committee is aware, the Full Regeneration Business Case was reviewed by the Department of Communities and Local Government Finance Sub-Committee on 25 February 2016, following which the Chancellor again reconfirmed the funding commitment in the Budget Statement on 16 March 2016.
- 1.26 Under the proposals, the Council will receive a grant of £97m from the Treasury, and will borrow the remaining funds required to build the station. This borrowing will be repaid by ring-fencing the local share (i.e. the 30% currently retained by the Council and the 20% currently retained by the Greater London Authority) of business rate growth delivered by the expansion of the shopping centre. The grant agreement and funding letter with DCLG and GLA have now been finalised and are expected to be signed prior to the 12 December ARG meeting.
- 1.27 To support the business case and the delivery of the station phase, the Council entered into a Design Services Agreement (DSA) with Network Rail in July 2015 to take forward a feasibility study on the options for the station design in accordance with Network Rail's GRIP (Guide to Rail Investment Process) to develop a single option selection (known as GRIP 3).
- 1.28 The Design Services Agreement to take forward the approval in principle design work (GRIP 4) is continuing to be negotiated with Network Rail. It was originally anticipated to be concluded by the end of September 2016 but this has been delayed to enable further discussions on the scope and

development of the procurement strategy. To avoid unnecessary delay to the project, the Council has varied the existing DSA to enable the necessary environmental survey work to progress in advance of the completing the GRIP 4 Design Services Agreement. The ecology survey is now complete and the topographical survey is underway and due to be completed in January 2017. It is anticipated that the DSA will be finalised in January and will be completed by the end of February 2017. This will not delay the overall programme.

- 1.29 The Council is also reviewing the Station Brief to inform the GRIP 4 design work in close consultation with Argent Related to ensure that the station and associated infrastructure is fully integrated with the Brent Cross South proposals and that the regeneration and placemaking objectives are maximised. This Brief will be reviewed by key stakeholders, including Network Rail and GTR, the current Train Operating Company and will subsequently be reported to the Committee meeting in next March. The Station Brief alongside the accompanying Planning Strategy will form part of the Station Strategy documentation that will clearly define the scope of the Station project, interfaces including roles and responsibilities and how the project will be delivered and managed across the programme
- 1.30 Whilst the S73 Permission has granted consent for the Thameslink Station development, including a rail freight facility and waste transfer facility, a number of changes will be required in order to facilitate the delivery of the Thameslink Station and associated facilities at an earlier stage. A series of planning applications are currently being prepared and it is envisaged that these will be submitted from March 2017 onwards. The planning applications will be subject to public consultation in the New Year as detailed below.
- 1.31 Communications with residents about the station and the wider development is on-going. The December edition of the Council's residents' magazine – Barnet First, including a two-page spread, was delivered to over 140,000 homes in the Borough.
- 1.32 Ahead of wider consultation events that will be held in January, local residents and community groups will be reminded of the vision and plans for the station, waste and freight facilities in December through dedicated Community Liaison Groups that have been set up to assist with the flow of communication between developers and residents.
- 1.33 A detailed plan for further consultation events is being developed.

Station Naming Process

- 1.34 Though discussions with the Department of Transport and Network Rail, it has been established that there is not a formal process for naming new train stations. Consequently, the Council together with its public sector partners and Argent Related have developed a robust process based on engagement with Network Rail and the experience of the Argent Related, who will be leading the process on behalf of the Council.

- 1.35 The process, which will begin with detailed research into the history of the area, will include consultation with local residents and a wide range of stakeholders before being reported to the Committee to establish a shortlist of names.
- 1.36 The Council will review the shortlist and select a preferred name. It is expected that this stage will be completed by August 2017. Once a preferred name has been selected the Council will engage with key external stakeholders, including the Department for Transport, Network Rail and the train operating company for final approval of the name. It is anticipated that a final decision on the name will be confirmed by October 2017.

Network Change

- 1.37 As the Committee is aware, the Council is working closely with Network Rail with regards to the delivery of the Thameslink Station on a number of key workstreams. Network Rail are taking the lead as the project sponsor for the regulatory processes that must be followed when a material change is proposed to the operation of the rail network, such as providing the Thameslink Station and the Midland Mainline Bridge. This process is referred to as 'Network Change'.
- 1.38 On 1st July, Network Rail sent the 'Clause 5.1 Pre-Notice of Intended Scope' to stakeholders, including rail operating companies which sets out the intended stages and timetable for implementing the Network Change proposals. The Council is currently issuing formal responses to the queries received. Meetings are currently being arranged with the Train and Freight Operators to update them on the process.
- 1.39 The next formal consultation is scheduled for mid-2017 which incorporates the changes to the non-operational railway boundaries.

Procurement

- 1.40 The Thameslink project team is currently developing the procurement options for delivery of the Thameslink work packages together with the Council's legal and procurement advisors and it is anticipated that this will be reported to the next Committee meeting for Members consideration.

BXC Project Governance

- 1.41 The Committee will recall that a Gateway Audit for the BXC project was undertaken in January 2014 and recommendations subsequently incorporated into the programme. Given the considerable progress of the programme over the last two years, it is now considered timely to undertake a further audit to ensure that the correct project governance and controls are in place. This view is shared by the Council's public sector partners.
- 1.42 The Brent Cross Cricklewood integrated project management and Council Assurance teams are currently preparing the scope of the audit. It is

anticipated that this audit will be undertaken in April next year. Further details will be reported to the Committee next March.

BXC CPO and Land Appropriation

CPO1 AND CPO2

- 1.43 In respect of CPO1 and CPO2, the Committee will recall that the CPO Inquiry formally closed in July this year and the Council is awaiting the Secretary of State decision. The Council's advisor, GL Hearn is continuing to negotiate with owners within the CPO areas to acquire the necessary land and rights needed for the Brent Cross North and South schemes.

CPO3

- 1.44 The Committee will recall authorising the making of the CPO Order to assemble the land required to develop the station and associated infrastructure work packages on 5 September 2016 (known as CPO3).
- 1.45 The CPO Order was subsequently made on 7 September and the 28 day objection period expired on 13th October 2016. Objections have been received from those with a property interest in the area as well as from those within the local community. The Council and its advisor GL Hearn are continuing to address these objections and seeking to negotiate by private treaty to acquire the land and interests required to deliver the Thameslink Station.
- 1.46 The Council is currently awaiting a CPO Inquiry Date. It is anticipated that the Inquiry will be held in late Spring 2017. In this regard, the Council has requested that a Pre Inquiry Meeting be held.

Land Appropriation

- 1.47 In order to deliver the regeneration of the Brent Cross Cricklewood area, the Council will need to dispose of land within its freehold ownership to the developers. As the Committee is aware, parts of the Council's land are subject to restrictions/covenants which could prevent the intended development and use of the land. The Council will, in conjunction with the CPO process, need to consider appropriating those parcels of land that have historically been held for other purposes to planning purposes prior to the commencement of development. Once they are duly appropriated to planning purposes section 203 of the Housing and Planning Act 2016 will operate to override any private rights or covenants that might otherwise impede the implementation of the consented development. Compensation may become payable to those whose rights are so overridden.
- 1.48 In order to appropriate the land to planning purposes to enable s 203 to take effect, the Chief Executive will need to be satisfied that the Council could have compulsorily acquired the land under section 226 of the Town and Country Planning Act 1990 and therefore that appropriating the land for planning

purposes will contribute to the achievement of the environmental, social and economic well-being of the area.

- 1.49 Consequently the Committee is asked to delegate authority to the Chief Executive to consider whether to appropriate to planning purposes Council-owned land within the red line planning application boundary for the scheme (attached – Appendix 1) which is held by the Council for other purposes and, if he considers it appropriate to do so, to effect the appropriation of such land to planning purposes subject to complying with the statutory procedures for such appropriation and obtaining any necessary consents. Any decisions to appropriate particular parcels of land will be the subject of a delegated powers report at the relevant time identifying the land in question and evidencing compliance with the statutory requirements.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The comprehensive regeneration of Brent Cross Cricklewood is a long-standing objective of the Council and a key regeneration priority of the Mayor of London. At 151 Ha, it is one of the largest regeneration schemes in Europe. The London Plan identifies it as an Opportunity Area with an indicative employment capacity target of 20,000 jobs and a minimum new homes target of 10,000 homes. The Council's Core Strategy reinforces the significant comprehensive regeneration opportunity, which includes a new town centre, major new and improved transport and community facilities, and other infrastructure and public areas.
- 2.2 The area is significantly constrained by the existing road network and rail infrastructure, which creates a poor environment for those who live and work there. Nevertheless, given its location at the connection between the M1 and A406, the regeneration area has the potential to be a major and attractive gateway into London. The potential accessibility of the area is further enhanced by its connection with the A5 and A41, and its close proximity to the Northern Line at Brent Cross station, the Midland mainline, and Brent Cross bus station.
- 2.3 One of the reasons why the area has not been redeveloped to date is the need for substantial infrastructure to be provided to realise the area's potential. The comprehensive redevelopment and improvement of the Brent Cross Shopping Centre and other major development in the area provides the opportunity for the infrastructure to be funded and delivered, for the benefit of Brent Cross Cricklewood as a whole. In particular, in addition to major improvements to existing roads and public transport and social infrastructure, the proposals will create strong and attractive linkages between the communities to the north and south of the North Circular.
- 2.4 The development of this strategic gateway site will create a new town centre and residential quarter, uniting the areas north and south of the A406 North Circular, providing an attractive and vibrant place to live and work. It will contribute to the future prosperity of the Borough. The development to the

north of the North Circular alone is expected to create 3,000 construction jobs, and an additional 4,000 permanent jobs over the next five to seven years. It will provide around 91,500 sqm (net) of additional retail and commercial floorspace.

- 2.5 Brent Cross Cricklewood is a key element of the Council's regeneration and housing programme and will provide over 7,540 new homes over the next 20 years, including affordable homes and replacement homes for the Whitefield Estate. The scheme will also provide new and improved educational and health facilities for the community, and improved open space and recreational facilities for the community to enjoy and use.
- 2.6 The new Thameslink Station alongside the major highways and junction improvements (including those to junctions on the M1, A5, A406 (the North Circular), A407 and A41) will vastly improve the accessibility of the area and will help realise the regeneration of the area to its full potential. To address the existing barriers to accessibility between the communities to the north and south of the North Circular, as part of the first stage of development a series of bridges will be delivered including the Living Bridge (a new pedestrian and cycle bridge over the North Circular adjacent to Claremont Avenue and Market Square); the Templehof Bridge (replacing the existing Templehof Bridge over the North Circular); the A406/M1 Junction Pedestrian and Cycle Bridge – a new shared pedestrian and cycle bridge over the A406 adjacent to this improved junction; changes to the Staples Corner Pedestrian Bridge; 9 road bridges across the improved and diverted River Brent, and a further two bridges for the use of pedestrians and cyclists only.
- 2.7 The regeneration of Brent Cross Cricklewood will be a major component of achieving the Council's priority objectives in its Corporate Plan 2013-2016, including to 'maintain the right environment for a strong diverse local economy', with the strategic objective under this priority being to sustain Barnet by 'promoting growth, development and success across the borough'.
- 2.8 The scheme also supports the achievement of the objectives set out in 'One Barnet - A Sustainable Community Strategy for Barnet 2010–2020', including:
- "Sharing opportunities for success' and 'choice and responsibility', where the proposals will provide high quality homes. The Scheme itself will 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".*
- 2.9 In addition, it will further the strategic objectives in the Council's Housing Strategy 2010-2025 which include:
- (a) increasing housing supply, including family sized homes, to improve the range of housing choices and opportunities available to residents; and
 - (b) promoting mixed communities and maximising opportunities available for those wishing to own their home.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Alternative options have been considered and these options are summarised in previous reports.

4. POST DECISION IMPLEMENTATION

4.1 The Council and its advisors will continue to progress all work streams to ensure delivery of the Brent Cross regeneration proposals as outlined in this report and approved by the Assets, Regeneration and Growth Committee.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.2 The regeneration of Brent Cross Cricklewood supports the Council's Corporate Plan 2015-20 which states that the Council will work with local, regional and national partners to strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves, recognising that prevention is better than cure
- where responsibility is shared, fairly
- where services are delivered efficiently to get value for money for the taxpayer.

5.1.3 The scheme to transform Brent Cross Cricklewood will play a major role in delivering future prosperity, doubling the size of the shopping centre and linking seamlessly to a new town centre for Barnet and North London across the North Circular Road. Brent Cross Cricklewood is one of Barnet's priority regeneration areas, and will provide approximately 7,500 new homes over the next 20 years. It is a key part of the wider revitalisation of the A5 corridor, linking Brent Cross Cricklewood with developments at West Hendon, Colindale and Edgware and improvements to Cricklewood Town Centre, to create a series of high quality modern suburbs.

5.1.4 The first phase of the Brent Cross Cricklewood project includes the redevelopment of the shopping centre, creation of major new infrastructure, improved links to the existing tube station, and delivery of around 2,461 new homes over the next 8-10 years. This will create an estimated 3,000 construction jobs, and 4,000 permanent jobs. The Thameslink Station is important to the success of the regeneration scheme in both place-making as well as viability terms. However, at present the scheme does not benefit from the delivery of the station until the later phases. Bringing the station forward in the delivery programme will increase the attractiveness of Brent Cross Cricklewood area as a place to live, shop and work and thereby improve the viability of Brent Cross Cricklewood South and will also increase the pace of

delivery of new homes.

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

Brent Cross North

5.2.1 The Brent Cross Principal Development Agreement executed on 3 March 2015 and subsequently amended on 11 July 2016 confirms that the Brent Cross North Partners (HSL) are obliged to pay the Council's (and their consultants) costs in connection with this project.

5.2.2 In relation to CPO 1, there are two main elements of costs associated with any potential CPO process – the costs of preparing and promoting the CPO itself, and the compensation and consideration to be paid to those whose land and interests are acquired. In terms of the costs for resourcing the private treaty acquisitions, this will require input from internal and external resources covering various disciplines, including senior officers, legal input, surveying and valuation expertise. In respect of these acquisitions which fall in the northern part of the scheme, the HSL will meet all of these costs through the CPO Indemnity Agreement (CPOIA) executed on 3 March 2015 and subsequently varied on 11 July 2016 to reflect that the Council is leading on all residential elements south side as approved by the Committee on 30 November 2015. The indemnity is backed by security, so the Council is fully protected.

Brent Cross South and Thameslink

5.2.3 In relation to the land required to deliver the first phase south side development, capital funding was approved on 4 March 2014. This funding will be later recouped from the anticipated capital receipts of the south side scheme.

5.2.4 The Project Agreement and corporate documentation between Argent Related and the Council, which deals with the delivery of the redevelopment and regeneration of the land to the south of the North Circular is now completed. A CPO Indemnity Agreement, under which the Argent Related provide the Council with an indemnity in respect of the costs of promoting the CPO and the compensation payable to third parties in respect of whose land and interests within CPO2 has been completed, and the CPO Indemnity Agreement for CPO3 is being finalised.

5.2.5 The delivery of the Station, Midland Mainline Bridge and waste and freight facilities, including land acquisitions, will be funded by public sector initially from the existing Council capital budgets (as approved by the Assets, Regeneration and Growth Committee on 17 March 2016 and Policy and Resources Committees on 17 May 2016 and 28 June 2016) and also HM Government grant funding and public sector borrowing.

5.2.6 The Grant Agreement and Funding Letter with DCLG and GLA are being

finalised and due to be signed shortly.

- 5.2.7 In terms of the costs of pursuing the CPO, this will require input from internal and external resource covering various disciplines, including senior officers, legal input, surveying and valuation expertise, planning input, input from the preferred developer when selected, technical input from engineers and consultants, and the cost of witnesses at the public inquiry. There will also be costs associated with the organisation and holding of the public inquiry. This is being met by the existing Thameslink Station and land acquisitions budget as approved by the Committee on 17 March 2016 and Policy and Resources Committee on 28 June 2016. The current budget for the Thameslink project, as approved on 28th June, is £16.650m. In addition, Policy & Resources Committee agreed, on 17th May 2016, an increase to the capital financing requirement, to enable borrowing to provide initial finance for Brent Cross Cricklewood. Ultimately, the CPO3 acquisition costs will be financed from either Argent Related, if appropriate, or the £97m grant referred to above.

5.3 Social Value

- 5.3.1 As indicated in sections within this report, the Brent Cross Cricklewood programme will secure wider social, economic and environmental benefits.

5.4 Legal and Constitutional References

- 5.4.1 The Council has a general power of competence under Section 1 of Chapter 1 of the Localism Act 2011 and this empowers the Council to enter into joint venture arrangements for the development of the south side of the Brent Cross Cricklewood regeneration scheme. Section 1 of the Localism Act 2011 provides local authorities with a broad power to do anything that individuals can do subject to any specific restrictions contained in legislation.
- 5.4.2 The Council has the power to acquire and dispose of land in accordance with Sections 120 to 123(2A) of the Local Government Act 1972, and subject to obtaining all appropriate consents and approvals. Where land has been appropriated for planning purposes, any disposal of land appropriated for such purposes is effected in reliance on Section 233 Town and Country Planning Act 1990. On any disposal of property the Council is required to have regard to the requirements of s123(2) of the LGA 1972 and Section 233 Town and Country Planning Act 1990 to ensure that any disposal is not for a consideration less than the best that can reasonably be obtained. Any land held for the purposes of part 2 of the Housing Act 1985 can be disposed of under section 32 of that Act either in reliance on a general or express consent of the consent of the Secretary of State.
- 5.4.3 Council Constitution - Management of Asset, Property and Land Rules provide the governance structure within which the Council may acquire, lease, act as landlord, licence, develop appropriate change of use of, or dispose of assets within its Asset portfolio.
- 5.4.4 The procurement of a partner and other advisers for the south side of the

scheme will be carried out in accordance with the relevant European Union procurement regulations and public sector procurement principles.

- 5.4.5 The Public Services (Social Value) Act 2012 requires the Council to consider whether it can achieve an improvement to the economic, social and environmental well-being of an area as part of the procurement of these services. If so, the social value objectives identified must be written into the procurement process. All of this must be achieved with regard to value for money and in a way that is compliant with existing public procurement law. "Social value" objectives can include the creation of employment, apprenticeship and training opportunities for local people, trading opportunities for local businesses and the third sector; and the promotion of equality and diversity through contract delivery.
- 5.4.6 Section 111 of the Local Government Act 1972 provides that a local authority has power to do anything which is calculated to facilitate, or is conducive or is incidental to, the discharge of its functions.
- 5.4.7 Council Constitution, Responsibility for Functions states inter alia that only the full Council will exercise the following functions – All policy matters and new proposals relating to significant partnerships with external agencies and local authority companies.
- 5.4.8 The public sector equality duty referred to in Section 5 also required consultation to ensure the Council complies with its duties under the Equality Act 2010.
- 5.4.9 In order to deliver the regeneration of the Brent Cross Cricklewood area, the Council will need to dispose of land within its freehold ownership to the developers. The Council will, in conjunction with the CPO process, need to consider appropriating those parcels of land that have historically been held for other purposes to planning purposes prior to the commencement of development. Once they are duly appropriated to planning purposes section 203 of the Housing and Planning Act 2016 will operate to override any private rights or covenants that might otherwise impede the implementation of the consented development. Compensation may become payable to those whose rights are so overridden.
- 5.4.10 In order to appropriate the land to planning purposes to enable s 203 of the Housing and Planning Act 2016 to take effect, the Chief Executive will need to be satisfied that the Council could have compulsorily acquired the land under section 226 of the Town & Country planning Act 1990 and therefore that appropriating the land for planning purposes will contribute to the achievement of the environmental, social and economic well-being of the area.
- 5.4.11 The appropriation will potentially result in the over-riding of covenants, easements and other third party rights, and that therefore there is likely to be an interference with the rights and human rights of those affected. Compensation may become payable to those whose rights are so overridden.

The Chief Executive will need to take into account these factors in deciding whether or not to proceed with the appropriation.

5.5 Risk Management

5.5.1 The key risks are summarised in the 11th July 2016 report.

5.6 Equalities and Diversity

5.6.1 As reported in successive meetings, the Development Proposals support achievement of the council's Strategic Equalities Objective.

5.6.2 The development proposals for the Brent Cross Cricklewood scheme will make a significant contribution to the provision of additional, high quality affordable housing units in the Borough as well as providing employment through the creation of a new town centre with leisure, health and educational facilities. The delivery of the Thameslink Station will enhance public transport provision and improve accessibility and provide greater choice for all. It should be emphasised that a fully integrated and accessible town centre will be created as part of these proposals.

5.7 Consultation and Engagement

BXC Programme

5.7.1 The Council is working closely with development partners from the north and the south side to develop and implement a coordinated communications strategy and stakeholder engagement approach across the whole programme.

5.7.2 Joint monthly communications meetings are now in place and attended by the Council, Brent Cross North Development Partners and Argent Related (including their advisors Tavistock and Soundings) as well as TfL and Highways England. The meetings are used as a key mechanism to jointly plan and coordinate public engagement and communication to: eliminate unnecessary duplication; share information; and develop a shared understanding of what other are doing.

5.7.3 A programme wide communications, engagement and consultation forward plan is being developed as a tool to assist all partners share information and plan events. It will aim to provide a 3 – 6 month forward look of all planned and upcoming communications and engagement activities across the whole programme to enable better coordination and joined up working.

5.7.4 PEP the Resident Independent Advisor continues to hold monthly resident surgeries on the Whitefield Estate.

Brent Cross North

5.7.5 The Brent Cross North Development Partners have circulated letters to the

CPO1 residents on the Whitefield Estate providing an update on the procurement of Catalyst as the selected Registered Provider for this part of the scheme. The Brent Cross Development partners are in final contract negotiations.

- 5.7.6 Public exhibitions and detailed stakeholder engagement was carried out by the Brent Cross North Partners in November ahead of the planning applications being submitted in the New Year. The exhibitions were well publicised in the local and national press.

Brent Cross South

- 5.7.7 As reported to the Committee on 11th July 2016, Argent Related appointed Soundings to advise on communications and community engagement.
- 5.7.8 Since July, Soundings has set up three community liaison groups to act as consultation forums for the Development Partners to engage with residents on the wider Brent Cross Cricklewood proposals. The three community liaison groups are Cricklewood / Childs Hill, Golders Green and Dollis Hill.
- 5.7.9 The second round of Community Liaison Group meeting will be held in December 2016 starting with the Cricklewood meeting on Monday 12 December, Golder Green on Tuesday 13 December and Dollis Hill on Thursday 15 December.
- 5.7.10 Argent Related and Soundings are in the process of confirming a full programme of community engagement events that will take place in February and March 2017.
- 5.7.11 GL Hearn is producing a community engagement plan in support of the Thameslink Programme and they will ensure that the communication activities are coordinated with the Brent Cross South programme. Representatives from the Thameslink team will attend the second round of the Community Liaison Groups in December to update residents on the vision for the station. Public exhibitions will be held in Jan/Feb to engage residents and businesses with the detailed planning applications that will be submitted in March.

6 BACKGROUND PAPERS

- 6.1 Cabinet, 26 April 2004 (Decision Item 8) – approved the adoption of the Cricklewood, Brent Cross and West Hendon Development Framework as Supplementary Planning Guidance.
- 6.2 Cabinet, 29 March 2005 (Decision Item 6) – agreed to enter into a Collaboration Agreement with the development partnership (Cricklewood Regeneration Limited, Hammerson and Standard Life).
<http://barnet.moderngov.co.uk/CeListDocuments.aspx?CommitteeId=120&MeetingId=265&DF=29%2f03%2f2005&Ver=2>

- 6.2.1 Cabinet, 5 December 2005 (Decision Item 7) – approved, amongst other matters, that 1) the Eastern Lands Addendum be adopted as Supplementary Planning Guidance; and 2) the Eastern Lands Supplementary Guidance is incorporated into the Cricklewood, Brent Cross and West Hendon Development Framework.
<http://barnet.moderngov.co.uk/CeListDocuments.aspx?Committeed=120&MeetingId=272&DF=05%2f12%2f2005&Ver=2>
- 6.3 Cabinet Resources Committee, 25 March 2008 (Decision Item 16) – approved the outline terms so far agreed with the Brent Cross North Partners and Cricklewood Redevelopment Limited, including the proposals for the finalisation of the financial terms, be approved in principle subject to the outcome of Counsel’s advice on procurement issues, and that the finally agreed terms for the Development Framework Agreement and the Property Development Agreements be reported to a future meeting of the Cabinet for approval.

<http://barnet.moderngov.co.uk/Data/Cabinet%20Resources%20Committee/200803251900/Agenda/Document%2015.pdf>
- 6.4 Cabinet, 21 October 2009 (Decision Item 7) – approved the terms and conditions of entering into the Development Framework Agreement and the Property Development Agreements, subject to approval of the Brookfield Europe and Hammerson Guarantor companies by the Director of Finance and the Leader of the Council, and the approval of the appropriate land transaction and financial arrangements by the Secretary of State. The approval was also subject to agreement of the plans, the historic costs and the form of the legal documents.

<http://barnet.moderngov.co.uk/CeListDocuments.aspx?Committeed=120&MeetingId=306&DF=21%2f10%2f2009&Ver=2>
- 6.5 Cabinet Resources Committee, 19 October 2010 (Decision Item 5) – approved the changes to the terms and conditions of the Development Framework Agreement and the two Property Development Agreements regarding Brent Cross Cricklewood (as considered and approved by Cabinet in October 2009)

<http://barnet.moderngov.co.uk/CeListDocuments.aspx?Committeed=151&MeetingId=446&DF=19%2f10%2f2010&Ver=2>
- 6.6 Cabinet Resources Committee, 18 April 2013 (Decision Item 14) - noted that the Brent Cross Cricklewood Development Partners wished to modify the existing planning consent to allow re-phasing; approved that the Director for Place begin preparations to enable the Council to procure a development partner to deliver the regeneration of the southern parts of Brent Cross Cricklewood Regeneration Area and confirmed the continued appointment of the external advisors for the Brent Cross Cricklewood Regeneration project, and the procurement of appropriate additional advice, and to delegate

authority to the Director for Place to deal with necessary contractual issues or arrangements.

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=151&MId=6759&Ver=4>

- 6.7 Cabinet Resources Committee, 16 January 2014 (Decision Item 6) - approved the changes to the terms of the Brent Cross Property Development Agreement (as considered and approved by CRC in October 2010) and the terms for the Co-operation Agreement as set out in Section 9 of this report; authorised the Chief Executive in consultation with the Leader of the Council to agree the detail of the Brent Cross Property Development Agreement and Co-operation Agreement; approved commencement of market testing through the issue of a Prior Information Notice to inform the delivery strategy for the Brent Cross Cricklewood South area; and approve that the Council enter into negotiations with landowners to acquire land required in advance of any Compulsory Purchase Order, subject to approval of the bid for capital funding by Cabinet on 25 February 2014; and approved that the Council continue the design and development work to develop the business case and funding strategy for delivery of the Thameslink Station, subject to approval of the capital funding bid by Cabinet on 25 February 2014; and delegate authority to the Strategic Director for Growth and Environment to procure the necessary advice and consultants to progress the Brent Cross project workstreams and deal with the related contractual issues and arrangements.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=151&MId=7702&Ver=4>
- 6.8 Assets, Regeneration and Growth Committee dated 9 July 2014 approved the procurement of a partner for the Brent Cross Cricklewood South development through an OJEU Negotiated route in accordance with the Brent Cross South Procurement and Delivery Strategy, and approved the Council's requirements for the Brent Cross Cricklewood South opportunity; and noted procurement timetable and that to meet this timetable an additional meeting would be needed to approve the selection of a preferred partner, which would be called in accordance with statutory requirements and the Council's constitution.
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=7960&Ver=4>
- 6.9 Assets, Regeneration and Growth Committee dated 8 September 2014 approved that the appropriate Chief Officers be authorised to negotiate and enter into agreements to acquire by private treaty the land and interests in the areas shown on the plan at Appendix 1 and to approve and enter into agreements and undertakings with the owners and/or occupiers of the land in the said areas so as to facilitate its acquisition and that the appropriate Chief Officers be authorised to arrange for a land referencing exercise (including the service of statutory requisitions) to be undertaken to identify all parties with interests in the land shown edged red and shaded pink and shaded blue on the plan at Appendix 1.

<http://barnet.moderngov.co.uk/documents/s17302/Brent%20Cross%20Cricklewood%20-%20Report.pdf>

- 6.10 Assets, Regeneration and Growth Committee dated 15 December 2014 noted progress on the Brent Cross Cricklewood project.

<http://barnet.moderngov.co.uk/documents/s19845/BXC%20update%20-%20Publish.pdf>

- 6.11 Urgency Committee, 26 February 2015 (Decision Item 1)

<https://barnetintranet.moderngov.co.uk/documents/s21721/Annex%201%20Report%20to%20Urgency%20Committee%2026%20February%202015.pdf>

- 6.12 Full Council dated 3 March 2015 approved the appointment of Argent and Related Companies PLC (Bidder Z) as the Council's preferred development partner for the Brent Cross Cricklewood South Scheme; the selection of Gateway Barnet consortium comprising Far East Consortium, Countryside Properties and Notting Hill Housing Trust (Bidder Y) as the Council's reserve development partner for the Brent Cross Cricklewood South Scheme; authorise Officers to work up the Business Plan, Project Agreement and documentation necessary to form the joint venture for consideration and approval by Assets, Regeneration and Growth Committee prior to formally entering into the joint venture contract and authorised the Commissioning Director (Growth and Development) to determine the exact structure of the joint venture arrangement.

<http://barnet.moderngov.co.uk/documents/g7819/Public%20reports%20pack%2003rd-Mar-2015%2019.30%20Council.pdf?T=10>

- 6.13 Full Council dated 3 March 2015 approved that a compulsory purchase order (CPO) be made pursuant to the powers in section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) for the acquisition of the land shaded pink on the plan at Appendix 1 and pursuant to section 13 of the Local Government (Misc Provisions) Act 1976 to acquire new rights in respect of the land shaded blue on the said plan to deliver (CPO1); That the appropriate Chief Officers be authorised to settle the final form and content of the CPO and associated documentation and take all action needed to pursue the CPO and secure its confirmation; That the appropriate Chief Officers be authorised, following the confirmation of the CPO, to implement the CPO powers and acquire title to and/or take possession of the land ; That the appropriate Chief Officers be authorised to carry out the necessary procedures under Part 11 of the Housing Act 1985 and to use Ground 10A to obtain vacant possession of Council owned dwellings that are occupied by secure tenants in the area shown shaded pink on the plan at Appendix 1 ; that the appropriate Chief Officers be authorised to approve the service of Initial and Final Demolition Notices as required pursuant to the Housing Act 2004 to suspend the right to buy on properties due for demolition which are situated on the Whitefield Estate but fall within the Brent Cross North Development and on the Rosa Freedman Centre; and that the appropriate Chief Officers be authorised to

take all necessary steps to re-house secure tenants from the Sheltered Housing Units at Rosa Freeman and to pay statutory home loss and disturbance to those tenants.

<http://barnet.moderngov.co.uk/documents/g7819/Public%20reports%20pack%2003rd-Mar-2015%2019.30%20Council.pdf?T=10>

- 6.14 Full Council on 3 March 2015 approved that a compulsory purchase order (CPO) be made pursuant to the powers in section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) for the acquisition of the land to deliver the first south side phase (known as CPO2) shaded pink on the plan at Appendix 1 ; That the appropriate Chief Officers be authorised to settle the final form and content of the CPO and associated documentation and take all action needed to pursue the CPO and secure its confirmation; That the appropriate Chief Officers be authorised, following the confirmation of the CPO, to implement the CPO powers and acquire title to and/or take possession of the land; That the appropriate Chief Officers be authorised to carry out the necessary procedures under Part 11 of the Housing Act 1985 and to use Ground 10A to obtain vacant possession of Council owned dwellings that are occupied by secure tenants in the area shown shaded pink on the plan at Appendix 1 and that the appropriate Chief Officers be authorised to approve the service of Initial and Final Demolition Notices as required pursuant to the Housing Act 2004 to suspend the right to buy on properties due for demolition which are situated on the Whitefield Estate but fall within the Brent Cross South Development..

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MID=7819#A11444>

- 6.15 Assets, Regeneration and Growth Committee dated 1 June 2015 noted progress on the Brent Cross Cricklewood project; A) approved the terms for the draft Collaboration Agreement between the Council and Argent and Related Companies as set out in the Exempt Report; B) authorised the Chief Executive in consultation with the Leader of the Council to agree the detail of the Collaboration Agreement; Confirmed as a matter of principle, that the Council is prepared to use its compulsory purchase powers pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) to acquire the land edged red on the plan at Appendices A & B; noted that a) the appropriate Chief Officers are commencing negotiations to acquire by private treaty the land and interests in the areas required to deliver the Thameslink Station as shown on the plan at Appendices A & B and to approve and enter into agreements and undertakings with the owners and/or occupiers of the land in the said areas so as to facilitate its acquisition; and that the appropriate Chief Officers are undertaking the work needed to prepare for a possible Compulsory Purchase Order (CPO) together with the associated documentation and, if necessary, will bring a further report back to the Committee seeking authority to make a CPO in respect of the land shown on the plan at Appendix C.

<http://barnet.moderngov.co.uk/documents/s23463/Brent%20Cross%20Cricklewood%20Station%20Project%20Update%20-%20REPORT.pdf>

- 6.16 Assets, Regeneration and Growth Committee dated 30 November 2015 approved the terms for the amendments to the Brent Cross Property Development Agreement and Co-operation Agreement and authorised the Chief Executive in consultation with the Leader of the Council to agree the detail of the Brent Cross Property Development Agreement and Co-operation Agreement and any required subsequent changes in the associated commercial documentation; noted progress on land acquisitions within the CPO red line boundary and that the CPO Inquiry for Brent Cross Cricklewood CPO1 and Brent Cross Cricklewood CPO 2 is scheduled for 17 May - 17 June 2016; approved the Brent Cross South Joint Venture Structure that will inform the Project Agreement and documentation necessary to form the Brent Joint Venture; noted the establishment of the Shadow Joint Venture Board and gave approval for the terms of reference for Shadow Shareholder Board for the Brent Cross South Joint Venture to be drawn up including a process for appointing Members for agreement at the next practicable meeting of the Council; and noted progress on the Thameslink Station project, in particular the station design and funding strategy.

<http://barnet.moderngov.co.uk/documents/s27725/Brent%20Cross%20Cricklewood%20Project%20update.pdf>

- 6.17 Council 1 March 2016 noted the report of Assets, Regeneration and Growth Committee on 30 November 2015 as attached at Appendix 1 which approved the Joint Venture Structure and authorised the establishment of a Shadow Shareholder Board for the Brent Cross South Joint Venture, and that its terms of reference and membership to be drawn up for Council approval; noted the Brent Cross South Joint Venture Structure at Appendix 3 attached to the

report of the Assets, Regeneration and Growth Committee on 30 November approved by the Committee on 30 November 2015; agreed the terms of reference for the Shadow Shareholder Board for the Brent South Joint Venture as outlined in paragraph 2.15; agreed that the composition and Membership of the Shadow Shareholder Board be agreed, as per paragraphs 2.13 and 2.14 of the report; noted the decisions outlined in Appendix 2 which will be required by the Shadow Shareholder Board as detailed in the Project Agreement and Shareholder and associated documentation necessary to form the Brent Cross South Joint Venture; and noted that the Project Agreement, Shareholder Agreement and associated documentation will be reported to Assets, Regeneration and Growth Committee on 17 March 2016 for approval and that that report will recommend that the Chief Executive be authorised in consultation with the Leader to finalise the documentation.

<http://barnet.moderngov.co.uk/documents/s29974/Report%20to%20Council%20Report%20-%20Report%20of%20Assets%20Regeneration%20and%20Growth%20Committee%20-%20Brent%20Cross%20Cricklew.pdf>

- 6.18 On 5 September 2016, Assets, Regeneration and Growth Committee approved the following recommendation; that a compulsory purchase order (CPO) be made pursuant to the powers in section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) for the acquisition of the land to deliver the first south side phase (known as CPO2) shaded pink on the plan at Appendix 1 ; That the appropriate Chief Officers be authorised to settle the final form and content of the CPO and associated documentation and take all action needed to pursue the CPO and secure its confirmation; That the appropriate Chief Officers be authorised, following the confirmation of the CPO, to implement the CPO powers and acquire title to and/or take possession of the land; that the appropriate Chief Officers to initiate or take part in any arbitration or proceedings before the Upper Tribunal (Lands Chamber) or the Courts in order to resolve any disputes as to compensation or other payments payable for any interests in the Order Land or arising from the making or confirmation of the CPO or securing possession of any part of the Order Land or title to any part of the Order Land.

<http://barnet.moderngov.co.uk/documents/b27857/SUPPLEMENTARY%20REPORT%20-%20AGENDA%20ITEM%2014%20Brent%20Cross%20Cricklewood%20Compulsory%20Purchase%20Order%20No.%203%20and.pdf?T=9>

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P4

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Key:

■ Planning Application Boundary



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BRENT CROSS CRICKLEWOOD

**RESIDENTIAL RELOCATION
STRATEGY - FINAL**

August 2015

Revision no. 3

Our Ref: Q20121

Contents

1	INTRODUCTION	1
2	THE PROPOSED DEVELOPMENT AND REQUIREMENTS FOR THE RESIDENTIAL RELOCATION STRATEGY	6
3	THE PRINCIPLES OF RELOCATION.....	8
4	WHITEFIELD ESTATE REPLACEMENT UNITS	16
5	TIMETABLE AND COMPLIANCE FOR PHASE 1A (NORTH).....	17
6	GOVERNANCE & CONSULTATION	19
7	ADDITIONAL NEEDS.....	26
	APPENDICES.....	27

1 INTRODUCTION

- 1.1 The Brent Cross Cricklewood scheme involves the re-development of a 151 hectares area of north London, providing a new town centre and thousands of new homes and jobs.
- 1.2 As part of the development, the current Whitefield Estate will be demolished and replacement units provided. Part of the Whitefield Estate, Part 1, falls within Phase 1A (North) which is required to deliver the Living Bridge and Claremont Avenue. The remainder, Whitefield Estate Part 2, falls within Phase 1C of the southern scheme. This will involve the acquisition of the necessary land through a Compulsory Purchase Order (CPO) process (where land is not acquired through private treaty). The plan provided at Appendix 1 shows how the Whitefield Estate Parts 1 and 2 related to the CPO processes – CPO1 and CPO2.
- 1.3 The Development Partners (comprising Hammerson, Standard Life Investments, Argent Related) and appointed Registered Providers are required to produce a ‘Residential Relocation Strategy’ before the commencement of the development (in line with Condition 1.10 of the planning permission). The scope of the Residential Relocation Strategy is principally set out within the S106 Agreement of the Planning Permission. The Residential Relocation Strategy is required to set out the details of the process of relocating residents of both the Whitefield Estate (Part 1) and also the guiding principles for the relocation of residents within Whitefield Estate (Part 2).
- 1.4 The purpose of this document is to set out the appropriate arrangements for the satisfactory relocation of the residents in the Whitefield Estate and the sheltered housing units at Rosa Freedman Centre to the Replacement Whitefield Units in accordance with the parameters and principles contained in paragraphs 2.91 to 2.93 in the RDS&F and relevant planning obligations contained in paragraph 1 of Schedule 2 and principles contained in Schedule 24 of the S106 Agreement. This document establishes the principles of how to facilitate there-provision of the replacement homes for eligible residents within the Whitefield Estate and their relocation, as defined in Section 1.6.
- 1.5 At the time of the preparation of this document, the process of relocating the existing residents of homes in the Whitefield Estate Part 1 and the Rosa Freedman Centre is well advanced. As such, many of the principles and actions set out within this Strategy have already been undertaken by the

Northern Developer (comprising Hammerson, Standard Life Investments) and the appointed Registered Provider but will continue to apply to the process of relocation required by the delivery of Phase 1C (S) by the Southern Developer (comprising Argent Related) and the appointed Registered Provider.

a) **Brent Cross Cricklewood North (Whitefield Estate Part 1)**

1.6 Brent Cross Cricklewood North will be delivered by the Northern Developer. Phase 1A (North) includes the demolition of the residential units comprising Whitefield Estate (Part 1) (including units in Dyson Court, Rawlinson Court, Anderson Court, Claremont Way, 1-16 Whitefield Avenue and the Rosa Freedman Centre). In line with Condition 1.11 and the S106 Agreement of the Planning Permission (application ref: F/04687/13), Phase 1A (North) is required to deliver replacement units in order to provide accommodation for residents displaced by the demolition of homes (see Appendix 2 and Appendix 9 for further details). As permitted by the Section 106 agreement, a commuted sum will be paid to replace the Rosa Freedman Centre as stated in the Principle Development Agreement dated 3rd March 2015. In paragraph 3.1.3A in the Section 106 agreement, the terms and conditions for this sum is set out as follows:

‘In the case of the 25 units required to replace the sheltered housing units in the Rosa Freedman Centre as part of the Whitefield Estate Replacement Units (Part1) (if agreed in writing between the Brent Cross Partners, the LPA and the Council) the Brent Cross Partners may prior to commencement of Phase 1A (North) pay to the LPA a commuted sum in lieu of provision of these units (so as to discharge the obligations of the Brent Cross Partners under this Agreement in respect of the said 25 units and so that if built the 25 units within Phase 1 (North) that would have been required to be provided as part of the Whitefield Estate Replacement Units (Part 1) can be sold as market housing free from all affordable housing obligations in this Agreement) the reasonable amount of which is to be agreed in writing between the Brent Cross Partners and the Council prior to payment but which for the avoidance of doubt such payment will represent the full capital costs of delivering a scheme of 25 extra care units to replace the existing 25 units in the Rosa Freedman.’

1.7 The Reserved Matters Application (RMA) relating to the delivery of Phase 1A (North) Plots 53 and 54 has now been approved. These plots are intended to provide the replacement units for those

residents requiring relocation from Whitefield Estate Part 1. Further details are provided in Appendix 7 and Appendix 9.

b) Brent Cross South Cricklewood South (Whitefield Estate Part 2)

1.8 Brent Cross Cricklewood South will be developed by the Southern Developer. In due course, Argent Related will appoint an RP in consultation with residents. Argent Related will be responsible for progressing the demolition of the remainder of the Whitefield Estate in Phase 1C (South) (comprising Norden Point, Clare Point and Wychocte Point) and they will be responsible for the redevelopment of land south of the A406. Further details on the relocation of these residents will be provided at a later date in an updated version of this strategy.

1.9 The document is structured as follows:

- **Section 2** sets out the background to the proposals and summarises the requirements of this strategy as set out in the Planning Permission and Section 106 Agreement.
- **Section 3** identifies the overarching principles guiding the relocation process as well as a range of guidance specifically relating to secure Council tenants and leaseholders/freeholders, including the timing and process of their moves. It also sets out how specific needs of individual residents have been identified and the approach to the re-house the residents of the Rosa Freedman Centre.
- **Section 4** sets out the process of relocating the residents in Whitefield Estate Part 1 as a result of Phase 1A (North).
- **Section 5** sets out the current indicative timetable for the delivery of various elements associated with Phase 1A (North), including the submission of detailed proposals ('Reserved Matters' applications), commencement and completion of development of replacement homes and demolition of existing properties
- **Section 6** sets out the consultation and engagement work that is required to inform existing Whitefield Estate residents of the relocation process. This is in line with what is proposed in the Section 106 agreement. Details of the engagement activities undertaken in relation to the

relocation of residents of Whitefield Estate Part 1 and the Rosa Freedman Centre are provided at Appendix 7.

- **Section 7** sets out how any additional needs of residents will be identified.
- **Appendix 1** is a plan of the Whitefield Estate
- **Appendix 2** provides relevant extracts from the Decision Notice, Revised Development Specification & Framework, and S106 Agreement of the Planning Permission in a tabulated format cross-referenced against the contents of this strategy, to demonstrate how all of the requirements have been met. It also provides the detailed breakdown of units within the existing estate as it appears in the S106 Agreement.
- **Appendix 3** provides examples of the information circulated to leaseholders and freeholders by the Northern Developer.
- **Appendix 4** provides a copy of the architect's brief for the Whitefield Estate (Phase 1A North) Replacement Units.
- **Appendix 5** sets out the detailed measurements of the Whitefield Estate (Part 1) Existing Units and the Rosa Freedman Centre and considers these in the context of the proposed floorspace of the Whitefield Estate (Phase 1A North) Replacement Units.
- **Appendix 6** provides the recent offer letters issued to leaseholders and freeholders on the Whitefield Estate.
- **Appendix 7** provides further details on RMA Phase 1A (North) consultation (Plots 53 & 54).
- **Appendix 8** sets out roles and responsibilities in a matrix.
- **Appendix 9** identifies current occupancy and future needs.
- **Appendix 10** sets out the delivery of the replacement homes.
- **Appendix 11** provides a summary of consultation events for the Rosa Freedman residents



- **Appendix 12** provides a summary of consultation events for the Whitefield Estate.

2 THE PROPOSED DEVELOPMENT AND REQUIREMENTS FOR THE RESIDENTIAL RELOCATION STRATEGY

a) Overview

2.1 In 2010, planning permission (C/17559/08) was granted for a £4bn masterplan to create a new town centre including 7,500 homes, 27,000 jobs, three re-built schools, new parks and community facilities, an additional train station on the Midland Mainline, and major road and public transport improvements.

b) Content and Scope of Residential Relocation Strategy

2.2 Condition 1.10 of the planning permission requires the developer of any phase or sub-phase to submit, and receive approval for a Residential Relocation Strategy which sets out appropriate arrangements for the satisfactory relocation of residents in the Whitefield Estate and the sheltered housing units in the Rosa Freedman Centre to the Replacement Whitefield Estate Units before any development of the phase/sub-phase can begin. The arrangements for relocation need to be in accordance with the parameters and principles set out in the RDSF which was part of the planning application and relevant parts of the S106 Agreement.

2.3 Condition 1.11 requires the relevant replacement homes to be delivered prior to the demolition of those units on the existing estate.

2.4 The relevant extracts from the Decision Notice, S106 Agreement and the Revised Development Specification & Framework (RDS&F) associated with the Planning Permission are contained in tabulated form in Appendix 2. The requirements include:

- i. The Development Partners will fund a Resident Independent Advisor who will consult with residents on the approach to residential relocation;
- ii. A 'project group' is to be established (referred to within this document as a 'Steering Group') as the main forum for communications between Whitefield Estate residents, the Development Partners, selected Housing Associations (Registered Providers) and Barnet Council. As the scheme

progresses, this forum will evolve into a Housing Partnership Board which will monitor progress of regeneration activities across the Site and particularly the delivery of homes. The Board should comprise representatives from the Whitefield Estate, Development Partners, RPs, Barnet Council;

- iii. The specification for the replacement residential units should be of equivalent size and tenure, subject to flexibility to increase or reduce the size of dwellings, within the existing residential floorspace. As part of this process, the Development Partners are required to provide detailed measurements of the existing homes prior to the submission of the Residential Relocation Strategy – see Appendix 5 of this report;
- iv. The processes for addressing the relocation needs of leaseholders, freeholders and tenants are set out in this strategy and in the RDS&F¹;
- v. The Rosa Freedman Centre will be replaced off-site through a commuted payment to the Council of which the terms are referred to in paragraph 1.6 of this Strategy;
- vi. The development must be implemented in line with this Residential Relocation Strategy.

2.5 The Development Partners will work with the Council to facilitate the delivery of the re-provision of the new homes for the residents in the Whitefield Estate. This will include the acquisition of the necessary land through a Compulsory Purchase Order 1 and 2 (where land is not acquired through private treaty).

¹ Volume BXC1 – Revised Development Specification and Framework (October 2013) pp.56-58

3 THE PRINCIPLES OF RELOCATION

- 3.1 There are a number of principles guiding the relocation of Whitefield Estate residents. These principles range from those which apply to the relocation process as a whole and those which are specific to different types of resident.
- 3.2 Those principles of relevance to the residents of Whitefield Estate Part 1 are set out in detail in the information circulated to tenants and leaseholders/freeholders in November 2014 (provided in Appendix 3).
- 3.3 These principles include those which are high level and are relevant to the relocation process as a whole and those which are bespoke to leaseholders/freeholders and to Council Tenants.
- 3.4 These overarching principles are set out below:
- i. The scheme requires the demolition of the Whitefield Estate and the Rosa Freedman Centre. The Development Partners will re-provide approximately 217 residential units² or equivalent floorspace for the residents in the Whitefield Estate.
 - ii. The Northern Developer will not re-provide a replacement facility for the Rosa Freedman Centre instead the Council will receive a commuted sum to go towards a replacement facility. The residents living in the sheltered housing units in the Rosa Freedman Centre will be re-housed by the Council in homes suitable for their individual needs elsewhere in the Borough.
 - iii. No demolition of existing housing to be replaced will take place until the relevant new property is ready for occupation.

² Subject to residence-based tests and the S96A application (ref no. 15/01038/NMA) which seeks to vary the planning permission

- iv. To assist the process of relocation, a Whitefield Estate Resident Independent Advisor (RIA) will be appointed to represent the interest of all tenants (and homeowners) and provide an independent point of reference and advice.
- v. A 'Project Group' (aka Steering Group) will be established - made up of tenants, leaseholders and the resident advisor as the main forum for communications between Whitefield Estate residents, the applicants, the selected Housing Association and Barnet Council. This will enable residents to be consulted on the Reserved Matters Applications concerning Replacement Units and to be updated on progress in terms of the wider development and delivery of those units. There is an intention that this Group will evolve into a Housing Partnership Board to monitor and communicate progress on housing delivery and to continue to have an advisory role for Whitefield Estate residents in relation to the decant process.
- vi. Replacement units are to be provided based on the needs of households rather than based on current provision. This needs assessment and necessary occupational therapy assessments will be undertaken and will inform the design and mix of the proposed replacement units. The new homes will be built in accordance with the London Plan Standards.
- vii. If units are not taken up, the S106 requires that the units in question are made available to the RP as affordable housing units – either as social-rented or as intermediate tenures (e.g. shared equity) depending on whether they were intended for social tenants or leaseholders. The period which tenants have to take up the offer of a replacement unit on-site is 6 months from practical completion of the unit. For secure tenants, if necessary the Council will take the appropriate legal measures to facilitate occupation.
- viii. The Council will undertake Ground 10A consultation with secure tenants on the Whitefield Estate and apply to the Department of Communities and Local Government (DCLG) for these powers.

a) **Principles governing process of relocation of Council Tenants**

3.5 The relocation of Council Tenants will be subject to a number of specific principles including:

- i. All secure council tenants of the Whitefield Estate will be offered a new home and their specific needs will be taken into account in the unit mix proposed;

- ii. All of the homes proposed will be newly built and achieve high standards of design. The standard of homes will be informed by a clear design brief from the outset;
- iii. New homes will be within the regeneration area, so that residents directly benefit from all the improvements to the area being made. Residents will also be given some choices over the internal decorations and fixtures and fittings in their new home. The Development Partners, working with the RP and the Council will provide opportunities for residents to view samples and make such individual design choices.
- iv. There will only be one move. No one will be asked to move twice or into temporary accommodation;
- v. The Development Partners and the RP will consult with residents in respect of all appropriate aspects of the design and progress of the Development.
- vi. Rents for existing tenants will be Barnet rents and new tenants will be charged target rents.
- vii. Residents are entitled to the statutory Home Loss payment when they move. They will also be entitled to disturbance payments, paid by the relevant developer, which cover the reasonable costs (e.g. removal costs, legal fees etc.) incurred as a result of having to move home – these two payment plans are being offered to residents and part of the role of the relevant Development Partner and RP, Barnet Homes and the Council is to inform residents of the level of payments they may be entitled to. Residents will need to be in residence in their property as their only or main residence for at least twelve months;
- viii. There will be continued consultation with all tenants throughout this process – a range of consultation events will be undertaken. Details of these are provided later in this document.
- ix. Secure tenants and homeowners who were resident in the Whitefield Estate in March 2015 will be eligible for an offer of relocation. This date is when the Full Council and the Assets Regeneration and Growth Committee approved a resolution for a CPO1 and CPO2 on the scheme. The CPO processes are relevant for both Phase 1A (North) and Phase 1C (South). Non-resident homeowners and private tenants will not be eligible for re-housing on the new development.

- x. It is anticipated that secure tenants will pay a service charge equivalent to their final year service charge from the Council in the first year in their new home. This will then grow by no more than consumer price index (CPI) plus 1% for five years. Thereafter, the service charge will equate to the reasonable costs of reasonable services provided by the RP year on year.
- 3.6 The secure tenants will be offered a tenancy which is equivalent to their current tenancy. This tenancy will provide these tenants with security of tenure. The RPs will be required to assume that rents will increase by consumer price index (CPI) plus 1%, until they converge with the RPs own rent structure. Thereafter they will continue to grow in line with the RPs own rent structure. RPs will also be required to assume that all new tenants should be charged target rents and that LBB will require 100% nominations in perpetuity (taken in accordance with the Council's Allocation policy).
- 3.7 The secure tenants will be offered a 'Retained Right to Buy' which operates on similar terms as the 'Right to Buy' Scheme and in accordance with current Government Legislation. The terms and conditions are available on the Government website (<https://www.gov.uk/right-to-buy-buying-your-council-home/discounts>).
- 3.8 For tenants living in Whitefield Estate Part 1, Barnet Homes will assist in discussions with existing tenants but the Developers are responsible for leading the liaison process with tenants and will manage the interface between tenants and the appointed RP who will be responsible for constructing and managing the replacement homes.
- 3.9 For Part 2, as part of the delivery of Phase 1C (South), Barnet Homes will assist in discussion with existing tenants but the Southern Developer and the selected RP will be responsible for leading this process. They will be responsible for constructing and managing the replacement homes.
- 3.10 The relocation of residents will be largely governed by the principles set out within this Residential Relocation Strategy. A more detailed 'Tenants Moving Guide' will be developed by the Northern Developer and RP for the purposes of Phase 1A (North). This guide will provide tenants with the necessary information for moving into their new home. This will include information on who to contact, how to use new appliances, how read new meters etc.
- 3.11 The Council's Allocation Policy will allow for local lettings and scheme specific plans to be made. A local lettings plan or scheme specific plan may be used when the application of the general allocation

policy is not adequate to meet the requirements. A local lettings plan or scheme specific allocation plan is used to ensure that the scheme is delivered in a sustainable way.

b) Principles Governing the Relocation of Resident Leaseholders and Freeholders

3.12 Resident leaseholders and freeholders will be offered a new property in the development, either for outright sale or under a shared equity arrangement. The following principles will apply:

- i. All units will be delivered as Shared Equity;
- ii. A minimum entry requirement will be established at which a resident leaseholder can acquire a shared equity home. This will not be greater than 50% although purchasers will be expected to acquire more if they can afford to do so.
- iii. No rent will be charged on the unsold equity;
- iv. If a homeowner can afford to acquire more than 50%, either initially or at some point in the future, they can acquire equity of up to 100%.
- v. A full open market value will be paid for all properties. This value will be established assuming there is no regeneration scheme. Values will be established for each home individually, taking into account its size, location and condition;
- vi. In addition, resident owners will also be offered a statutory Home Loss payment calculated as 10% of the market value up to a maximum of £49,000. Non-resident homeowners are entitled to a Basic Loss payment calculated as 7.5% of the market value subject to a maximum of £75,000 (as of October 2014 and this is subject to statutory changes). In order to qualify for Home Loss compensation payment, a person must have been in residence in their property as their only or main residence for at least twelve months prior to the acquisition of their property. Only one Home Loss payment can be made per dwelling. Disturbance payments will all be made and will reflect the reasonable costs incurred as a direct result of moving home;
- vii. Full consultation with all homeowners on the Whitefield Estate throughout this process;

- viii. For those leaseholders and those freeholders living on the estate who wish to remain in the regeneration area, the Development Partners will put in place a scheme to allow the value of current homes to be 'rolled over' into the new property.. This will allow the value of existing properties to be invested in the new properties so that residents can own part of the new property. No rent will be paid on the part of the property which the resident does not own. The homeowner will have the potential to purchase the remainder of the home over time although they are not obliged to do so. This is known as a shared equity scheme.
 - ix. CPO1 (Phase 1A/1B) process – the developer/RP and the Council will reach agreement regarding the purchase of properties through private treaty where possible. The Council is expected to begin CPO proceedings and as the CPO process can take over a year to complete, the developer will be required to undertake negotiations to reach agreement while the CPO process is being undertaken. The CPO process will only be used in cases where an agreement cannot be reached by negotiation within the required timescale;
 - x. CPO2 (Phase 1C (South)) process – the Council will reach agreement regarding the purchase of properties through private treaty where possible.
- 3.13 Resident leaseholders will be entitled to a home in the new development, subject to reaching an agreement on the use of their equity from the purchase of their current property.
- 3.14 The details of arrangements for leaseholders and freeholders that are resident in their property will be agreed with the RP once they are appointed for each respective phase.
- 3.15 The arrangements will adhere to the information set out in the November leaflet (see Appendix 3) and the offer letters issued to leaseholders and freeholders (see Appendix 6) but details such as minimum equity shares and rules about who will qualify will be agreed with the RP in due course.
- 3.16 One-to-one discussions with all resident home-owners who would like to move into the new development will start once a site has been identified for re-provision. These discussions have already begun for Whitefield Estate (Part 1).

c) Non-resident homeowners

3.17 In accordance with practice on other estate regeneration schemes, non-resident leaseholders and freeholders will not be offered a shared equity property. The Development Partners will be required to undertake negotiations to reach agreement to purchase their properties whilst the CPO process is being undertaken. These acquisition costs will be funded by the Development Partners.

d) Development Partner/RP Responsibilities

3.18 The Development Partners (and appointed RPs) – either through the Steering Group (or the subsequent Housing Partnership Board) or directly with the necessary parties - will be expected to:

- i. Consult with residents on the detailed design of their new homes;
- ii. Consult with residents in respect of all appropriate aspects of the design and progress of the development, prior to the submission of the appropriate planning application.
- iii. Liaise closely with the Council and Barnet Homes on all matters relating to the decanting process.
- iv. Establish a decant programme aimed at ensuring that the existing homes are vacated in accordance target timescales.
- v. Work together to identify vulnerable residents of the existing homes or those with particular needs in order to plan and provide support during the decant programme.
- vi. Establish a decant team comprising representatives from the Council, RPs and the developers to deliver the decant programme for residents in the Whitefield Estate.
- vii. Ensure that consultative forums are set up for both existing tenants and homeowners so that the implications of the decant policies and options for homeowners can be explained. The Council will also be invited to participate in any sub-forums.
- viii. Regularly consult with residents scheduled to be re-housed into new homes in order that their housing needs and design preferences can be met as far as possible.

- ix. Provide support to residents when they are being moved comprising someone who can assist with basic handyman tasks, explaining how boilers etc. work and dealing with household issues such as assistance with utilities.
- x. Work closely with the decant team to co-ordinate and resource a comprehensive handover schedule including viewings and tenant's choice processes.
- xi. Ensure that services and accesses are maintained to existing properties during construction and that resident liaison staff is provided to help minimise disruption to residents during the consultation and following handover and lettings of the new homes.

e) **Council and Barnet Homes Responsibilities**

3.19 The Council and Barnet Homes will also have responsibilities, including (inter alia):

- i. Carry out the housing needs survey of residents and share this information with the Developer and RP about the resident housing needs. The RPs and Developers may also conduct further follow up surveys to update these details.
- ii. Nominate a Decant Officer to liaise with the RP on the decant programme.
- iii. Work with the Development Partners on the decant programme for each development phase, including the decanting the residents and the allocation and letting of the newly build homes in accordance with the matrix of responsibilities to be agreed, as shown in Appendix 8.

4 WHITEFIELD ESTATE REPLACEMENT UNITS

- 4.1 The preparation of this Residential Relocation Strategy has been undertaken as part of a process of ongoing engagement between the Northern Developer, the Council and residents. This process commenced with the consultation on the original Outline Planning Application in 2008, and has continued since that time.
- 4.2 Arrangements for the relocation of residents of the Whitefield Estate Part 1 who are affected by Phase 1A (North) are already well advanced. Those who wish to be relocated within the Site boundary have been taken into account in the design of the new homes expected to be delivered by Plots 53 and 54.
- 4.3 In line with the S106 Agreement, it is also necessary for this Strategy to consider the approach to the Whitefield Estate Part 2 units. The Replacement Units in Phase 1C (South) is defined by the S106 Agreement as:

Whitefield Estate Replacement Units to be Delivered in Phase 1C (South) pursuant to the Residential Relocation Strategy for the purposes of re-housing the residents of the Whitefield Estate Existing Units (Part 2) and which replacement units shall be provided to an Occupation Finish Standard and any remaining assisted living units in the Rosa Freedman Centre that are not part of the Whitefield Estate Replacement Units (Part 1) and such replacement units shall be provided on an equivalent floorspace basis in accordance with the parameters and principles contained in a) the DSF and b) in accordance with Condition 1.10 of the S73.

- 4.4 It is envisaged that the principles set out within the RDS&F and identified in Section 3 of this report will form the starting point for relocating residents of Whitefield Estate. This strategy may be updated to reflect programme and delivery strategies and therefore maybe be subject to alteration or amendments.
- 4.5 The principles established in this Strategy are expected to be followed by the Southern Developer as regards the relocation of residents in Part 2 of the Whitefield Estate.
- 4.6 The void costs of keeping properties empty or in occupation by guardians or security companies will be the responsibility of the relevant developer.

5 TIMETABLE AND COMPLIANCE FOR PHASE 1A (NORTH)

- 5.1 An indicative timetable for the implementation of the key parts of the Residential Relocation Strategy in order to achieve the requirement to deliver the Whitefield Estate Replacement Units is set out in the table below.
- 5.2 It should be noted that any timetable may be subject to change due to circumstances beyond the control of the Northern Developer, for example, due to any CPO process. The timetable will be monitored by the Steering Group on an on-going basis.
- 5.3 Any requirements and obligations that take effect under this Strategy will cease on the occurrence of an event set out in paragraph 1.7, Schedule 2 of the S106 Agreement.
- 5.4 The Southern Developer will prepare a separate timetable and compliance section for Whitefield Estate Part 2.



	2014				2015				2016				2017				2018			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Establishment of Steering Group																				
Appointment of Resident's Independent Advisor																				
Consultation meetings																				
Interview with bidders																				
Potential resident presentation																				
Initial offers made to leaseholders/freeholders																				
Selection of preferred bidders																				
Best and final commercial offer invitation																				
Recommendation of Preferred Partner																				
Interview by Steering Group																				
Conditional Heads of Terms agreed																				
Exchange of contracts																				
RMAs (Phase 1AN) determined																				
Start on-site																				
Information provided on Home Loss/Disturbance/Moving Costs (Barnet Homes responsibility)																				
Allocation of properties to existing tenants																				
Tenant choice of colour schemes																				
Formal offer of property																				
Viewing of property																				
Practical completion																				
Homes available for occupation																				
Tenancy agreement																				
Re-housing																				

6 GOVERNANCE & CONSULTATION

- 6.1 In order to facilitate engagement with Whitefield Estate residents and in line with the overarching principles for the relocation of residents within the RDS&F submitted as part of the planning application, the Northern Developers have established a Steering Group (referred to as 'Project Group' within the RDS&F) and a Resident Independent Advisor has been appointed. It is expected that the Steering Group will evolve into a Housing Partnership Board at the point that Phase 1C (South) is in the process of being delivered in order to facilitate consultation with both Whitefield Estate Part 2 residents and if necessary, former residents of Whitefield Estate Part 1.
- 6.2 As noted previously in the document, the process for the relocation of Whitefield Estate Part 1 residents is well advanced with consultation having commenced in conjunction with the original Brent Cross Cricklewood application that was submitted in 2008. More recently, consultation has been undertaken specifically in relation to the emerging details of the Phase 1A (North) Reserved Matters Applications (RMAs). Details are set out in Appendix 7.
- 6.3 The Northern Developer has set up a Brent Cross Cricklewood website which provides information on the progress being made on the proposals which will give Whitefield Estate residents and other interested parties access to the latest news and allow them to monitor the progress on the development.
- 6.4 Details of the role of the Steering Group, the Housing Partnership Board and the Resident Independent Adviser are set out below.
- a) **Steering group**
- 6.5 A formalised steering group was established in 2011 and meets on a bi-monthly basis. The membership of this group includes tenants, leaseholders, freeholders and the resident advisor, is the main forum for communications between Whitefield Estate residents and the Northern Developer and Barnet Council. This group will continue to operate through the implementation of this relocation strategy as long as it is regarded as necessary by residents.

b) Housing Partnership Board

6.6 The Housing Partnership Board will evolve from the Steering Group as the development progresses and arrangements for the relocation of Whitefield Estate Part 2 need to be made. It is envisaged this Board will bring together the key parties involved in the re-provision of the new homes for residents in the Whitefield Estate. The Board will monitor progress on issues related to regeneration activities and it will have an advisory role. The Housing Partnership Board will provide their views on some of the key issues listed below:

- i. Masterplan and detailed design
- ii. Planning and design of public realm
- iii. Standards for resident involvement & consultation on proposals
- iv. Housing Management and the decant progress

6.7 The composition of the Housing Partnership Board will meet on a regular basis and consist of elected residents and representatives from the Developers , Registered Providers (Housing Associations), the Council and Barnet Homes

c) Resident Independent Advisor

6.8 A Resident Independent Advisor (RIA) from Priority Estates Partnership was appointed in 2011 and is expected to provide an active role in the relocation process associated with both Phase 1A (North) and Phase 1C (South).

6.9 The RIA has a key role to play in providing independent advice to all residents living within the Whitefield Estate relocation area particularly regarding their future and the options available to them. This advice is available to all residents through a range of engagement methods including: one-to-one surgeries, home visits, open meetings (facilitated by the RIA), a website, and free phone.

6.10 The RIA will continue to operate throughout the implementation of this strategy, providing ongoing advice to tenants and residents.

d) Liaison with Council Tenants – Whitefield Estate

- 6.11 To ensure the successful delivery of the new homes, the Development Partners have been and will continue to be required to involve residents not only during the design and construction phases but also in respect of the long term management of their new homes.
- 6.12 The Development Partners/RPs have been and will continue to provide appropriate resident liaison services for the duration of the relevant phases of the Development.
- 6.13 The Development Partners/RPs have been and will continue to work jointly with the Council and Barnet Homes to engage with the existing tenants on the Whitefield Estate. These activities have been and will continue to be supported by the RIA. All secure tenants have been/will be offered the option of a new home within the scheme. This offer is based on tenants' current needs rather than their current property.
- 6.14 The Development Partners/RPs have and will continue to work with the Council and Barnet Homes to engage with existing residents to undertake housing needs surveys and occupational therapy assessments (as required). This information will inform the design and mix of the replacement homes.
- 6.15 Tenants will be given the opportunity to state their preferences on where they would like to move to and the RP supported by Barnet Homes will be responsible for working out who gets what based upon needs and preferences (the allocations policy will help to prioritise households, those with impairments and the length of tenancy is likely to be a significant factor in the final decision). Formal offers will be made and tenants would be asked to sign acceptances. Tenants will be invited to attend "tenants' choice" sessions where they will have the opportunity to choose colours and finishes for the new properties.
- 6.16 The relevant RPs will work closely with the Council to engage with tenants to explain the tenancy agreements, which will be very similar to those they have now, and the RP will manage the new homes as future landlords.
- 6.17 Before Construction work begins, the Steering Group/Housing Partnership Board will organise an 'introduction meeting/day' to enable residents to come and meet the developer, the building

contractor and the resident liaison officer in an informal environment to find out about the upcoming works. This will also provide with an opportunity to hear about:

- i. The scope of works, key stages and the anticipated programme for completion
- ii. The site set up, access routes, road closures, location of hoarding etc.
- iii. Who residents can contact if they have any concerns when the works begin

6.18 During construction the Development Partners/RPs will implement following approach/procedures in order to successfully consult and liaise with residents:

- i. Visit residents and respond to queries
- ii. Updates on websites
- iii. Regular newsletters
- iv. Coffee mornings / surgeries will residents

e) Liaison with Council Tenants – Rosa Freedman Centre

6.19 The Council and Barnet Homes will be responsible for re-housing the tenants of the Rosa Freedman Centre. The Council and Barnet Homes will hold consultation meetings with the tenants to provide information on the development proposals and in particular on the relocation plans affecting them. Barnet Homes will assess the individual needs of these tenants and will find suitable alternative accommodation which suits their needs. Barnet Homes and the Council will be responsible for developing a separate decant strategy for these tenants.

6.20 It has been agreed between the Northern Developer and the Council, as permitted under paragraph 3.1.3A in the S106 Agreement, that the replacement of the Rosa Freedman Centre should be facilitated through a commuted sum paid by the Northern Developer. The S106 Agreement requires that this payment is made prior to the commencement of Phase 1A (North). Appendix 11 sets out details of the consultation that has already been undertaken with Rosa Freedman residents.

f) Liaison with Leaseholders and Freeholders

- 6.21 The Development Partners/RPs, in consultation with the Council, will be responsible for producing information briefings for the leaseholders and freeholders on the Whitefield Estate.
- 6.22 A leaflet entitled “Information for the Leaseholders and Freeholders on Whitefield Estate” dated November 2014 was sent to all residents and owners affected by the Phase 1A (North) by the Council in early November. That leaflet set out the principles that the Northern Developer will seek to adhere to throughout the CPO process. This is provided at Appendix 3.
- 6.23 The Development Partners or an agent acting on their behalf will liaise and negotiate with leaseholders and freeholders in Whitefield Estate. The Development Partners or an agent acting on their behalf will ascertain their preferred option for relocation with the development or receiving compensation.
- 6.24 The Development Partners or an agent acting on their behalf will offer meetings to each freeholder and leaseholder to discuss the purchase of their property, and for those residents in their property whether they want to move into the new development. Detailed engagement with the RP that will be appointed to manage the new property will begin upon their appointment.
- 6.25 On 25th March 2015, a letter was sent to all homeowners (both resident and landlord) offering an option to purchase (this letter is provided at Appendix 5) in relation to Phase 1A (North) of the Brent Cross Cricklewood development. The Northern Developer and their agent will continue to consult with all homeowners.

g) Liaison with Private Tenants

- 6.26 Private tenants of affected leaseholders and freeholders will need to present themselves to Barnet Homes when they have received an ‘eviction notice’ from their landlords. Barnet Homes will assess their needs and find them suitable alternative accommodation if eligible.

h) Liaison with Illegal Occupants

- 6.27 Illegal occupants will be offered housing advice from Barnet Homes. Illegal occupants are those who do not possess a tenancy.

i) Approach to Squatters

6.28 The approach taken to Squatters varies depending on whether the Council has vacant possession of the property at the point when squatting is identified. Where the Council has control of the property, it will endeavour to use its powers to remove squatters. If the property is still in the possession of the leaseholder and freeholder, it is the responsibility of the homeowner to take the necessary action. The Council will alert the leaseholder and leaseholder to the problem and if necessary action will be taken against the homeowner.

j) Record of Consultation

6.29 The outcomes of these, and other ad hoc meetings, have been recorded and detailed records retained in a web based format in-line with the requirements of the S106 Agreement (see Appendix 2).

k) Consultation relating to the Compulsory Purchase Order and Ground 10A process

6.30 Consultation and engagement will be undertaken in relation to the RMAs associated with Phase 1A (North) but also in conjunction with the CPO process. Key elements of that process, particularly in terms of the implications for Whitefield Estate residents, are set out below:

- i. Whitefield Estate residents will be consulted with on the CPO and Ground 10A, as part of the previous planning application process.
- ii. Information letters and factsheets will be sent to residents to inform them about the upcoming CPO and Ground 10A process.
- iii. Special surgeries and information sessions will be organised for residents to speak with the Development Partners and the Council about the CPO. The Development Partners or agents acting on their behalf will attend these events to leaseholders/freeholders and address any of their concerns.
- iv. The Development Partners/RPs and representatives from the Council will attend open meetings with Whitefield Estate residents.



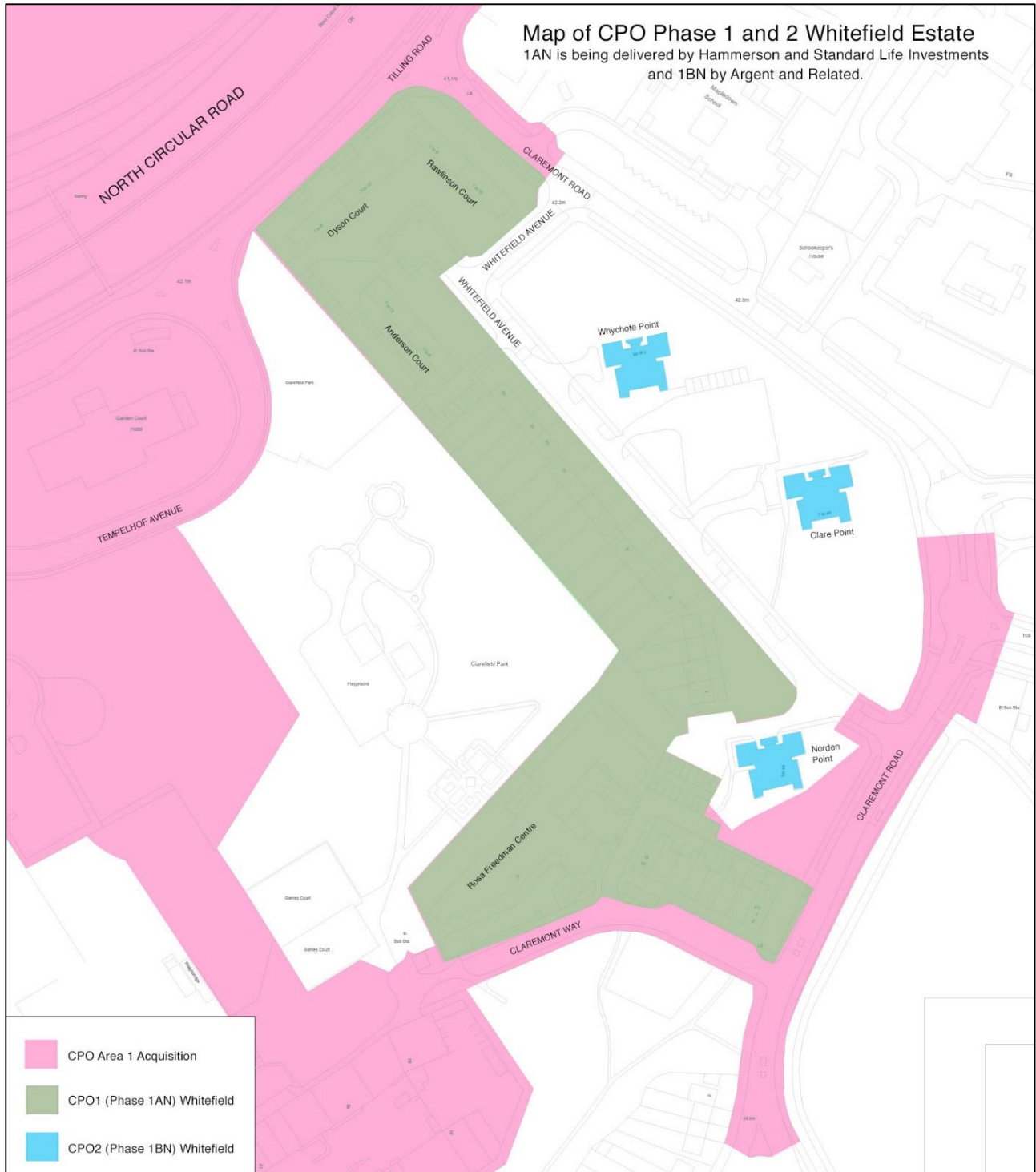
- v. Special workshops will be arranged to explain queries relating to CPO, Ground 10A, tenure and RP responsibilities.

6.31 The CPO notices were served in April 2015 and it is likely that there will be further updates and information sessions with residents around then.

7 ADDITIONAL NEEDS

- 7.1 The Development Partners recognise that some residents may require extra support through the relocation process. The Development Partners/RP will work closely with the Council and Barnet Homes to ensure that these tenants receive additional support.
- 7.2 For tenants living in Rosa Freeman Centre, the Council and Barnet Homes have and will continue to consult with them and their families on the timing and process for relocation to their new homes, at the cost of the Northern Developer.
- 7.3 The Development Partners will provide funding for an occupational health expert to identify whether any households have additional needs that need to be reflected in the offer of a new property within the development.

APPENDIX 1: PLAN OF WHITEFIELD ESTATE UNITS



APPENDIX 2: RELEVANT EXTRACTS FROM THE BXC APPLICATION DOCUMENTATION

a) **Decision Notice – Conditions³**

i) Condition 1.10

No part of the Development in any Phase or Sub-Phase (including Phase 1) shall begin unless and until the Developer shall have submitted and obtained approval of a Residential Relocation Strategy which shall set out appropriate arrangements (following detailed consultations with the residents themselves and with the Council’s social services and housing teams) for the satisfactory relocation of residents in the Whitefield Estate and the sheltered housing units in the Rosa Freedman Centre to the Replacement Whitefield Estate Units (including replacement units to replace the sheltered housing units in the Rosa Freedman Centre) in accordance with the parameters and principles contained in paragraphs 2.91 to 2.93 in the DSF and the relevant planning obligations contained in paragraph 1 of Schedule 2 and principles contained in Schedule 24 to the S106 Agreement.

ii) Condition 1.11

No demolition of existing housing to be replaced under Condition 1.10 shall take place until the relevant Replacement Whitefield Estate Units (including replacement units to replace the sheltered housing units in the Rosa Freedman Centre) for those existing housing units to be demolished have been Delivered in accordance with the Residential Relocation Strategy in accordance with paragraph 2.93 in the DSF.

³ An amendment to this condition is expected to be the subject of a future Section 96A application

b) Section 106 Agreement⁴

Item	Reference in RRS
Definitions	
<p>Residential Relocation Strategy: The strategy and arrangements for the satisfactory relocation of residents in the sheltered housing in the Rosa Freedman Centre for the purposes of the Brent Cross Partners constructing Claremont Avenue and from the first 60 of the Whitefield Estate Existing Units on the Whitefield Estate (for the purposes of accommodating the landing of the Bridge Structure B7 (Living Bridge) on land to the South of the A406 (together comprising the Whitefield Estate Existing Units (Part 1) to the Whitefield Estate Replacement Units (Part 1) (<i>including the time period or periods for which any of the Whitefield Estate Replacement Units will be offered to, saved for and made available to residents relocating from the Whitefield Estate Existing Units in accordance with the requirements of Schedule 2A</i>))</p>	<p>Whole document</p> <p>Barnet Homes/ RP responsibility</p>
<p>...residents in the accommodation contained in the Rosa Freedman Centre may be moved by the Council (or by persons other than the Brent Cross Partners and CRL) to other locations and such strategy is to be submitted to and approved pursuant to Condition 1.10 of the S73 Permission and paragraph 1 of Schedule 2 to this Agreement;</p>	<p>Sections 5 and 6</p>
<p>“Whitefield Estate Replacement Units” means the Whitefield Estate Replacement Units (Part 1) and Whitefield Estate Replacement Units (Part 2) to replace the existing 217 units in the Whitefield Estate and sheltered housing in the Rosa Freedman Centre and which are to be made available to residents relocating from the said units in accordance with Condition 1.10 of the S73 Permission, paragraph 1 of Schedule 2 and Schedule 2A of this Agreement or (in respect of any such units not taken by relocating residents) to be made available as and occupied by those in Housing Need in accordance with paragraphs 2.1.1 and 3.1.3 of Schedule 2A;</p>	<p>Sections 5, 6, 7 and 8</p>
<p>“Whitefield Estate Replacement Units (Part 1)” means 85 (eighty five) Whitefield Estate Replacement Units consisting of: 60 Whitefield Estate Replacement Units which are to be Delivered in Phase 1A (North) or (if approved by the LPA) in another part of the Site or off-site in the vicinity of the Site pursuant to the Residential Relocation Strategy for the purposes of re-housing the residents of the Whitefield Estate Existing Units (Part 1) and which replacement units shall be provided to an Occupation Finish Standard before the Brent Cross Partners shall be entitled to construct the relevant parts of Phase 1A (North) and such replacement units shall be provided on an equivalent floorspace basis in accordance with</p>	<p>Sections 5, 6, 7 and 8</p>

⁴ See Footnote 3 above

Item	Reference in RRS
(a) the parameters and principles contained in the DSF at paragraphs 2.91-2.93 and (b) in accordance with Condition 1.10 of the S73 Permission, paragraph 1 of Schedule 2, Schedule 2A and Parts II and III of Schedule 24 to this Agreement; and	
<p>25 extra care units required to replace the sheltered housing units in the Rosa Freedman Centre which:</p> <p>are to be Delivered in Phase 1A (North) or (if approved by the LPA) in another part of the Site or off-site in the vicinity of the Site pursuant to the Residential Relocation Strategy for the purposes of re-housing the residents of the Whitefield Estate Existing Units (Part 1) and which replacement units shall be provided to an Occupation Finish Standard before the Brent Cross Partners shall be entitled to construct the relevant parts of Phase 1A (North) and such replacement units shall be provided on an equivalent floorspace basis in accordance with (a) the parameters and principles contained in the DSF at paragraphs 2.91-2.93 and (b) in accordance with Condition 1.10 of the S73 Permission, paragraph 1 of Schedule 2, Schedule 2A and Parts II and III of Schedule 24 to this Agreement; OR</p> <p>if it is agreed between the Brent Cross Partners, the LPA and the Council that a commuted sum is to be paid in lieu of the physical provision by the Brent Cross Partners of the said units in Phase 1A (North) may be "Delivered" through the payment of the requisite Affordable Housing Commuted Sum in accordance with paragraph 3.1.3A of Schedule 2A.</p>	Section 6
Schedule 2	
<p>The Brent Cross Partners (so as to bind the land for Phase 1 (North) and Phase 2 (North) separately) and CRL (so as to bind the land for the Southern Development in each Phase separately) respectively shall use all reasonable endeavours and proper diligence to ensure that (insofar as reasonably practicable) any Residential Relocation Strategy the Brent Cross Partners or CRL (as the case may be) submit is in accordance with condition 1.10 of the S73 Permission is also in accordance with the parameters and principles contained in Parts II and III of Schedule 24.</p>	Whole Document
<p>The Brent Cross Partners (so as to bind the land Phase 1 (North) and Phase 2 (North) separately) and CRL (so as to bind the land for the Southern Development in each relevant Phase separately) shall implement fulfil carry out and act in accordance with the Residential Relocation Strategy in respect of each relevant Phase or Sub-Phase of the Northern Development and Southern Development respectively approved pursuant to Condition 1.10 of the S73 Permission at no cost to the Council unless and to the extent that either:</p> <ul style="list-style-type: none"> - The LPA shall agree otherwise (subject to clauses 4.7 to 4.9 above); or - There is a Force Majeure resulting in delay. 	Whole Document

Item	Reference in RRS
<p>It is hereby agreed and declared that if and to the extent that (acting in accordance with the Residential Relocation Strategy and in order to meet the reasonable and proper housing needs of the existing residents in the Whitefield Estate Existing Units (Part 1) and/or Whitefield Estate Existing Units (Part 2) the Brent Cross Partners or CRL (as the case may be) shall agree to provide or fund more than the equivalent replacement floorspace in the Whitefield Estate Replacement Units (Part 1) (taken in the aggregate and as a whole) or the Whitefield Estate Replacement Units (Part 2) (taken in the aggregate and as a whole) (as the case may be) than the floorspace that currently exists (as measured or determined in accordance with the paragraph 1.6 below in the relevant Whitefield Estate Existing Units (Part 1) or (Part 2) (as the case may be) that they are respectively replacing (which for the avoidance of doubt in the case of the Whitefield Estate Existing Units (Part 1) shall exclude the sheltered housing in the Rosa Freedman Centre if it is agreed that a commuted sum is payable in lieu of provision by the Brent Cross Partners in accordance with paragraph 3.1.3A of Schedule 2A) then the costs associated with providing such additional floorspace shall be taken into account in the relevant Affordable Housing Viability Testing Report for Phase 1 (North) or Phase 1 (South) (as the case may be) in accordance with Condition 1.13 and the provisions of Schedule 2A.</p>	<p>Section 5 and 6</p>
<p>Prior to submitting the Residential Relocation Strategy to the LPA for approval in accordance with Condition 1.10 the Brent Cross Partners and/or CRL (as the case may require) shall submit a detailed and precise measurement survey in relation to the gross external measurements of the Whitefield Estate Existing Units (Part 1) and/or the Whitefield Estate Existing Units (Part 2) (as the case may require) and shall agree these measurements in writing with the LPA and any dispute or difference shall be referred by the parties to Expert Determination in accordance with clause 16.</p>	<p>Section 6</p>
<p>Para 1.7 sets out the circumstances in which the obligations set out above will cease</p>	<p>n/a</p>

Schedule 24	
PART II PRINCIPLES AND PARAMETERS OF RESIDENTIAL RELOCATION STRATEGY	Section 5
The Brent Cross Partners and / or CRL (as the case may be) shall, following consultation with the LPA on the function and scope of the advisor, appoint an independent advisor to consider the needs of the relevant existing residential tenants / owners.	
The Brent Cross Partners (in relation to the Northern Development) and CRL (in relation to the Southern Development) will compile in conjunction with LPA a strategy for the residential properties or owners/leaseholders affected by the Northern Development or Southern Development and/or the S73 Permission and/or any proposed compulsory purchase order and any associated statutory orders (provided that if the Brent Cross Partners produce the Residential Relocation Strategy and compile (or are required to compile) any such information and/or strategy in respect of the Southern Development it may (if the circumstances so require) consist of such information and/or general principles for such information and / or strategy as CRL is able at that stage to provide). The Brent Cross Partners and / or CRL (as the case may be) will hold regular meetings with the LPA to review progress and review the data base information.	Whole Document
In respect of the Whitefield Estate Replacement Units (replacing the existing Whitefield Estate and the Rosa Freedman assisted living housing) (inter alia):	
The Brent Cross Partners in conjunction with LPA will use all reasonable endeavours to ensure that suitable replacement homes (comprising the Whitefield Estate Replacement Units (Part 1)) are provided within the Site or an appropriate proximity to it (either through funding or provision by the Brent Cross Partners);	Section 6, 7 and 8
Unless otherwise agreed in accordance with clauses 4.7 to 4.9 and paragraph 1 of Schedule 2 residents shall be re-provided with units that are of an equivalent size, number of habitable rooms and tenure provided that the re-provision of larger and smaller units may be agreed with the relevant owners and/or occupiers and the LPA as part of the Residential Relocation Strategy and further provided that there shall be no obligation for an overall increase in the gross floorspace to be re-provided in the Whitefield Estate Replacement Units (Part 1) (in the case of the Brent Cross Partners) or the Whitefield Estate Replacement Units (Part 2) (in the case of CRL) (as the case may be) when compared to the existing gross floorspace of the housing units within the Whitefield Estate Existing Units (Part 1) (which for the avoidance of doubt shall exclude the sheltered housing in the Rosa Freedman Centre if it is agreed that a commuted sum is payable in lieu of provision by the Brent Cross Partners in accordance with paragraph 3.1.3A of Schedule 2A) or Whitefield Estate Existing Units (Part 2) (as applicable) being replaced by the Whitefield Estate Replacement Units (Part 1) or Whitefield Estate Replacement Units (Part 2) (as the case may be) as	Section 6

recorded in Table 1 or Table 2 (as applicable) below and with regard to the approved detailed and precise measurement survey pursuant to paragraph 1.6 of Schedule 2;	
Pursuant to Condition 1.11 of the S73 Permission, no demolition of the relevant existing Whitefield Estate Units including the Rosa Freedman assisted living housing shall take place until the relevant new residential properties replacing such housing are Delivered in accordance with the Primary Development Delivery Programme (subject to paragraph 3.1.3A of Schedule 2A);	Section 3
Relocation to the Whitefield Estate Replacement Units (Part 1) and the Whitefield Estate Replacement Units (Part 2) shall be in accordance with the Residential Relocation Strategy unless and to the extent that the LPA otherwise agrees in writing in accordance with clauses 4.7 – 4.9.	Whole Document
<p>PART III: RELOCATION PRINCIPLES - OTHER PRINCIPLES FOR BOTH BUSINESS RELOCATION STRATEGY AND RESIDENTIAL RELOCATION STRATEGY</p> <p>Upon receipt of the S73 Permission, the Brent Cross Partners and/or CRL (as the case may be) in respect of Critical Infrastructure in relation to the Northern Development or Southern Development (as the case may be) shall establish a web based record of all communications relating to the discussions relating to acquisition or relocation issues with land owners / occupiers of the land required for each Phase of the Northern Development or Southern Development (as the case may be) whose property needs to be acquired or whose businesses are likely to be temporarily displaced for the purpose of carrying out the Development as the Phases are progressed. Access to such data shall be provided to the LPA on a private and confidential basis (unless and to the extent that it shall be unlawful to disclose such information as being contrary to privacy, data protection or other legal requirements).</p>	Section 4
The Brent Cross Partners and CRL will include in the database or databases, information compiled by the independent adviser and compiled in regard to businesses and non-residential properties make access available to LPA (unless contrary to privacy, data protection or other legal requirements).	Section 4

SUMMARY OF TABLE 1 OF SCHEDULE 24 OF S106 AGREEMENT

(Details of Existing Whitefield Estate Units Part 1)

Property		Freeholders				Leaseholders				Secure Tenants				Non-Secure Tenants			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Anderson Court	Actual	0	0	0	0	0	5	0	0	0	7	0	0	0	0	0	0
	Predicted									1	3	3	0				
Claremont Court	Actual	0	0	0	0	0	0	4	0	0	0	4	0	0	0	0	0
	Predicted									0	0	2	1				
Dyson Court	Actual	0	0	0	0	0	3	0	0	0	9	0	0	0	0	0	0
	Predicted									1	3	4	0				
Rawlinson Court	Actual	0	0	0	0	0	5	0	0	0	7	0	0	0	0	0	0
	Predicted									6	0	1	0				
Whitefield Avenue	Actual	0	0	12	0	0	0	0	0	0	0	4	0	0	0	0	0
	Predicted									1	2	1	0				
Rosa Freedman Centre (RFC)	Actual	0	0	0	0	0	0	0	0	25	0	0	0	0	0	0	0
	Predicted									25	0	0	0				
Total (ex RFC)	Actual	0	0	12	0	0	13	4	0	0	23	8	0	0	0	0	0
	Predicted									9	8	11	1				
Total (inc RFC)	Actual	0	0	12	0	0	13	4	0	25	23	8	0	0	0	0	0
	Predicted									34	8	11	1				

c) **Revised Development Specification and Framework**

Item	Reference in RRS
2.92 The need to relocate some activities and occupiers from the site to enable the development to reach its full potential was recognised as a fundamental element of the Development Framework. This explicitly provides for the use of Compulsory Purchase Order (CPO) in order to achieve the comprehensive redevelopment if agreement cannot be reached with all occupiers who have long-term interests in their premises.	Sections 3 and 4
2.93 It is anticipated that a condition will be imposed on the permission sought which will require a post-permission Relocation Strategy(s) to be submitted to the Local Planning Authority. The aim of the strategy is to ensure that the significant benefits of the comprehensive redevelopment can be delivered whilst minimising any adverse effects resulting from temporary or permanent relocation. The strategy will be based on the following broad parameters and principles	Whole document
General Principles	
The scheme will re-provide the 217 residential units in the Whitefield Residential Estate and sheltered assisted living units in the Rosa Freedman Centre. The Council intends to relocate the remainder of the Rosa Freedman Centre elsewhere in the Borough	Section 6
No demolition of existing housing to be replaced will take place until the new properties are ready for occupation and this will commence as part the Primary Development Package (PDP)	Section 3
To assist the process of relocation, a Whitefield Estate Residents' Tenant Advisor will be appointed to represent the interest of all tenants (and leaseholders) and provide an independent point of reference and advice	Section 4
A 'Project Group' will also be established made up of tenants, leaseholders and the resident advisor as the main forum for communications between Whitefield Estate residents, the applicants, the selected Housing Association and Barnet Council	Section 4
Council Tenants	
All secure council tenants of the Whitefield Estate will be offered a new home;	Sections 5 and 6
It will be a newly built, modern home	
New homes will be within the regeneration area, so that residents directly benefit from all the improvements to the area being made. Residents will be given some choices over the internal decorations and fixtures and fittings in their new home	
There will only be one move. No-one will be asked to move twice or into temporary accommodation	
Rents will continue to be affordable	

<p>Residents are entitled to the statutory Home Loss payment when they move. The rate at which Home Loss is paid is currently £4,700, a figure which is reviewed annually. They will also be entitled to disturbance payments which cover the reasonable costs incurred as a result of having to move home</p>	
<p>There will be full consultation with all tenants throughout this process</p>	
<p>Freeholders & Leaseholders</p>	
<p>Residents who are leaseholders or freeholders will be offered a new property in the development, either for outright sale or under a shared equity arrangement. This will be subject to a number of principles</p>	<p>Sections 5 and 6</p>
<p>A full open market value will be paid for all properties</p>	
<p>Values will be established for each home individually, taking into account its size, location and condition</p>	
<p>In addition to any agreement entered into, there will also be compensation for home loss and for costs associated with moving</p>	
<p>There will be full consultation with all tenants and home-owners on the Whitefield Estate throughout this process</p>	
<p>If an agreement can't be reached, the Council will consider the use of the Compulsory Purchase process to purchase properties</p>	
<p>For those leaseholders and those freeholders living on the estate who wish to remain in the regeneration area, the BXC Partners will have in place a scheme to allow the value of current homes to be 'rolled-over' into the new property. As the new properties are likely to have higher values than existing properties on the Whitefield Estate, the applicants will put in place a scheme to ensure that existing home owners can afford to live in the new properties. This will allow the value of existing properties to be invested in the new properties so that residents own part of the new property</p>	



**APPENDIX 3 – INFORMATION CIRCULATED TO LEASEHOLDERS/
FREEHOLDERS (NOVEMBER 2014)**

26 September 2014

Brent Cross Cricklewood - update

Dear Resident,

I am writing to update you on Brent Cross Cricklewood and how your home will be affected by the first phase of the regeneration of the local area.

As you are already aware, your property is required in order to deliver the first phase of the project and the Development Partners, alongside Barnet Council, are already consulting with residents on the designs for the new replacement homes that we propose to build on a series of sites running north to south along Brent Terrace.

I hope you have also received the recent letter from Barnet Council (dated 4 September 2014) explaining the latest developments on this project and the next steps of activity over the coming year.

To briefly summarise, the Brent Cross Cricklewood Development Partners have now gained approval from Barnet Council for the recent amendments to the project masterplan and a fresh planning permission has been issued which will allow the regeneration to progress towards delivery.

As you know, in order to deliver this masterplan it will be necessary to acquire certain land and property rights. Land will be required not only to construct the development but also for environmental improvements and to create the space for new roads, bridges and infrastructure which will be of benefit to local people and visitors alike.

In order to allow the regeneration delivery to get underway in a reasonable timescale, Barnet Council has stated that it will consider the use of compulsory purchase (CPO) powers to help secure the land required. The formal CPO process is likely to start later this year for the initial phase of development.

As part of the first step, Terraquest, a land referencing company acting for the Council, will be contacting all residents within the Whitefield Estate to establish the exact details of those who may be affected by any CPO that is made. It is important that the Council has the correct details for land ownership and occupation as this will ensure that all affected parties receive information at key points in the CPO process and fully understand their rights.

Let me reassure you that the regular dialogue that you have with the Development Partners and Barnet Council on these matters through the Whitefield Steering Group will continue up to and throughout any formal CPO process, which is likely to take at least 15-18 months to complete, and your advisor, Chris McConnachie, will be on hand throughout.

To help answer any questions you may have I have enclosed an Information Note that provides more detail about the context for the regeneration, the principles that the Development Partners will seek to adhere to and the next steps in the process.

As well as the forthcoming meetings of the Whitefield Steering Group and any consultation about your new homes, we will also shortly be in touch about a number of information sessions about the CPO process that we are hoping to hold later this year. These sessions will give you a chance to ask any questions or raise any concerns directly with the Brent Cross Cricklewood Development Partners.

The Development Partners are also now preparing to consult with local residents and the wider community on the detailed proposals for the first phase of the project (known as Phase 1A North) in October. This first phase will include detailed proposals for the new replacement homes, as well as information about the major improvements to local roads and junctions and the creation of three very special community parks at Clitterhouse Playing Fields, Claremont Park (on the site of Clarefield Park) and Brent Riverside Park, which will run along the improved and realigned River Brent.

Enclosed with this letter is an invitation to a separate meeting about the proposals for the first phase of Brent Cross Cricklewood.

In the meantime, if you have any questions or would like more information about this process, please do get in touch with the Resident Independent Advisor, Chris McConnachie on 0208 368 0468 or at chris.m@pep.org.uk.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. McGuinness', written over a light blue rectangular background.

Mike McGuinness
Development Director

November 2014

For further information contact Chris McConnachie, the Resident Independent Advisor on 0208 368 0468 or chris.m@pep.org.uk.

RESIDENTIAL RELOCATION STRATEGY BRENT CROSS CRICKLEWOOD PHASE 1A NORTH

- Residents within Phase 1A North on the Whitefield Estate may be asked to move home from late 2016 onwards. Phase 1A North comprises the roads and associated infrastructure required to support the development of the Shopping Centre and which will also enable the wider development south of the A406 to come forward.
- The homes affected by Phase 1A North are
 - Whitefield Avenue
 - Claremont Way
 - Anderson Court
 - Dyson Court
 - Rawlinson Court

Our Principles

The Development Partners will seek to adhere to the following principles throughout the relocation process:

Leaseholders and Freeholders Living on the Estate

- We will provide a home for all existing leaseholders and freeholders living on the Estate who wish to remain in the regeneration area, either by outright sale or under a 'shared equity' arrangement (see point 8. below).
- For those resident leaseholders and freeholders who wish to take advantage of this arrangement, the Brent Cross Cricklewood Development Partners will need to purchase the existing home before the relocation.
- We will be asking Barnet Council to consider making a CPO at the end of 2014 but the BXC Partners hope to reach amicable agreement with all leaseholders and freeholders without the need for the CPO to be used.
- If the Council makes a CPO in 2014 it will not be ready for use until the end of 2015. We do not expect to require residents to move until late 2016.
- One-to-one discussions with all home-owners will start once a housing association has been selected to partner with us in this process – expected Spring 2015, or earlier.
- We will seek to adhere to the following key principles through the whole process:
 1. Open market value will be paid for all properties.
 2. There will be no reduction in price due to the carrying out of the scheme.

3. Values will be established for each home individually, taking into account its size, location and condition.
4. Resident homeowners are entitled to full market value of their home plus a Home Loss payment calculated as 10% of the market value up to a maximum of £49,000. Non-resident homeowners are entitled to a Basic Loss payment calculated as 7.5% of the market value subject to a maximum of £75,000. These thresholds are subject to change by the Secretary of State, and the levels of payment will be the appropriate statutory amount at the date of sale. Disturbance payments will reflect the reasonable costs incurred as a direct result of moving home.
5. An independent Whitefield Estate Residents' Advisor has been appointed so that residents have expert support at all times.
6. There will be full consultation with all tenants and home-owners on the Whitefield Estate throughout this process.
7. The Development Partners and Barnet Council wish to reach an agreement with the owners regarding the purchase of the required properties where possible. As the CPO process can take over a year to complete, the CPO process and negotiations to reach agreement are likely to overlap, but the CPO will only be used in cases where an agreement cannot be reached by negotiation within the required timescale.
8. For those leaseholders and freeholders living on the estate who wish to remain in the regeneration area, the BXC Partners will have in place a scheme to allow the value of their current home to be 'rolled-over' into a replacement property built by the Development Partners or on their behalf. As the new properties are likely to have higher values than existing properties on the Whitefield Estate, the BXC Development Partners will put in place a scheme to seek to ensure that existing resident home owners can afford to live in the new properties.

This will allow the value of existing properties to be invested in the new properties so that the homeowner owns part of the new property. No rent is paid on the part of the property which the homeowner does not own. The homeowner will have the potential to purchase the remainder of the home over time although they are not obliged to do so. This is known as a "shared equity" scheme. The details of this scheme are still to be worked through and we will consult further on the shared equity scheme with Barnet Council and residents once a housing association has been selected.

9. The BXC Partners will be happy to discuss arrangements for purchase of the affected properties that allow resident owners time to find alternative accommodation or relocate into the replacement homes.

Leaseholders and Freeholders that do not live in the property

10. Non-resident leaseholders and freeholders will not be offered a replacement property but will receive a purchase price on the basis of market value, ignoring any effects of the scheme. The Basic Loss payment will replace the Home Loss payment (see point 4 above).

Secure Council Tenants

1. All secure council tenants of the Whitefield Estate homes affected by Phase 1A North will be offered a new home.
2. It will be a newly built, modern home.

3. The new home will be near to the current location of the Estate, within the regeneration area, so that tenants directly benefit from all the improvements to the area being made. Tenants will be given some choices over the internal decorations and fixtures and fittings in the new home.
4. There will only be one move. No-one will be asked to move twice or into temporary accommodation.
5. Rents will continue to be affordable.
6. Tenants will also receive compensation at the time of the move. Tenants will be entitled to a Home Loss payment which is a statutory payment. From 1 October 2014 the rate at which Home Loss is paid to qualifying tenants is £4900, a figure which is set by Government.
7. There will be full consultation with all tenants throughout this process.
8. An independent Whitefield Estate Residents' Advisor has been appointed so that tenants have expert support at all times.
9. Residents within Phase 1A North on the Whitefield Estate may be asked to move home from late 2016 onwards.



APPENDIX 4 – ARCHITECT’S BRIEF FOR THE REPLACEMENT HOMES

Brent Cross Cricklewood Regeneration: Whitefield Residential Relocations Project

Lead Architect

February 2014

Rev -

The tasks and outcomes required to be carried out during the preparation of RMA Submission for Relocation of the Whitefield Estate:

1.00 Stakeholder Consultations

Carry out consultations necessary for the development of the scheme to include:-

- Employer sustainability team
- Employer development and project team
- Employer planning team
- LBB Social Services team
- Brent Homes
- Selected RHP letting team.
- Selected RHP operations team
- Employer infrastructure team
- Employer's planning consultant
- Community Stakeholders to include workshops and open days.
- Future tenants

2.00 Design Programme

The Lead Architect will define a clear design programme for the design team to set clear objectives. The Lead Architect will review and develop the proposals subject to reference to the stakeholders.

The design programme should include the requirement to provide scopes and briefs to those other design consultants required to support the RMA submission. The architect will input into briefs and integrate the product of these studies into his final report and reserved matters submission.

The programme should include at least 2 of the following client based reviews at Stage C and Pre-RMA submission -

- CDM reviews
- Cost reviews
- RHP design reviews
- RHP design reviews
- Tenant design reviews
- Planning Requirement reviews

The design programme should reference at its end point the reserved matters submission.

3.00 Surveys

Additional surveys and reports will be required to assist the design team to progress the design effectively and to eliminate risk. Where Lead Architectural requirements drive survey requirements, the Lead Architect will be expected to scope and tender the survey work.

The design report completed for RMA submission should identify where surveys have taken place and circumstances where they are required, or are outstanding for the further development of design.

4.00 Schedule of Accommodation

The outline replacement units will be developed into a Schedule of Accommodation. The Architect will have to make due consideration of operational, servicing, plant and access areas.

The Architect shall maintain a schedule of use class areas for the development and compare such to the consented areas provided in the planning consent. Each residential unit will also need to demonstrate it meets relevant spatial standards.

The architect will also lead on space planning of car parking, vehicle servicing requirements, and maintenance and operational space requirements.

5.00 Architect's Proposals

The Architect's proposals should be developed to include

- A reserved matters application for the replacement residential units.
- Comprehension of the existing buildings – relative to this brief
- Massing (particularly in relation to planning parameters)
- Internal space planning of residential units and common areas.
- The proposed works
- Car Parking
- Servicing for refuse and other required services.

The Architect will be required to provide drawn quarterly time slices of the intended development to assist in discussions on phasing, programming and deliverability.

6.00 Outline Specification

The outline specification will provide data on design intent, the pallet of materials and proposed design solution.

Separate specifications will be produced by each member of the consultant team to accompany any drawings produced.

The outline specification will provide an understanding of the operational requirements of the building including service and delivery areas, common areas, care provision, car park operations, tenant requirements.

6.01 Interiors as Required for RMA Submission/ RHP Procurement.

The following palette of outputs should be made for client approval in respect of:-

Quality / Benchmark overview of:

- Walls
- Ceiling
- Lift finishes
- Floor finishes
- Doors
- Back of house areas
- Staircases
- Common amenities/ care areas.
- Lighting
- Signage / wayfinding
- Acoustics
- Lobbies and common areas
- Bathrooms
- Kitchens

6.02 Exteriors:

- External elevations
- Roofscape
- Roof plant if required
- Public realm & landscaping
- Access and maintenance considerations
- Access, transport links and highways connections

7.0 Specialist Consultants' Reports

Reports will be produced by any specialist consultants recommended by the Architect where required by the Employer. Specialist consultants will include acoustic, environmental, access, engineering and other design.

The Lead Architect will integrate these with his main report and identify where the requirements are not included within their service.

8.0 Additional Requirements

The following additional requirements will be required to be provided by the Lead architect.

9.01 Provide architectural support to satisfy procurement of an RHP partner.

9.02 Identify a CGI budget and the anticipated outputs from the budget.

9.03 Attend planning briefings and public consultations in respect of the reserved matters application.

9.04 Identify drawing distributions both in paper and digitally and include within fee.

9.05 Liaison with the Employer's planning consultant.

9.06 Liaison with the Employer's programming consultants

9.07 Liaison with the Employer's project extranet consultant on taxonomy and document control.

9.08 Other requirements set out elsewhere in this document.



Hammerson

Standard Life
Investments &

Competition Brief
BRENT CROSS
CRICKLEWOOD
REGENERATION
Residential Relocations: Architect

February 2013

CONTENTS	PAGE
1. FOREWORD	2
2. BRENT CROSS BACKGROUND	3
3. PROGRAMME	8
4. DESIGN STRATEGY	11
5. RISK	16
6. BUDGET	17

APPENDICES

APPENDIX A REFERENCE DOCUMENTS

- **HAMMERSON CORPORATE POLICIES**
- **SIP**
- **SITE IDENTIFICATION PLAN**

APPENDIX B SCHEDULE OF SERVICES

APPENDIX C GENERIC FORM OF APPOINTMENT

- **PRO FORMA LONG FORM APPOINTMENT FOR PARTNERSHIP**

1. FOREWORD

1.1 Brent Cross Shopping Centre

Brent Cross Shopping Centre represents a key property in the British retail landscape. On its original opening it introduced a dynamic form of retail into the UK as the first covered, out of town shopping centre. It is the intention of the Development Partners to reposition the centre, diversify its offer, and create a truly world class example of retail and mixed use regeneration. In its current form before extension, the centre remains a key asset for the Development Partners.

The associated works will include the relocation of residents of the Whitefield Housing Estate affected by the Development.

1.2 The Whitefield Housing Estate

The Whitefield Housing Estate currently occupies a site south of Tilling Road and west of Claremont Road. This location is required for the construction of a new pedestrian and cycle crossing to the A406 North Circular (the Living Bridge) and current residents will be relocated.

It incorporates:

25 Assisted Living Units within the Rosa Freedman Home – (re-provision in abeyance. Tendering Architects to include separately identified fee/ resource for these works).

8 Maisonettes above local retail units.

A total of 52 units: 16 houses and 36 flats on Whitefield Avenue.

Of the 60 maisonettes, flats and houses, the following replacement units are anticipated:

9 no.	1 bed units
26 no.	2 bed units
27 no.	3 bed units
1 n	4 bed units

These will be developed and operated by a Registered Provider which is yet to be selected. A long list of RPs has been agreed between CRL and LBB:

- i London & Quadrant
- ii Catalyst
- iii Network
- iv Genesis
- v Notting Hill
- vi Peabody
- vii Circle

The Assisted Living Units are to be replaced with 25 Extra Care Apartments which will be owned and operated by Barnet Homes. (Requirement in abeyance – tendering Architects to include a separately identified resource/ fee for these works).

All new housing will comply with the Mayor of London’s space standards, as set out in Policy 3.5 and Table 3.3 of the London Plan 2011, and the residential quality standards set out in the Mayor’s Housing SPG.

These units will be re-provided from the plots identified on the enclosed Site Plan (904_SK_00_036): 30; 53; 54; 58 (in abeyance).

2. BRENT CROSS BACKGROUND

2.1 Planning History

The Development Partners have a consented 73 application for the intended works. This has permitted the separation of the Southern site from the Northern site.

As part of the planning obligation, a series of infrastructure obligations will remain with the developer. **This includes the provision of new residential units to relocate residents affected by the works – for which the Development Partners are seeking an Architect through this appointment.** These works are generally part of reserved matters Phase 1 A (RMA 1 A).

The Development Partners are targeting making submissions in June of 2014 (RMA 1 A).

2.2 Infrastructure Works

The Development Partners obligations include substantial undertakings both on and off site. The offsite works include amendments to the A406, a new Templehof Bridge, a new Living Bridge, works to the junction with the M1, other road works, and commitments to improve open space.

This list is not exhaustive, however, in principal these works will coincide with and significantly inform the programme for residential relocations.

2.3 Shopping Centre

The main extension of the Shopping Centre and associated works will form a separate RMA Submission (RMA 1B). Infrastructure works, including necessary residential relocations must be complete to facilitate the shopping centre delivery.

3. PROGRAMME

3.1 Tender Requirements

Following pre-tender meetings carried out 28 January 2014 you are invited to submit a tender in line with the following programme/ criteria:

For the tender the following criteria will be reviewed-

- Comments on proposed services
- Absolute confirmation of acceptance of appointment terms and conditions
- Novation matters
- Professional Indemnity confirmation (£5 million each and every claim)
- Review of compliance with Hammerson corporate policies
- **Proposed design programme and fee with supporting resource schedule.**

It should be noted that the consultants will be expected to complete final submissions which include separately identified costs for:

- Completion of Stage C+/D for submission of RMA
- Completion of Stage D + Employer's Requirements (may be novated to RHP)
- Cost to novation to Contractor
- Costs for a full service to making good of defects (post novation)
- Hourly rates by discipline and seniority
- Intended elements of work for subcontract
- Soft Landings

3.2 Overall Programme

The overall programme for the extension is set out below.

The programmes should be treated as indicative and the potential for alterations. Alternative phasing is very much a possibility.

In the wider interest of the Development, it is essential that all deadlines are tracked and that **full sign off from various stakeholders is achieved** at key points in the process. The Project Design Team will need to propose a programme and structure for workshops for sign off of deliverables as part of their submission, ensuring that they are able to meet the delivery dates set out in the programme below.

Key Timings	
Resolution to grant consent for section 73 application	30 January 2014
Submission of Architects' Tenders	Noon 19 February 2014
Selection/ Appointment/ Mobilisation complete by	03 March 2014
Completion of design for RMA submission	06 June 2014
Submission of RMA	23 June 2014
Completion of design for ERs	4Q2014
Procure Main Contractor	1Q2015
Construction	1Q2016
Decant of Residents	2Q2016
Vacant Possession of Whitefield Estate	3Q2016

3.3 Project Budget

The Construction Budget for all residential units is £14,000,000 excl. fees & surveys.

4. DESIGN STRATEGY

4.1 Design Procurement Strategy

This project falls within, but is a key early component of, a much larger scheme:

Phase 1A: Road, Infrastructure & Utilities

Lead design – infrastructure: URS.

Phase 1B: Shopping Centre Extension.

Lead design – Chapman Taylor

It is anticipated that the residential units to be replaced as part of the Whitefield Estate relocations will be developed, owned and operated by a Registered Housing Provider which the Development Partners and LBB are procuring.

The Development Partners expect to appoint a design team for the completion of RMA submission with an option to novate the incumbent design team into the RHP for progression of the developments. It is foreseen that the RHP will procure the works on a Design and Build basis. Tendering Architects are therefore asked to separately identify their fee for:

- Works to RMA submission.
- Works to completion of ERs.
- Full Employer's monitoring service to making Good Defects.

4.2 Proposed Design Team

The Project Architect is to be selected through this invited competition – the first stage being complete and a short list being invited to set out fee proposals and associated information.

Architects are also invited to set-out their requirements for supporting design team members (if any) including an outline of anticipated scope/input to submission of RMA.

OBLIGATION	Architect	Civil/ Structural Engineer	Building Services Consultant	Other	Notes
Lead Consultant					
Planning/RM					
Public Consultation					
CDM Compliance					
Building Regs					
Design Standards					
RHP Brief					
Substructure					Ensuring coordination
Thermal calcs					
U Values etc.					
Energy					40% improvement on 2010 Part L
CSH					
Interiors/space planning					
Fire engineering/smoke					
Cost management					
Acoustics					
Site surveys					
Geotech survey					
Landscape design					
Transport engineering					
Parking					
Document Control					
Programming					
Other:					

4.3 Consultations & Approvals

The Project Architect must be fully aware of the design implications of key legal agreements in place between the Development Partners existing residential tenants, as well as with adjacent property owners and users, and any other party with an interest in the Sites. In particular, the Project Architect will need to understand and comply with the requirements of obligations with the key commercial stakeholders (LBB & RHP), Planning conditions and local community.

The Project Architect shall treat all information in connection with these works as confidential unless released by the Development Partners, or as necessary for the function of their services, or otherwise in the public domain.

The design team will have direct interactions with the Council and RHP and will be responsible within their RMA design for completing specifications for the Agreement with an RHP.

A programme of interaction meeting with the wider project delivery team will be expected as required.

4.4 Project Extranet/ FTP Sites

The intention is that the project will use an Internet based collaboration tool, but the details on this are still to be advised. The management of this will be budgeted for separately from this appointment.

5. RISK

There are a number of risks to the works, which will be the subject of a formal Risk Management process to feed into the wider project. The initial Risk Management Workshop for the Development is shortly to be arranged shortly after the commencement of services.

The Project Design Team will be expected to attend and participate in this process in so far as it impacts on the wider Site.

The Project Design Team will need to develop and manage a risk register specific to the residential elements and feed the key risks from this register in to the Development risk management process.

6. BUDGET

The current construction budget for the scheme excluding fees, contingency and indexing is £14,000,000.

APPENDIX A

REFERENCE DOCUMENTS

APPENDIX B

SCHEDULE OF SERVICE

APPENDIX C

GENERIC FORM OF APPPOINTMENT



**APPENDIX 5 – MEASUREMENT SURVEY OF THE WHITEFIELD
ESTATE (JANUARY 2015)**

Measurement Survey of the Whitefield Estate

Hammerson (Brent Cross) Ltd
Standard Life Investments (UK)
Shopping Centre Trust

27th January 2015

Prepared by

GL Hearn Limited
280 High Holborn
London WC1V 7EE

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glhearn.com

Contents

Section	Page
1 INTRODUCTION	4
2 MEASUREMENT PRACTICE	4
3 ANDERSON, DYSON, RAWLINSON COURT	6
4 CLAREMONT WAY	8
5 WHITEFIELD AVENUE	11
6 TOTAL GEA OF THE WHITEFIELD ESTATE	15
7 APPENDIX A: THE ROSA FREEDMAN CENTRE	16
8 APPENDIX B: GEA AND GIA DEFINITIONS	17
9 APPENDIX C: WHITEFIELD REPLACEMENT UNITS (PART 1)	21

Quality Standards Control

The signatories below verify that this document has been prepared in accordance with our quality control requirements. These procedures do not affect the content and views expressed by the originator.

This document must only be treated as a draft unless it has been signed by the Originators and approved by a Business or Associate Director.

DATE

27 January 2015

ORIGINATORS

David Conboy
CPO and Regeneration Associate
Director

APPROVED

Paul Astbury
CPO and Regeneration Director



Limitations

This document has been prepared for the stated objective and should not be used for any other purpose without the prior written authority of GL Hearn; we accept no responsibility or liability for the consequences of this document being used for a purpose other than for which it was commissioned.

1 INTRODUCTION

- 1.1 This report sets out the measurements of Whitefield Estate Existing Units (Part 1) (paragraph 1.5, Schedule 2, S106 Agreement dated 22 July 2014).

This report contains the Gross External Area (GEA) and Gross Internal Area (GIA) of the residential units at;

- 1-12 Anderson Court
- 1-12 Dyson Court
- 1-12 Rawlinson Court
- 1-16 Whitefield Avenue
- 2-16 Claremont Way (even numbered properties only)

- 1.2 Sections 3 to 5 of this report show the calculated areas for three sub-areas being the three storey blocks at Anderson, Dyson and Rawlinson Courts, the residential units above retail at Claremont Way and the houses on Whitefield Avenue respectively. All of the units within each sub area have identical floor spaces with the exception of Whitefield Avenue. Some of the properties within Whitefield Avenue have extensions on the ground floor which have resulted in additional floor space. These additions are accounted for in section 5 of this report.

- 1.3 The Rosa Freedman Centre (RFC) consists of two parts; the Day Centre and Sheltered Accommodation. The Sheltered Accommodation is part of the Whitefield Estate Existing Units (Part 1) (paragraph 1.6, Schedule 2, S106 Agreement dated 22 July 2014) and is located on Claremont Way. It has been agreed that the sheltered accommodation within the RFC will be re-provided off site by way of a commuted sum. The obligation for re-provision will therefore be met and the existing floor areas are not included in our calculation. However, we have shown the calculations for the Rosa Freedman centre for reference purposes in Appendix A.

2 MEASUREMENT PRACTICE

- 2.1 In preparing this report we have followed the guidelines set out in the RICS code of measuring practice (6th edition). This code of practice defines GEA and GIA as follows,

Gross External Area (GEA) – (See Appendix A for the full list of inclusions and exclusions)

“Gross External Area is the area of a building measured externally at each floor level.”

Gross Internal Area (GIA) – (See Appendix A for the full list of inclusions and exclusions)

“Gross Internal Area is the area of a building measured to the internal face of the perimeter walls at each floor level.

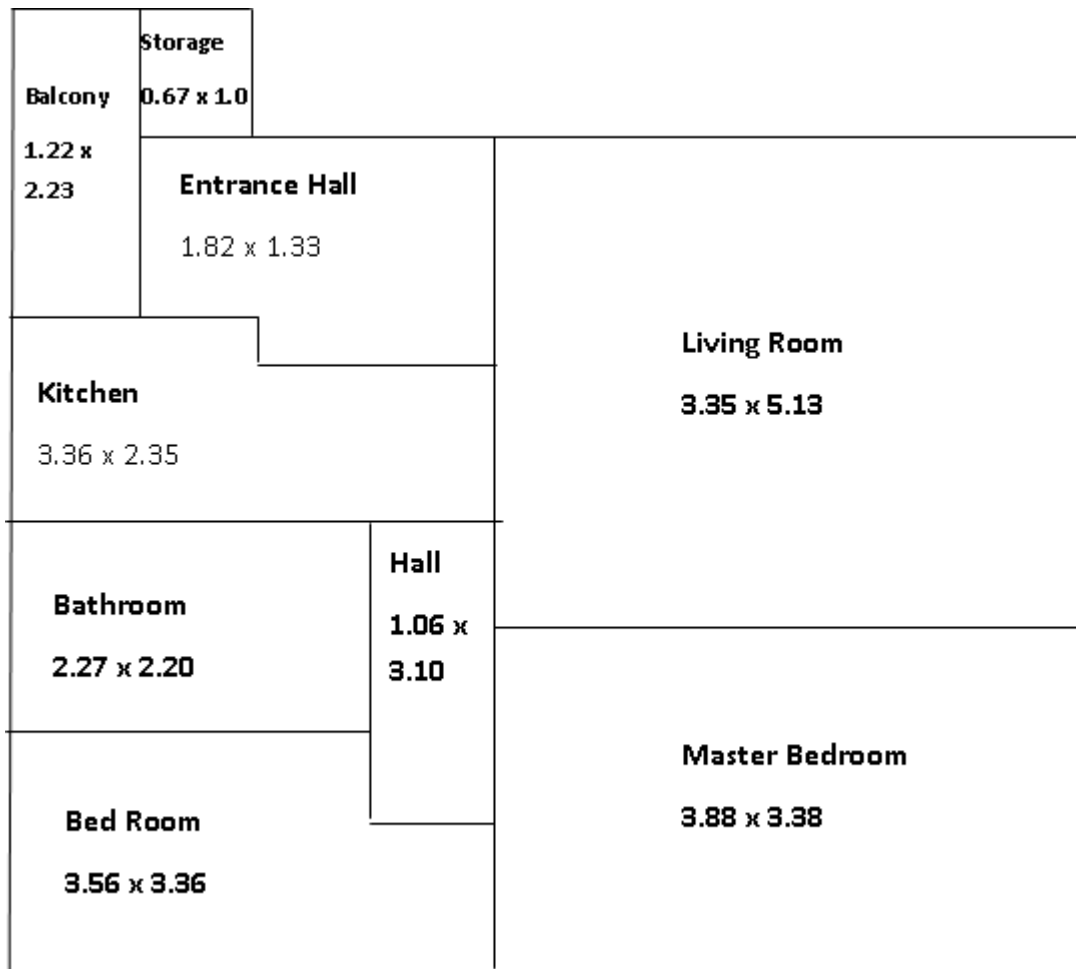
The Internal face – means the brick/block work or plaster coat applied to the brick/block work, not the surface of internal linings installed by the occupier.”

3 ANDERSON COURT, DYSON COURT & RAWLINSON COURT

3.1 Gross Internal Area (Standard unit)

3.2 Within the Whitefield Estate there are three separate blocks of flats known as Anderson Court, Dyson Court and Rawlinson Court. Each of these blocks has 12 units consisting of two bedrooms giving a combined total of 36 units. The units in each block are arranged over three storeys with four units per floor. The units in each block are arranged over three storeys with four units per floor. The above ground units have a slightly larger GIA as the ground floor units have a storage area instead of a storage area and balcony. This is to accommodate front/rear block entrance door recesses on the ground floor.

3.2.1 The following diagram shows the measured internal dimensions of a single above ground unit. The diagram is not to scale and all measurements are shown in metres.

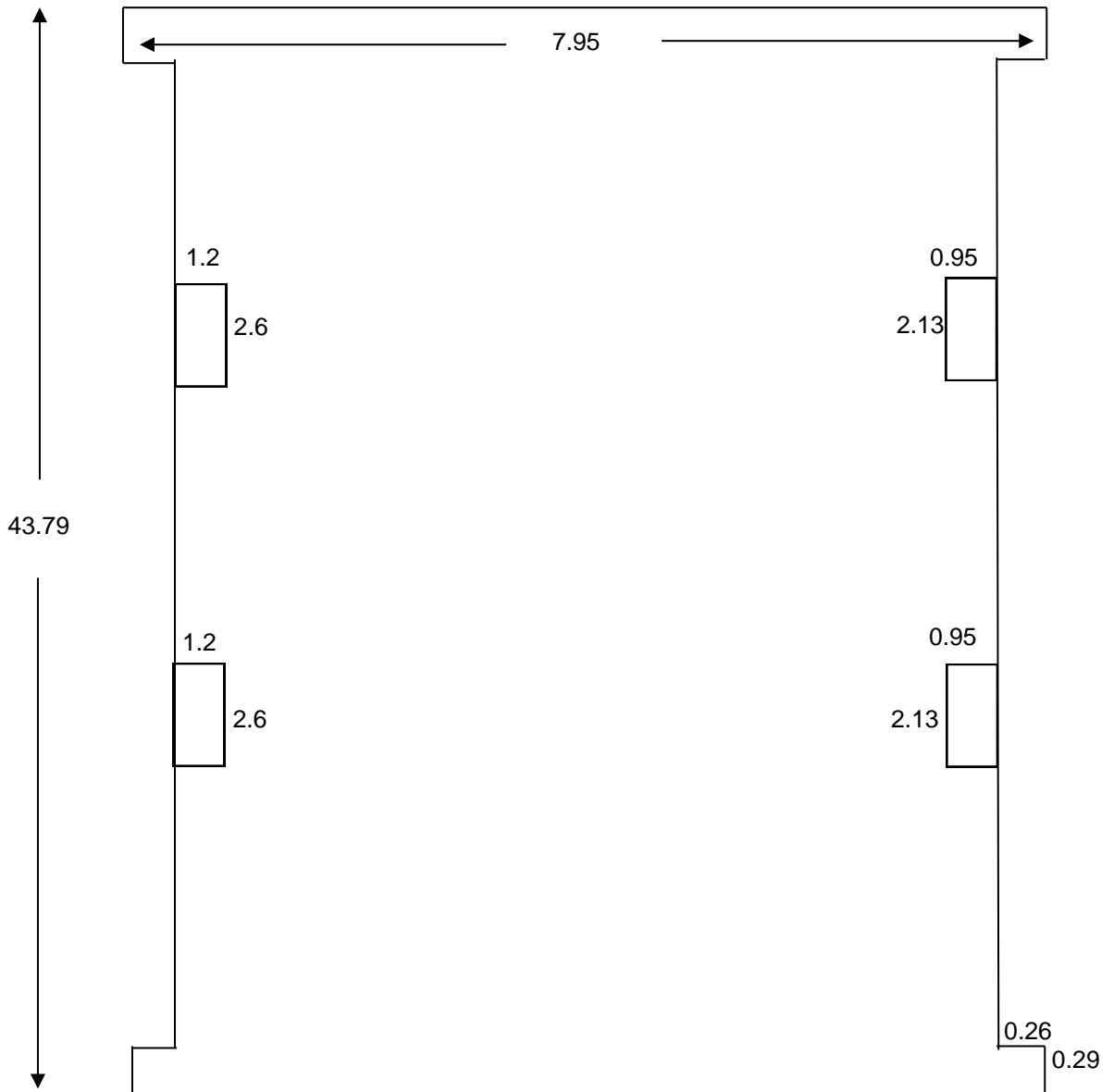


GIA (above ground unit)	64.31 m ² (24 units)
GIA (ground floor unit)	63.09 m ² (12 units)
Average GIA per unit	63.90 m ²

3.2.2 Gross External Area

To determine the GEA of each building, the external dimensions of the building were measured. The RICS code of measuring practice states the GEA figure will exclude any outbuildings such as pram stores and garages which have therefore not been included in this GEA.

3.2.3 The following diagram shows the measured external dimension of a single block. The diagram is not to scale and all measurements are shown in metres.



Recessed entrance door lobbies have been included in the GEA of the buildings. There are two front and two rear doors per block.

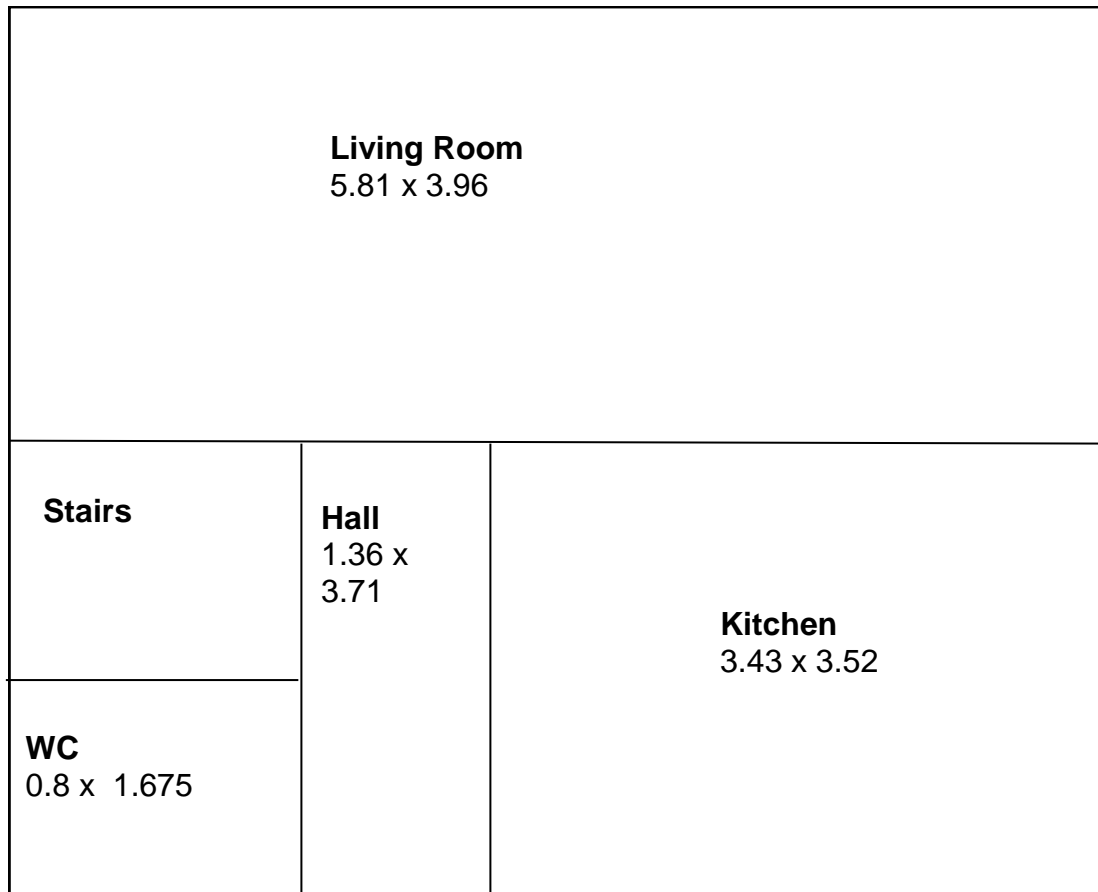
GEA per block	976.98 m ²
Total GEA of three blocks	<u>2930.94 m²</u>

4 CLAREMONT WAY

Gross Internal Area (Standard unit)

- 4.1 Within the Whitefield Estate there is one block of 8 residential units above retail premises located on Claremont Way. Each of these units is arranged across first and second floor and has 3 bedrooms. Each unit has the same GIA.
- 4.2 The following diagram shows the measured internal dimensions of a single unit. The diagram is not to scale and all measurements are shown in metres.

Ground Floor



First Floor

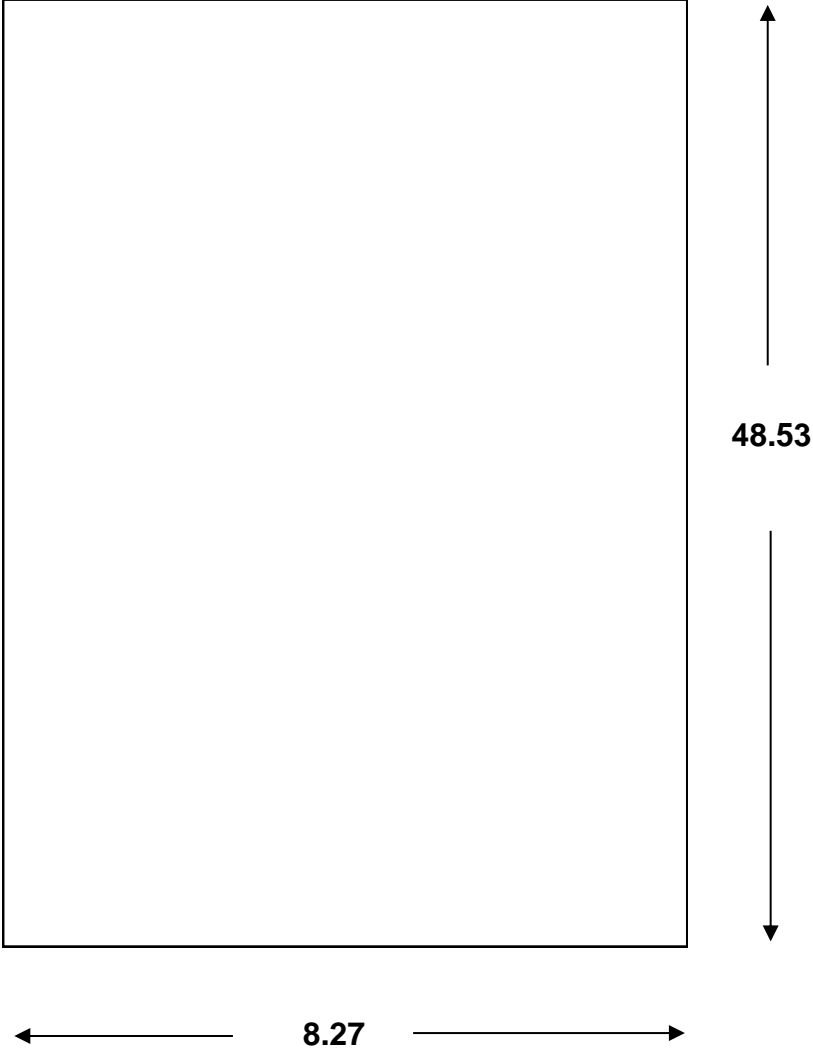


Ground Floor GIA	45.32 m ²
First Floor GIA	45.32 m ²
Total GIA per unit	90.64 m²

4.3 **Gross External Area**

4.4 To determine the GEA of each building the external dimensions of the building were measured. The units situated in Claremont Way are in located in one block which is shown below.

4.5 The following diagram shows the measured external dimensions of the first floor of the block. The second floor of the block has the same dimensions. The diagram is not to scale and all measurements are shown in metres.



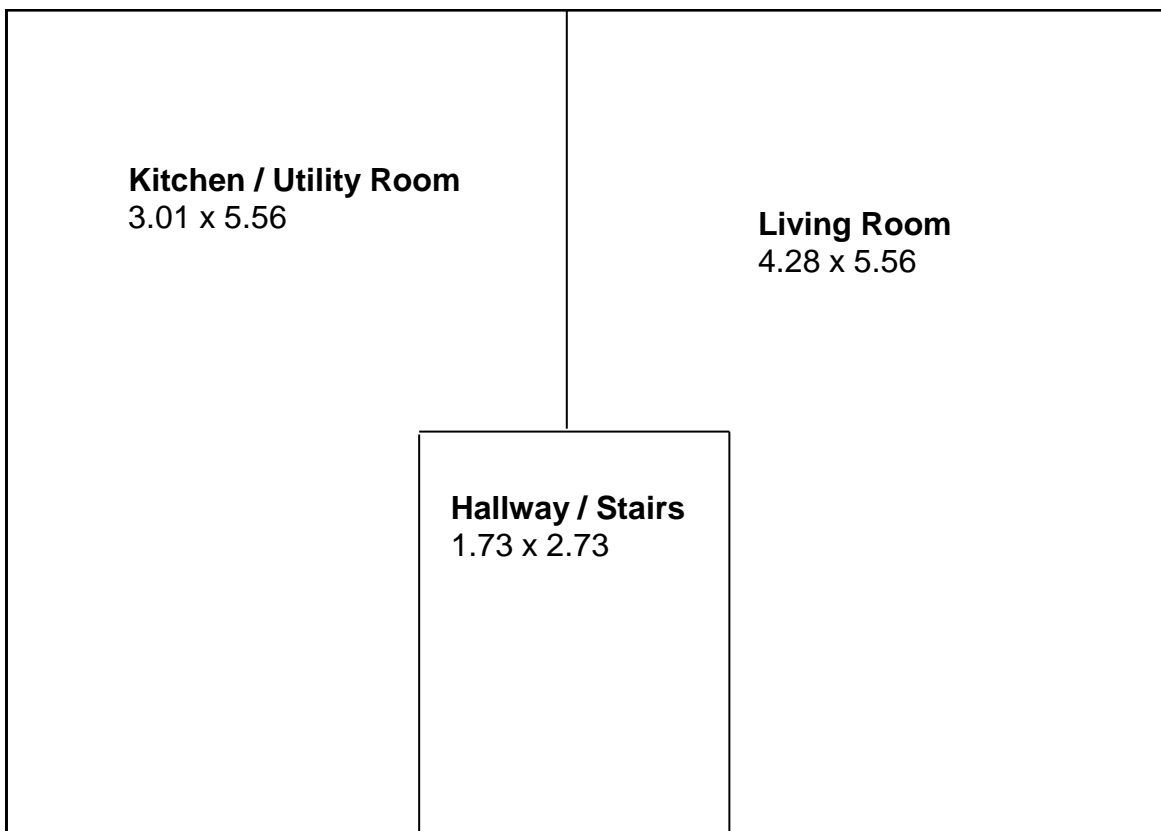
GEA first floor	401.34 m ²
GEA second floor	401.34 m ²
Total GEA	<u>802.68 m²</u>

5 WHITEFIELD AVENUE

Gross Internal Area (standard unit)

- 5.1 Within Whitefield Avenue there are 16 houses separated into four blocks of four. Within each block of four units, there are two middle terrace and two end terrace houses. All units have the same GIA.
- 5.2 Four of the houses have been extended at the rear. We have calculated the GIA and GEA of the houses as originally built, ignoring these improvements as a starting point and have addressed the extensions and added them to the final totals at section 5.8 below.
- 5.3 The following diagram shows the measured internal dimensions of a single unit. The diagram is not to scale and all measurements are shown in metres.

Ground Floor



First Floor

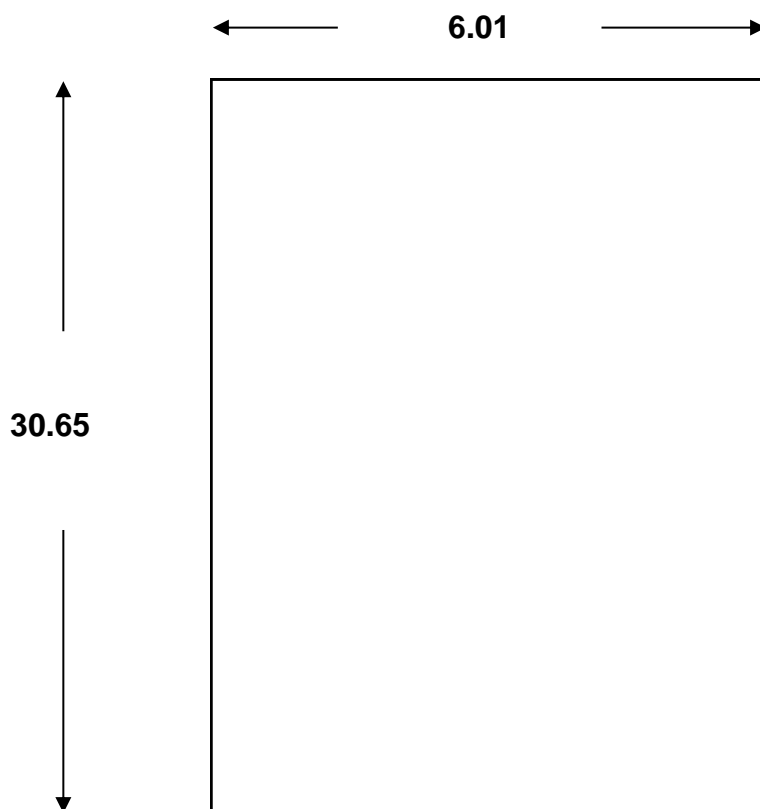


Ground floor GIA	40.96 m ²
First Floor GIA	40.96 m ²
GIA per unextended unit	<u>81.92 m²</u> see section 5.8 for overall total GIA

5.4 We have not calculated the GIA of the extensions as they are not uniform and only a small number of units have been extended.

Gross External Area

- 5.5 To determine the GEA of each building the exterior dimensions of the building were measured. The 16 houses on Whitefield Avenue are situated in four blocks each of which consists of four houses.
- 5.6 Four of the houses have been extended at the rear. We have calculated the GEA of the houses as originally built, ignoring these improvements as a starting point and have addressed the extensions and added them to the final totals as section 5.8 below.
- 5.7 The following diagram shows the measured external dimension of one of the four blocks of houses in its unextended form. The diagram is not to scale and all measurements are shown in metres.



4.3 The following figure shows the GEA of each block as a standard unit;

Total GEA of units 1 -4	368.41 m ²
Total GEA of units 5 – 8	368.41 m ²

Total GEA of units 9 – 12	368.41 m ²
Total GEA of units 13- 16	368.41 m ²
Total GEA of standard units	<u>1473.64 m²</u> see section 5.8 for overall total

5.8 Extensions

Four of the units within Whitefield Avenue have ground floor extensions added onto the rear of the properties. These are as follows;

<u>Address</u>	<u>GEA of extension (m²)</u>
1 Whitefield Avenue	19.0
6 Whitefield Avenue	18.2
7 Whitefield Avenue	19.4
11 Whitefield Avenue	9.7
Total GEA of extensions	<u>66.3 m²</u>

Therefore the total GEA for the Whitefield Avenue units are as follows;

Total GEA Standard units	1473.64 m ²
Total GEA of extensions	66.3 m ²
Total GEA of Whitefield Avenue	<u>1539.94 m²</u>

6 TOTAL GEA OF THE MEASURED PART OF THE WHITEFIELD ESTATE

6.1 The total combined Gross External Area of that part of the Whitefield Estate falling under the definition of Whitefield Estate Existing Units (Part 1) (paragraph 1.6, Schedule 2, S106 Agreement dated 22 July 2014) excluding the RFC for the reasons given in para 1.3 above is as follows;

GEA of Anderson, Dyson & Rawlinson Courts	2930.94 m ²
GEA of Claremont Way	802.68 m ²
GEA of Whitefield Avenue	1539.94 m ²
Total GEA	5273.56 m²

6.2 The GIA of the residential units is as follows;

GIA of Anderson, Dyson & Rawlinson Courts – average single unit	63.90 m ²
GIA of Claremont Way single unit	90.64 m ²
GIA of Whitefield Avenue unextended single unit	81.92 m ²

APPENDIX A: The Rosa Freedman Centre (RFC) – Sheltered Accommodation

Gross External Area

- A1 The RFC consists of two parts; the Day Centre and Sheltered Accommodation. The Sheltered Accommodation is part of the Whitefield Estate Existing Units (Part 1) (paragraph 1.6, Schedule 2, S106 Agreement dated 22 July 2014) and is located on Claremont Way. It has been agreed that the sheltered accommodation within the RFC will be re-provided off site by way of a commuted sum. The obligation for re-provision will therefore be met and the existing floor areas are not included in our calculation. However, we have shown the calculations for the RFC for reference purposes here.
- A2 The sheltered accommodation second floor has a pitched roof at the eastern end of the building which results in four smaller storage rooms running along the eastern side of the building on the second floor. On the eastern side on the ground and first floors, this space consists of a larger residential room which is not affected by the pitched roof, this results in a lower GEA figure for the second floor.
- A3 The RFC Sheltered Accommodation GEA has been calculated for reference purposes and is outlined below.

Sheltered Accommodation

GEA Ground Floor Total	699.6 m ²
GEA First Floor Total	699.6 m ²
GEA Second Floor Total	581.58m ²
Total GEA of the RFC Sheltered Accommodation	<u>1980.78 m²</u>

APPENDIX B: GEA and GIA Definitions

In preparing this report we have followed the guidelines set out in the RICS code of measuring practice (6th edition). This code of practice defines the GEA and GIA and sets out inclusions and exclusions for each measurement practice.

Gross External Area (GEA)

Gross External Areas is the area of a building measured externally at each floor level. The following table demonstrates the inclusions and exclusions in the GEA.

<u>Including</u>	<u>Excluding</u>
1.1 Perimeter wall thickness and external projections	1.16 External open-sided balconies, covered ways and fire escapes
1.2 Areas occupied by internal walls and partitions	1.17 Canopies
1.3 Columns, piers, chimney breasts, stairwells, lift-wells, and the like	1.18 Open vehicle parking areas, roof terraces and the like
1.4 Atria and entrance halls, with clear height above, measured at base level only	1.19 Voids over or under structural, raked or stepped floors
1.5 Internal balconies	1.20 Greenhouses, garden stores, fuel stores, and the like in residential properties
1.6 Structural, raked or stepped floors are to be treated as a level floor measured horizontally	
1.7 Horizontal floors, whether accessible or not,	

below structural, raked or stepped floor	
1.8 Mezzanine areas intended for use with permanent access	
1.9 Lift rooms, plant rooms, fuel stores, tank rooms, which are houses in a covered structure of a permanent nature, whether or not above the main roof level	
1.10 Outbuildings which share at least one wall with the main building	
1.11 Loading bays	
1.12 Areas with headroom of less than 1.5m	
1.13 Pavement Vaults	
1.14 Garages	
1.15 Conservatories	

Gross Internal Area (GIA)

Gross Internal Area is the area of a building measured to the internal face of the perimeter walls at each floor level.

The Internal face – means the brick/block work or plaster coat applied to the brick/block work, not the surface of internal linings installed by the occupier. The following table demonstrates the inclusions and exclusions of the GEA.

<u>Including</u>	<u>Excluding</u>
------------------	------------------

2.1 Areas occupied by internal walls and partitions	2.18 Perimeter wall thicknesses and external projections
2.2 Columns, piers, chimney breasts, stairwells, lift-wells, other internal projections, vertical ducts, and the like.	2.19 External open-sided balconies, covered ways and fires
2.3 Atria and entrance halls, with clear height above, measured at base level only	2.20 Canopies
2.4 Internal open-sided balconies walkways and the like	2.21 Voids over or under structural, raked or stepped floors
2.5 Structural, raked or stepped floors are to be treated as level floor measured horizontally	2.22 Greenhouses, garden stores, fuel stored, and the like residential property
2.6 Horizontal floors, with permanent access, below structural raked or stepped floors	
2.7 corridors of a permanent essential nature (e.g. fire corridors, smoke lobbies)	
2.8 Mezzanine floors areas with permanent access	
2.9 Lift rooms, plant rooms, fuel stores, tank room which are houses in a covered structure of a permanent nature, whether or not above the main roof level	
2.10 Service accommodation such as toilets, toilet lobbies, bathrooms, showers, changing rooms, cleaners rooms and the like	
2.11 Projection room	

2.12 Voids over stairwells and lift shafts on upper floors	
2.13 Loading bays	
2.14 Areas with a headroom of less than 1.5m	
2.15 Pavement vaults	
2.16 Garages	
2.17 Conservatories	

APPENDIX C: Whitefield Estate Replacement Units (Part 1)

Whitefield Estate Replacement Units (Part 1) is a defined term in the S106 Agreement dated 22 July 2014.

The definition is:

"Whitefield Estate Replacement Units (Part1)"

means:

- (a) Whitefield Estate Replacement Units (Part 1A), and
- (b) Whitefield Estate Replacement Units (Part 1B),

"Whitefield Estate Replacement Units (Part 1A)" means replacement units to be provided or funded by the Brent Cross Partners pursuant to their Residential Relocation Strategy for the purposes of re-housing the residents of up to 25 units in the Rosa Freedman Centre (for the purposes of the Brent Cross Partners constructing Claremont Avenue as part of Phase 1A (North)) on an equivalent floorspace basis in accordance with the parameters and principles contained in the DSF at paragraphs 2.91-2.93 and in accordance with

Condition 1.10 of the S73 Permission and paragraph 1 of Schedule 2 to this Agreement;

"Whitefield Estate Replacement Units (Part 1B)"

means replacement units to be provided or funded by the Brent Cross Partners pursuant to their Residential Relocation Strategy for the purposes of re-housing the residents of up to 60 units of the Whitefield Estate (for the purposes of accommodating the Southern landing of the Bridge Structure B7 (Living Bridge) as part of Phase 1B (North)) on an equivalent floorspace basis in accordance with the parameters and principles contained in the DSF at paragraphs 2.91-2.93 and in accordance with Condition 1.10 of the S73 Permission and paragraph 1 of Schedule 2 to this Agreement;



**APPENDIX 6 – OFFER LETTERS TO LEASEHOLDERS AND
FREEHOLDERS (MARCH 2015 AND MAY 2015)**

Our ref: J027749/Whitefield

«Name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»

25 March 2015

Dear «Salutation»

Your Property at «Property_Address»

You will have received letters from GL Hearn, the Development Partners and the Council regarding the Brent Cross Cricklewood Regeneration and you will be aware that the Council is about to start the Compulsory Purchase Order (CPO) process which includes your property. The CPO process is a precaution and the Development Partners would like to reach an agreement with you to purchase your property without using the CPO if possible.

The Development Partners have asked GL Hearn to contact you with an offer and to see if we can reach an agreement. In this letter “we” refers to the Development Partners and GL Hearn acting as their agents.

Managing important changes

Moving all the residents in a community is a big undertaking and it is important that we take steps to try and manage the process to reduce the impact where we can.

The Council’s secure tenants will be moving towards the end of the process, when the replacement homes on Brent Terrace are ready. Resident owners who wish to relocate to Brent Terrace will also move once the replacement homes are ready.

To maintain the amenity of the estate for all residents, we would like to encourage owners to remain on the estate for as long as reasonably possible. We recognise that owners will need time to consider a relocation and find an alternative property so we have taken this into account.

We have designed an offer package that we believe will give resident and non-resident owners the time and flexibility to relocate whilst providing an incentive to remain on the estate until it is time to move. We believe this will benefit individual home-owners and all other residents on the estate.

Our offer to you

The offer we have designed consists of an advance payment now of part of the financial package, plus a year’s notice before you need to move (six months notice for landlords). The advantage is that you receive an advance payment but remain living in your current home until it is required for the regeneration. This also means that the Whitefield Estate community stays together longer and the impact of vacant properties on the estate is reduced.

The financial package we are offering is made up as follows:

- An immediate advance payment of **£5,000.00** on entering an agreement with us

Then, when we purchase your property;

- The individually assessed **market value of your property** (ignoring the regeneration)
- **A Loss Payment**
 - For resident owners – a Home Loss payment of 10% of the market value or
 - For landlords – a Basic Loss payment of 7.5% of the market value
 - In either case, less the £5,000 already received
- **Reasonable costs** incurred in moving home including, for example:
 - Removals costs
 - Stamp Duty Land Tax (SDLT) on your new home*
 - Solicitor's costs in transferring your existing home and purchasing your new home
 - Other reasonable costs that we would be happy to discuss

*provided the purchase price of the new property is similar to the price of the existing property.

This package reflects the compensation you would receive under the CPO. We have offered this so that there is no disadvantage to you in reaching an early agreement with us.

A practical solution for residents

We have set out the detail of the offer in the attached note but we would like to explain how it is designed to work for resident owners.

For residents, entering into an agreement with us means that you will receive a cash payment of part of your compensation now but will remain living in your home until it is time to move. The agreement will state how much we have agreed to buy the property for, so that you will be able to make plans in advance knowing exactly where you stand financially.

When it comes time to sell, we will give you one year's notice so that you have plenty of time to think about moving and to find a new home. If you are a resident owner considering moving to the new replacement homes on Brent Terrace, you can enter in to the agreement and make your decision about Brent Terrace later.

If you find a home between six months and a year after we give you notice, we will buy your home at a time that fits in with the purchase of your new home.

This means that, once we give you notice that it is time to sell your home, you will have a year to think about moving home; you will know the sale price you will receive in advance; and you will be able to sell your home any time over a six month period to match in with your new purchase. You will also receive part of your compensation as soon as you enter into the agreement.

Because we would like owners to remain on the estate until the property is needed, part of the agreement is that you will not sell your home until we give you notice under the agreement. In the unlikely event that we do not give notice before the agreement runs out, you will keep the advance that you will have received on signing the agreement.

A practical solution for landlords

We have set out the detail of the offer in the attached note but we would like to explain how it is designed to work for landlord owners.

The agreement is similar for both landlords and resident owners except that instead of receiving one year's notice to sell, you will receive six months notice. We believe that this will suit landlords as it means that you will be able to let the property on six month ASTs and still be able to sell when required under the agreement.

You can therefore agree the price of your property now, receive part of the compensation in advance, and maintain the income until such time as we need the property for the regeneration. By keeping the property let it also avoids vacant property affecting the other residents on the estate.

As with the resident agreement, we ask that you do not sell the property until we give notice under the agreement. We will require vacant possession when you do sell.

Moving forward

Please look at the details of our offer, including the amount we are offering for your property, in the attached notes. We would be happy to discuss the offer with you and answer any questions you may have.

«Sign_off»

A handwritten signature in black ink, appearing to read 'Paul', with a long horizontal flourish extending to the right.

Paul Astbury

GL Hearn

Email paul.astbury@glhearn.com

Tel 020 7851 4979

Purchase Agreement Details

We have set out below the details of the agreement the Development Partners would like to enter into with owners on the Whitefield Estate within the CPO 1 area.

The agreement is in the form of an "Option". This is a binding legal contract under which you promise to sell your property at an agreed price if we ask you to do so within a set period of time. The period of time will be **from now until October 2018**.

Please see the section below relating to professional advice and consider whether you would like to seek advice before entering into an agreement.

These are the commitments that each side will make under the option if you agree to enter into it:

What we will do:

- We will make a down payment of £5,000.00 to you when you sign the agreement.
- If we buy the property, we will deduct the £5,000.00 you have already had from the financial package.
- If we do not ask to buy the property within the agreement period, you keep the £5,000.00 down payment.
- The financial package we are offering is the same as you would get under the CPO, except that you receive £5,000.00 early as a down payment.
- If you live in the property as your only or main home and have done so for at least six months, we will give you at least 12 months advance notice if we ask to buy the property during the agreement so that you have plenty of time to find a replacement property.
- If we have asked to buy the property and you find somewhere to move to before the 12 months' notice is up, we will bring forward the purchase date by up to six months if you ask us to. This gives you flexibility over exactly when you move. Please note that we cannot guarantee to be able to delay the purchase date beyond the 12 months.
- If you live in the property and would like to move to one of the replacement units to be built on Brent Terrace, choosing this agreement won't affect that. There will be plenty of time to discuss the purchase of your new home with the Registered Provider.
- If you do not live in the property we will give you at least six months advance notice if we ask to buy the property during the agreement.
- If we buy the property from you we will pay you the financial package. The financial package will be;

The individually assessed market value of your property (ignoring the regeneration)

Loss Payment

- For resident owners – a Home Loss payment of 10% of the market value or
- For landlords – a Basic Loss payment of 7.5% of the market value
- In either case, less the down payment already received

Reasonable costs incurred in moving home including, for example;

- Removals costs
- Stamp Duty Land Tax (SDLT) on your new home*
- Solicitors costs in transferring your existing home and purchasing your new home
- Other reasonable costs we would be happy to discuss

*provided the purchase price of the new property is similar to the price of the existing property

What you will have to do:

- You must sell the property to us if we ask you to during the agreement period, and you must accept the financial package.
- You must move out of the property when we buy it. If you are renting the property out, you must make sure your tenants move out before the sale is completed.
- You must agree not to sell or seek to sell the property during the agreement period unless we ask you to.
- You must not borrow more money against the property during the agreement period. You must not rent out the property, rent rooms or let anyone new live in the property unless we agree in writing. We won't object without good reason.
- You must not grant any rights over the property during the agreement period.
- You must look after the property and keep it in reasonable repair, insure it and ensure that any community charge, utility bills etc. are paid during the agreement period.
- The property must be in a reasonable condition when we buy it and be cleared of any rubbish or stored items.
- You must continue to pay your mortgage if you have one. If we ask you to sell, you must discharge the mortgage fully when we complete the sale.

Seeking professional advice

The agreement we are proposing is an important contract affecting your property. Please consider taking professional advice.

At this stage in the CPO process there is no obligation on the Council or the Development Partners to pay for the cost of professional advice. However, we do wish to reach an agreement with you and we do want to ensure that you have been properly advised in doing so. To protect you, the Council and the Development Partners please take note of these important points – otherwise you may not be able to recover all the costs that you incur.

- We will pay for reasonable legal and surveyor advice incurred in reaching agreement on the sale of your property, including our proposed option agreement.
- Your chosen adviser(s) must agree their fee basis in writing with the Development Partners (via GL Hearn) before they incur any costs. If they do not do this, you may not receive back all the costs you have to pay.
- The solicitor or surveyor will be employed by you and not the Development Partners or the Council. You will be responsible for paying any fees. We will pay you the amount of costs we agree to reimburse. If costs are agreed with the adviser before they start work, relate only to successfully reaching agreement to sell your property, and are reasonable, we will agree to reimburse them.
- We will only reimburse professional fees when you sign an agreement for the sale of your property. You must make sure that your adviser understands this and you should agree with your adviser what happens if an agreement is not reached.
- We will not pay any costs that are incurred in objecting to the CPO or any other matters not directly relating to an agreement to sell your property.

Purchase Price for Your Property

We have assessed the value of each property individually. For your property at

«Property_Address»

We have assessed the market value of the property as

«Market_price_figure»

«Market_price_words»

To ensure that the value is kept up to date until the property is purchased we will use an index to track local property values and adjust the price in line with the index at the time of the purchase.

[Name]
[Address 1]
[Address 2]
[Address 3]
[Post Code]

1st April 2015

Dear [Name]

Your property at [Property Address]

You will have received letters from Capita, the Development Partners and the Council regarding the Brent Cross Cricklewood Regeneration and you will be aware that the Council has now started the Compulsory Purchase Order (CPO) process which includes your property. The CPO process is a precaution and the Development Partners would like to reach an agreement with you to purchase your property without using the CPO if possible.

The Development Partners have asked Capita to contact you with an offer and to see if we can reach an agreement. In this letter “we” refers to the Development Partners and Capita acting as their agents.

Managing important changes

Moving all the residents in a community is a big undertaking and it is important that we take steps to try and manage the process to reduce the impact where we can.

The Council's secure tenants will be moving towards the end of the relocating process, when the replacement homes on Brent Terrace are ready. Resident owners who wish to relocate to Brent Terrace will also move once the replacement homes are ready.

To maintain the amenity of the estate for all residents, we would like to encourage owners to remain on the estate for as long as reasonably possible. We recognise that owners will need time to consider a relocation and find an alternative property so we have taken this into account.

We have designed an offer package that we believe will give resident and non-resident owners the time and flexibility to relocate whilst providing an incentive to remain on the estate until it is time to move. We believe this will benefit individual home-owners and all other residents on the estate.

Our offer to you

The offer we have designed consists of an advance payment now of part of the financial package, plus a year's notice before you need to move (six months notice for landlords). The advantage is that you receive an advance payment but remain living in your current home

Property and infrastructure

65 Gresham Street, London EC2V 7NQ
Tel +44 (0)20 7709 4500 Fax +44 (0)20 7709 4501 www.capita.co.uk/property
Capita Property and Infrastructure Ltd

CAPITA

until it is required for the regeneration. This also means that the Whitefield Estate community stays together for longer and the impact of vacant properties on the estate is reduced.

The financial package we are offering is made up as follows:

- An immediate advance payment of **£5,000.00** on entering an agreement with us

Then, when we purchase your property;

- The individually assessed **market value of your property** (ignoring the regeneration)
- **A Loss Payment**
 - For resident owners – a Home Loss payment of 10% of the market value or
 - For landlords – a Basic Loss payment of 7.5% of the market value
 - In either case, less the £5,000 already received
- **Reasonable costs** incurred in moving home including, for example:
 - Removals costs
 - Stamp Duty Land Tax (SDLT) on your new home*
 - Solicitor's costs in transferring your existing home and purchasing your new home
 - Other reasonable costs that we would be happy to discuss

*provided the purchase price of the new property is similar to the price of the existing property.

This package reflects the compensation you would receive under the CPO. We have offered this so that there is no disadvantage to you in reaching an early agreement with us.

A practical solution for residents

We have set out the detail of the offer in the attached note but we would like to explain how it is designed to work for resident owners.

For residents, entering into an agreement with us means that you will receive a cash payment of part of your compensation now but will remain living in your home until it is time to move. The agreement will state how much we have agreed to buy the property for, so that you will be able to make plans in advance knowing exactly where you stand financially.

When it comes time to sell, we will give you one year's notice so that you have plenty of time to think about moving and to find a new home. If you are a resident owner considering moving to the new replacement homes on Brent Terrace, you can enter in to the agreement and make your decision about Brent Terrace later.

If you find a home between six months and a year after we give you notice, we will buy your home at a time that fits in with the purchase of your new home.

This means that, once we give you notice that it is time to sell your home, you will have a year to think about moving home; you will know the sale price you will receive in advance;

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and you will be able to sell your home any time over a six month period to match in with your new purchase. You will also receive part of your compensation as soon as you enter into the agreement.

Because we would like owners to remain on the estate until the property is needed, part of the agreement is that you will not sell your home until we give you notice under the agreement. In the unlikely event that we do not give notice before the agreement runs out, you will keep the advance that you will have received on signing the agreement.

A practical solution for landlords

We have set out the detail of the offer in the attached note but we would like to explain how it is designed to work for landlord owners.

The agreement is similar for both landlords and resident owners except that instead of receiving one year's notice to sell, you will receive six months notice. We believe that this will suit landlords as it means that you will be able to let the property on six month ASTs and still be able to sell when required under the agreement.

You can therefore agree the price of your property now, receive part of the compensation in advance, and maintain the income until such time as we need the property for the regeneration. By keeping the property let it also avoids vacant property affecting the other residents on the estate.

As with the resident agreement, we ask that you do not sell the property until we give notice under the agreement. We will require vacant possession when you do sell.

Moving forward

Please look at the details of our offer, including the amount we are offering for your property, in the attached notes. We would be happy to discuss the offer with you and answer any questions you may have.

Yours sincerely,

Rosie Moore MRICS
Associate – Compulsory Purchase and Valuation
CAPITA
Tel: 020 7544 2055
Email: rosie.moore@Capita.co.uk

CAPITA

Purchase Agreement Details

We have set out below the details of the agreement the Development Partners would like to enter into with owners on the Whitefield Estate within the CPO 2 area.

The agreement is in the form of an “Option”. This is a binding legal contract under which you promise to sell your property at an agreed price if we ask you to do so within a set period of time. The period of time will be **from now until October 2018**.

Please see the section below relating to professional advice and consider whether you would like to seek advice before entering into an agreement.

These are the commitments that each side will make under the option if you agree to enter into it:

What we will do:

- We will make a down payment of £5,000.00 to you when you sign the agreement.
- If we buy the property, we will deduct the £5,000.00 you have already had from the financial package.
- If we do not ask to buy the property within the agreement period, you keep the £5,000.00 down payment.
- The financial package we are offering is the same as you would get under the CPO, except that you receive £5,000.00 early as a down payment.
- If you live in the property as your only or main home and have done so for at least six months, we will give you at least 12 months advance notice if we ask to buy the property during the agreement so that you have plenty of time to find a replacement property.
- If we have asked to buy the property and you find somewhere to move to before the 12 months’ notice is up, we will bring forward the purchase date by up to six months if you ask us to. This gives you flexibility over exactly when you move. Please note that we cannot guarantee to be able to delay the purchase date beyond the 12 months.
- If you live in the property and would like to move to one of the replacement units to be built on Brent Terrace, choosing this agreement won’t affect that. There will be plenty of time to discuss the purchase of your new home with the Registered Provider.
- If you do not live in the property we will give you at least six months advance notice if we ask to buy the property during the agreement.
- If we buy the property from you we will pay you the financial package. The financial package will be;

The individually assessed market value of your property (ignoring the regeneration)

Loss Payment

- For resident owners – a Home Loss payment of 10% of the market value or
- For landlords – a Basic Loss payment of 7.5% of the market value
- In either case, less the down payment already received

Reasonable costs incurred in moving home including, for example;

- Removals costs

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- Stamp Duty Land Tax (SDLT) on your new home*
- Solicitors costs in transferring your existing home and purchasing your new home
- Other reasonable costs we would be happy to discuss

*provided the purchase price of the new property is similar to the price of the existing property

What you will have to do:

- You must sell the property to us if we ask you to during the agreement period, and you must accept the financial package.
- You must move out of the property when we buy it. If you are renting the property out, you must make sure your tenants move out before the sale is completed.
- You must agree not to sell or seek to sell the property during the agreement period unless we ask you to.
- You must not borrow more money against the property during the agreement period. You must not rent out the property, rent rooms or let anyone new live in the property unless we agree in writing. We won't object without good reason.
- You must not grant any rights over the property during the agreement period.
- You must look after the property and keep it in reasonable repair, insure it and ensure that any community charge, utility bills etc. are paid during the agreement period.
- The property must be in a reasonable condition when we buy it and be cleared of any rubbish or stored items.
- You must continue to pay your mortgage if you have one. If we ask you to sell, you must discharge the mortgage fully when we complete the sale.

Seeking professional advice

The agreement we are proposing is an important contract affecting your property. Please consider taking professional advice.

At this stage in the CPO process there is no obligation on the Council or the Development Partners to pay for the cost of professional advice. However, we do wish to reach an agreement with you and we do want to ensure that you have been properly advised in doing so. To protect you, the Council and the Development Partners **please take note of these important points** – otherwise you may not be able to recover all the costs that you incur.

- We will pay for reasonable legal and surveyor advice incurred in reaching agreement on the sale of your property, including our proposed option agreement.
- Your chosen adviser(s) must agree their fee basis in writing with the Development Partners (via Capita) before they incur any costs. If they do not do this, you may not receive back all the costs you have to pay.
- The solicitor or surveyor will be employed by you and not the Development Partners or the Council. You will be responsible for paying any fees. We will pay you the amount of costs we agree to reimburse. If costs are agreed with the adviser before

CAPITA

they start work, relate only to successfully reaching agreement to sell your property, and are reasonable, we will agree to reimburse them.

- We will only reimburse professional fees when you sign an agreement for the sale of your property. You must make sure that your adviser understands this and you should agree with your adviser what happens if an agreement is not reached.
- We will not pay any costs that are incurred in objecting to the CPO or any other matters not directly relating to an agreement to sell your property.

CAPITA

Purchase Price for Your Property

We have assessed the value of each property individually and have assessed your property at [property address] as:-

£ Market Price [in figures]

Market Price [In words]

To ensure that the value is kept up to date until the property is purchased we will use an index to track local property values and adjust the price in line with the index at the time of the purchase.

APPENDIX 7 – RMA PHASE 1A NORTH CONSULTATION EVENTS (PLOTS 53 & 54)

Plots 53 and 54 – the two development sites along Brent Terrace which are required to provide replacement homes for those households that qualify on the Whitefield Estate (Part 1) affected by construction of the Living Bridge.

Engagement events, which have specifically involved Whitefield Estate residents, have taken place on a number of dates and covered a range of aspects as set out below:

- i. 11th June 2014 – introduction to the design process for new homes;
- ii. 14th June 2014 – design workshop on the new homes for Whitefield Estate residents;
- iii. 12th July 2014 – second design workshop to feed back on the design principles for the new homes that were agreed at the first workshop;
- iv. 9th October 2014 – invitation only preview, briefing and Q&A session for Whitefield Estate residents ahead of public exhibitions. These engagement sessions are in addition to the various public consultation events held over nine days during October 2014 (from 10th to 18th October) which Whitefield Estate residents (amongst others) were invited to attend. These events were publicised through: adverts in local papers, letters to key stakeholders, flyer drop to surrounding area (c.34,000 households and businesses), flyers at Brent Cross Shopping Centre, utilising Brent Cross Shopping Centre social media channels including Facebook and the News section of the Centre’s website, and an e-newsletter to 28,000 subscribers.
- v. The Steering Group has met several times since Summer 2014. These have been attended by Whitefield Estate residents, the Northern Developer, Barnet Homes and Barnet Regeneration Officers, and the Resident Independent Advisor (RIA). It should be noted that members of the Steering Group have also been in attendance at the Whitefield Estate-specific events identified above. Meetings of the Steering Group have taken place on: 5th June 2014, 11th September 2014, 23rd September 2014, and 9th October 2014. In addition, a progress letter was sent out on 2nd September 2014.



- vi. During October and November 2014, three information 'surgeries' were organised for residents to speak to the Northern Developer and the Council about the CPO. These took place on 22nd October, 25th October, and 11th November.

APPENDIX 8 – RESPONSIBILITIES MATRIX

a) **Re-housing tasks and responsibilities (NB - this is not an exhaustive list):**

Task	Development Partners	RP	LBB /BH
Agree decant principles	Yes	Yes	Yes
Agree Common appeals procedure	Yes	Yes	Yes
Communication Strategy for Whitefield Estate	Yes	Yes	Yes
Communication Strategy for Rosa Freedman Centre	No	No	Yes
Undertake initial needs assessment - Whitefield Estate Part 2	Yes	Yes	Yes
Undertake needs assessment for Rosa Freedman	No	No	Yes
Identify vulnerable tenants / Special Needs Assessment	No	No	Yes
Maintain database of household needs following initial needs assessment - Whitefield Estate Part 2	Yes	Yes	No
Undertake detailed needs Assessment/verification	Yes	Yes	No
Establish decant team	Yes	Yes	Yes
Develop and agree housing options for residents	Yes	Yes	No
Choice of fittings and finishes	Yes	Yes	No
Decant residents - Whitefield Estate	Yes	Yes	Yes
Decant residents - Rosa Freedman Centre	No	No	Yes
Set up Consultative Forums for residents	Yes	Yes	No
Serve pre-emptive Notice seeking possession (NoSPs) on secure tenants	No	No	Yes
Arrange mass court dates	No	Yes	Yes
Administration of Home Loss and Disturbance	Yes	Yes	Yes
Arrange for removals disconnections/reconnections	No	Yes	Yes
Co-ordinate and resource handover schedule including viewings e.g. snagging list	Yes	Yes	No

APPENDIX 9 - IDENTIFYING CURRENT OCCUPANCY AND FUTURE NEEDS OF WHITEFIELD ESTATE (PART 1)

a) Current Occupancy and Needs for Phase 1A North

Table 1 to Schedule 24 of the S106 Agreement includes a baseline assessment, undertaken by the Council, of the existing homes on the Whitefield Estate Part 1 (Phase 1A North) and within the Rosa Freedman Centre by tenure and size of dwelling. This information is set out in detail in Appendix 2 of this report and has been used by the Northern Developer as the starting point for identifying the required mix for replacement dwellings for this phase.

As of mid-December 2014, 12 occupational health assessments of existing occupiers had been undertaken to identify specific needs. Further assessments are likely to be undertaken. The findings of these assessments in terms of the specific requirements of residents, have been taken into account in the design and provision of the replacement units.

Table 1 below summarises the total figures in each category.

i) Table 1

Type	Number of units
Council Tenant (Assured Tenant)	31
Leaseholder	17
Freeholder	12
Total Whitefield Estate (Part 1)	60
Rosa Freedman Centre	25

Source: Barnet Homes - correct at July 2014

The total measured floor area of the homes comprising Whitefield Estate (Phase 1A North) is estimated at 5,273.56sqm (GEA). The Northern Developer has used reasonable endeavours to provide these measurements (in line with the requirements of the S106 Agreement) accurately but do not have the right to access freehold and leasehold properties. The Replacement Units (Phase 1A North) as currently proposed, exceed the existing floorspace by 182.44sqm (see Appendix 5 for Measurements Report).

As part of a review of current properties, the Northern Developer has identified that, of the 29 leaseholders and freeholders, 14 are currently not resident in their property and are, therefore, not entitled to be re-housed within the development. On that basis, 46 replacement units are required to be provided.

The Northern Developer proposes to provide a total of 47 units. This will ensure that all secure tenants and all owner-occupiers can be re-housed should they wish to be relocated within the new development. These 47 units will include an additional shared equity unit that will be provided to the RP.

The 47 social rented or shared equity units have a floorspace that equates to the existing 60 Whitefield Estate units which fall under the definition of the “Whitefield Estate Existing Units (Part 1)”. The resultant necessary changes to the Planning Permission (including the definition of Whitefield Estate Replacement Units (Part 1) are expected to be secured through a Section 96a application⁵, as well as agreed updates to the S106 Agreement.

b) Quantum and Mix of Homes

The mix of the Part 1 replacement homes is set out in Table 2 below. This mix formed the basis of the Reserved Matters Applications submitted in February 2015.

i) Table 2

Tenure	2 bed	3 bed	4 bed	TOTAL
Social Rented	15	12	4	31
Shared Equity (for Leaseholder/Freeholders)	5	10	0	15
Other (Shared Equity unit)	1	0	0	1
Total	21	22	4	47

As mentioned earlier in the Strategy, it has been agreed with the Council that the Rosa Freedman Centre homes will be transferred off-site and that the Northern Developer will make a commuted

⁵ At the time of preparation of this RRS, a S96a Application was due to be submitted imminently

payment for these.

c) Rehousing Existing Secure Tenants and Owner Occupiers from 'Whitefield Estate Existing Units (Part 1)'

Table 2 of this Appendix identifies the tenure and size mix agreed with the Council in late 2014. These units will be re-provided on Plots 53 and 54 of the Brent Cross Cricklewood Regeneration Scheme (as approved under S73 application F/04687/13).

Reserved matters application (15/00720/RMA) was submitted on 10 February 2015 for:

"Reserved Matters application within Phase 1a (North) of the Brent Cross Cricklewood Regeneration Scheme relating to Layout, Scale, Appearance, Access and Landscaping, for the residential development of Plots 53 and 54 comprising 47 Residential Units

Submission is pursuant to conditions 1.2.1.A, 2.1 and for the part discharge of condition 13.1 of Planning Permission F/04687/13 dated 23 July 2014 for the comprehensive mixed use redevelopment of the Brent Cross Cricklewood regeneration area.

Application is accompanied by an Environmental Statement Further Information Report."

This application has now been approved.

The proposal will accommodate the Whitefield Estate Replacement Units (Part 1) in accordance with the requirements identified in Table 2 above.

A further needs assessment will be undertaken either by the Northern Developer or by the Registered Provider prior to the occupants of the Whitefield Estate being relocated to Plots 53 and 54 in order to ensure that any changes in needs that have occurred since the 2014 assessment, which informed the design of the reserved matters application (15/00720/RMA), are reflected as far as reasonably practicable in the units delivered. The appropriate timing of this final assessment will be agreed with the Council. Any changes in resident needs shall not require the Northern Developer or Registered Provider to make changes to the external envelope of the building or to the mix of shared equity/social rented units.

APPENDIX 10 - DELIVERY OF REPLACEMENT HOMES

The architect's brief for the 'Replacement Units' is provided at Appendix 3 of this report. This has informed the Reserved Matters Applications for Plots 53 and 54 which was submitted in February 2015 and has subsequently been approved.

The Replacement Units will be developed and owned by a Registered Provider (RP). The developer, in consultation with the Council and the Steering Group, is currently involved in a process of appointing a RP.

This process has involved:

- i. Agreeing with the Council a long-listing of potential providers
- ii. Shortlisting based on 'hurdles' identified by the Council, and Key Performance Indicators
- iii. Developing a Pre-Qualification Questionnaire (PQQ) to shortlist – this has produced a shortlist of four providers

The developer is now going through a process of selecting a preferred bidder on the basis of financial and non-financial criteria, in consultation with residents. The chosen RP is likely to be formally appointed in Spring 2015.

The legal agreement with the preferred bidder will be agreed in consultation with LB Barnet and will include requirements to ensure that commitments made to Council tenants (on rents and tenancy agreements) and to freeholders and leaseholders (on shared equity) are delivered.

It is currently anticipated that development will commence in Q1 2017 and be completed by Q1-Q2 2018. Residents will be consulted on the detailed finishes of their new homes.

A separate exercise will be undertaken by Argent Related to procure an RP for Phase 1C. Further details will be provided in the updated strategy.

APPENDIX 11 – ROSA FREEDMAN CONSULTATION

Communication Events/Deliverables	Description & Purpose	Audience/Target group or individuals	Media/Delivery Method	Delivery Frequency	Led by	Dates
Rosa Freedman Consultation Meeting	To provide residents with progress updates on the scheme.	Rosa Freedman tenants	Briefing	Special Meeting	BH /LBB	16 th September 2013 at RFC from 2:30pm to 4:30pm.
Rosa Freedman Consultation	Minutes of meeting, Q&A, Home loss & Disturbance info.	Rosa Freedman tenants	Hand delivery by SHO & discussion	Once	BH	25 th September 2013
	Letter to update of meeting with LBB due to be held in March	Rosa Freedman tenants	Hand delivery by SHO & discussion	Once	BH	21 st February 2015
	Letter with information regarding Whitefield's Consultation	Rosa Freedman tenants	Hand delivery by SHO & discussion	Once	BH	2 nd September 2014
	Letter re Exhibition and meeting. Postpone meeting pending update	Rosa Freedman tenants	Hand delivery by SHO & discussion	Once	BH	7 th October 2014 10 th November 2014
	Update about Residential Unit move to Apthorpe Lodge	Rosa Freedman tenants	Hand delivery by SHO & discussion	Once	BH	30 th October 2014
Rosa Freedman - Consultation Meeting	Update on scheme and on the decant process.	Rosa Freedman tenants	Briefing and Q&A	Special Meeting	LBB/BH	19 th March 2015
Rosa Freedman – CPO Notices	Served CPO Notices on individual tenants	Rosa Freedman tenants	Hand Delivery of CPO Notices and talking to each tenant	Once	LBB/BH	30 th April 2015
Rose Freedman Day Care Centre Meeting	Update on scheme and on re-location arrangements for the users at the Day Care Centre	Rosa Freedman – users at the Day Care Centre	Briefing and Q&A session	Special Meeting	BH/LBB	21 st May 2015
Rosa Freedman	Decant Process commenced	Rosa Freedman tenants	1-1 meetings with each tenants	On-going	BH	1 st May 2015

APPENDIX 12 – WHITEFIELD ESTATE CONSULTATION

Communication Events/ Deliverables	Description & Purpose	Audience/Target group or individuals	Media/Delivery Method	Delivery Frequency	Led by	Dates
Development Framework/ Outline Planning/ General Consultation with residents						
Cricklewood Brent Cross and West Hendon Development Framework	To develop a set of principles for governing the development of the Cricklewood Brent Cross and West Hendon Area	All Stakeholders	consultation events and exhibitions	Series of Events	CBX Project Director / Planning Director	June to July 2003
Cricklewood & Brent Cross Regeneration Scheme	Eastern Lands Proposals	All Stakeholders	Exhibitions and presentations; newsletter; postal survey; internet survey; open / public meeting;	N/A	LBB, BXC DPs	May 2005
Clitterhouse Fields consultation	Public consultation on the redesign of Clitterhouse Fields (located in the Cricklewood, Brent Cross regeneration area)	All Stakeholders	Exhibitions and Events	N/A	BXC DPs	April 2006 to March 2007
Cricklewood & Brent Cross Regeneration Scheme – Delivery Strategies	Consultation on Health, Education, Open Spaces, Leisure & Culture, Employment & Training and Transport	Council Service Providers	Workshop/ community Events	N/A	LBB / Planning / BXC DPs	April 2005 to March 2006
Cricklewood & Brent Cross Regeneration Scheme – Delivery Strategies	Consultation on Health, Education, Open Spaces, Leisure & Culture, Employment & Training and Transport	Council Service Providers	Workshop/ community Events	N/A	LBB / Planning / BXC DPs	April 2006 to March 2007

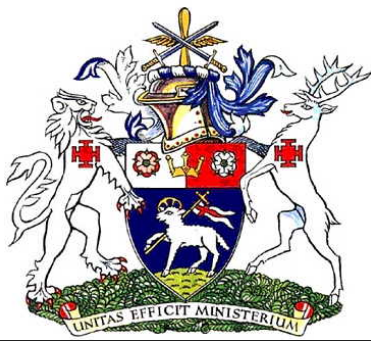
Communication Events/ Deliverables	Description & Purpose	Audience/Target group or individuals	Media/Delivery Method	Delivery Frequency	Led by	Dates
Cricklewood / Brent Cross Pre- application consultation:	To inform the drafting of the planning application	All Stakeholders	Online survey, postal survey	N/A	BXC DPs	April 2006 to March 2007
Pre-application consultation (Phase 2)	To provide stakeholders with a chance to feed back on proposals	Residents and businesses	Consultation events and mail- outs in preparation of the Brent Cross Cricklewood partners' planning application.	One off	LBB / Planning	April 2007
Accessibility Workshop	Brent Cross Cricklewood Development partners ran an Accessibility Workshop in order to inform the preparation of their planning application with regard to issues that affect disabled people	All Stakeholders	Workshop	One off	BXC DPs	May 2007
Outline planning application consultation (phase 1)	To provide stakeholders with opportunity to provide feedback	All Stakeholders	Consultation exhibition and mail-outs	One off	LBB / Planning/ BXC DPs	6/7 th May 2008 and Consultation ran throughout May/June 08
Outline planning application consultation (phase 2 – focus on transport assessment)	To provide stakeholders with opportunity to provide feedback	All Stakeholders	Consultation exhibition and mail-outs	One off	LBB / Planning/ BXC DPs	2 nd /3 rd Dec 08 and consultation to run throughout Dec 08.
Homeowners Surgeries (2013)	To identify hardship and advanced acquisition cases.	Estate Residents	Surgeries	As and when required	LBB / BXC DPs	29 th April 2013 and 8 th May 2013 at Whitefield School.
BXC Exhibition (2013)	To provide stakeholders with opportunity to provide feedback	All Stakeholders	Consultation exhibition and mail-outs	One off	LBB / Planning	12 th /13 th November 2013 at Hendon Leisure Centre from 11:00am to 8:00pm

Communication Events/ Deliverables	Description & Purpose	Audience/Target group or individuals	Media/Delivery Method	Delivery Frequency	Led by	Dates
CPO Surgeries	To provide information on the process to affected parties	Estate Residents	Surgery x 3	As and when required	LBB, BXC DPs	22 nd October 2014 – 5:00pm to 9:00pm, 25 th October 2014 – 10:00am to 2pm, 11 th November 2014 - 9am to 12.30pm
Design Training	Whitefield Residents Design Training Workshop	Estate Residents – Phase 1A North	Training Session	As and when required	LBB / PEP	11 th June 2014 at Leisure Centre Studio 2 from 6:30pm to 9:30pm
Design Consultation Event	Design Consultation Event with Residents in Phase 1 North	Estate Residents – Phase 1A North	Session	As and when required	BXC DPs	14 June 2014 from 11:00am to 1:00pm and 12 th July 2014 from 11:00am to 1:00pm at Hendon Leisure Centre.
Residents Meeting	A special preview event for residents. A presentation of all the exhibition materials and the opportunity for Q&A with DPs and architects	Brent Terrace and Clitterhouse Crescent Residents	Briefing	As and when required	BXC DPs	9 th October 2014, 8pm-9.30pm at Hendon Leisure Centre
Resident Surgery	To provide information on the process to affected parties	Estate Residents	Surgery	As and when required	BXC DPs	17 th March 2015, 6:00pm to 7:00pm at the Whitefield School
Resident CPO Surgery	To provide information on the process to affected parties	Estate Residents	Surgeries x 3	As and when required	BXC DPs	9 th May (11:00-13:00), 12 th May 2015 (10:00-14:00), 13 th May (17:00- 20:45) at the Hendon Leisure Centre
Whitefield Estate Relocation Meetings						
Whitefield Open Public Meetings (2012)	To provide residents with progress updates	Estate Residents	Open Meeting	Quarterly or as and when required	LBB, BXC DPs	17 th January 2012 at Whitefield School from 7:00pm to 8:45pm, 10 th July 2012 at Whitefield School from 7:00pm to 8:45pm
Whitefield Open Public Meetings (2013)	To provide residents with progress updates	Estate Residents	Open Meeting	Quarterly or as and when required	LBB, BXC DPs	11 th June 2013 7.00pm - 8.45pm Whitefield School Main Hall

Communication Events/ Deliverables	Description & Purpose	Audience/Target group or individuals	Media/Delivery Method	Delivery Frequency	Led by	Dates
Whitefield Open Public Meetings (2014)	To provide residents with progress updates	Estate Residents	Open Meeting	Quarterly or as and when required	LBB, BXC DPs	26 th March 2014 – 7:00pm to 9:30pm Whitefield School Main Hall
Whitefield Open Public Meetings (2015)	To provide residents with progress updates on CPO and RP presentations	Estate Residents	Open Meeting	Quarterly or as and when required	LBB, BXC DPs	17 th March 2015 – 7:00pm to 9:30pm Whitefield School Main Hall
Whitefield Steering Group – (2012)	To provide residents with progress updates	Estate Residents	Closed Meetings	Bi-monthly	Residents Steering Group	20 th June 2012 at Hendon Leisure Centre from 7:00pm to 8:45pm
Whitefield Steering Group – (2013)	To provide residents with progress updates	Estate Residents	Closed Meetings	Bi-monthly	Residents Steering Group	15 th April at Whitefield School from 7:00pm to 8:45pm, 17 th October at Whitefield School from 7:00pm to 9:00pm, 14 th November at Whitefield School from 7:00pm to 9:00pm
Whitefield Steering Group	Preview of Phasing and Whitefield Estate Relocation - Whitefield Estate Residents Steering Group/PEP	Estate Residents	Closed Meetings	Bi-monthly	Residents Steering Group	4 th June 2013 from 6:00pm to 8:00pm
Whitefield Steering Group – (2014)	To provide residents with progress updates	Estate Residents	Closed Meetings	Bi-monthly	Residents Steering Group	7 th January 2014 – 7:00pm to 9:00pm at Hendon Leisure Centre, 11 th March – 6:30pm to 8:30pm at Hendon Leisure Centre, 5 th June, 11 th September 2014 6:30pm to 8:30pm Whitefield School
Whitefield Steering Group – (2015)	To provide residents with progress updates on relocation, CPO, RP selection process.	Estate Residents	Closed Meetings	Bi-monthly	Residents Steering Group	10 th March 2015 – 6:30pm to 8:30pm – Whitefield School

Communication Events/ Deliverables	Description & Purpose	Audience/Target group or individuals	Media/Delivery Method	Delivery Frequency	Led by	Dates
Tour of Sites	Whitefield Estate Steering Group - Tour of relocation sites	Estate Residents	N/A	Site Tour	LBB / BXC DPs	15 th March from 9:30am to 12:00pm
	Progress Update Letter	Estate Residents	As and When Required	Letter	LBB/ BXC DPs	2 nd September 2014
BXC Whitefield Steering Group Meeting with BXC Partners	To provide residents with progress updates on relocation plans	Estate Residents	Meetings	Special Meeting	BXC DPs	23 rd September 2014 at Holiday Inn, Brent Cross.
BXC Whitefield Steering Group Meeting	A special preview event for Whitefield Residents. A presentation of all the exhibition materials and opportunity for Q&A with DPs and architects	Estate Residents	Meeting	Special Meeting	BXC DPs	9 th October, 6pm-7.30pm at Hendon Leisure Centre

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**Assets Regeneration and Growth
Committee
12 December 2016**

Title	Exploring Options to re-locate Donoghue - Update
Report of	Commissioning Director, Growth and Development
Wards	Childs Hill, Golders Green and West Hendon
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix 1: PB Donoghue Title Plan NGL612586 Appendix 2: Map Search NGL612586
Officer Contact Details	Karen Mercer, Programme Director Re, Karen.Mercer@barnet.gov.uk , 0208 359 7563

Summary

This report provides an update on the feasibility work to explore options to relocate Donoghue as instructed by the Committee on 11 July 2016 and 5 September 2016.

Recommendations

The Committee is requested to note the content of this report and that the Council is has not been able to identify a potential relocation site at this time. The Council will continue to explore options and that a progress update will be provided in early Summer 2018.

1. WHY THIS REPORT IS NEEDED

- 1.1 This report confirms that the Council has commenced work to explore the potential options to re-locate the existing Donoghue skip hire and waste

management from its present site on Claremont Road, Cricklewood, and provides a summary of progress to date.

- 1.2 The Committee will recall that at the July Assets, Regeneration and Growth Committee meeting, the Chairman of the Committee introduced the forward work plan and noted that Finchley and Golders Green Area Committee had referred an item to be added to a future ARG agenda. Cllr Zinkin introduced the item and briefly outlined concerns relating to HGV movements in The Vale, Cricklewood from Donoghue Skip Hire and Waste Management.
- 1.3 The request was *“that officers investigate the feasibility of relocating Donoghue due to concerns about health and safety particularly for the children who attend the three schools on the Donoghue’s main route.”*
- 1.4 As the Committee is aware, Donoghue currently operates from its existing premises on the Vale as shown on the plan attached at appendix 1 and appendix 2. The site, which extends to circa 0.95 ha, is located within the Brent Cross Cricklewood regeneration area, and forms part of the Brent Cross South masterplan proposals that are being brought forward jointly by the Council and its development partner Argent Related.
- 1.5 The section 73 planning permission as approved in July 2014 identifies the site as a development plot to be brought forward in phase 4 as part of the regeneration of the Brent Cross Cricklewood area. The Council does not have compulsory purchase powers in respect of the Donoghue site and does not own it. If the Council were to acquire the site it would need to be either through private treaty negotiation or a CPO would need to be sought.
- 1.6 Since the Committee meetings in July and September work has commenced to investigate and explore options to relocate the skip hire and waste management operations. In term of work undertaken to date, the Brent Cross South JVLP met with Donaghue on 7 October 2016 and the Council’s Estates team has sought to identify whether an alternative relocation site could be identified within the locality.
- 1.7 Work under way but not yet completed includes:
 - Reviewing the traffic movements within the area and understand the safety concerns and consider the various measures taken by the Council to mitigate the effect of HGV traffic in the area in the last five years, the consequences of those measures and the associated committee and other reports.
 - Exploring options to relocate Donoghue, including undertaking a site search to identify whether an alternative site can be identified within the London Borough of Barnet and surrounding areas. This will include a risk assessment of all identified options as well as financial and funding implications.

- Working with the Council's joint venture development partner Argent Related to understand and review the implications of any proposed relocation on the comprehensive regeneration of Brent Cross South given that the Donoghue site is a key development plot within the Brent Cross South regeneration area.

1.8 Donoghue confirmed that the business has no plans to relocate but would be willing to consider a move to a similarly well located site within the local area if such a site was identified. To date, the Estates team have been unable to identify a suitable and available site locally, and it will be necessary to widen the search in terms of location as well as requirements.

1.9 The Council and JVLP will continue the search to identify alternative sites and to provide a progress update within the next 18 months.

2. REASONS FOR RECOMMENDATIONS

2.1 To note progress on the feasibility work to explore options to relocate Donoghue in accordance with the request by the Assets, Regeneration and Growth Committee on 11 July 2016.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 This report explains that the Council is continuing to explore options to potentially relocate the Donoghue as requested by the Committee.

4. POST DECISION IMPLEMENTATION

4.1 The Council and its advisors will continue to explore potential options as outlined in this report and provide a progress update back to the Committee in 18 months' time.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

The regeneration of Brent Cross Cricklewood supports the Council's Corporate Plan 2015-20 which states that the Council will work with local, regional and national partners to strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves, recognising that prevention is better than cure
- where responsibility is shared, fairly
- where services are delivered efficiently to get value for money for the taxpayer.

5.1.1 The scheme to transform Brent Cross Cricklewood will play a major role in delivering future prosperity, doubling the size of the shopping centre and linking seamlessly to a new town centre for Barnet and North London across the North Circular Road. Brent Cross Cricklewood is one of Barnet's priority

regeneration areas, and will provide approximately 7,500 new homes over the next 20 years. It is a key part of the wider revitalisation of the A5 corridor, linking Brent Cross Cricklewood with developments at West Hendon, Colindale and Edgware and improvements to Cricklewood Town Centre, to create a series of high quality modern suburbs.

5.1.2 The first phase of the Brent Cross Cricklewood project includes the redevelopment of the shopping centre, creation of major new infrastructure, improved links to the existing tube station, and delivery of around 2,461 new homes over the next 8-10 years. This will create an estimated 3,000 construction jobs, and 4,000 permanent jobs. The Thameslink Station is important to the success of the regeneration scheme in both place-making as well as viability terms. However, at present the scheme does not benefit from the delivery of the station until the later phases. Bringing the station forward in the delivery programme will increase the attractiveness of Brent Cross Cricklewood area as a place to live, shop and work and thereby improve the viability of Brent Cross Cricklewood South and will also increase the pace of delivery of new homes.

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

5.2.1 The feasibility work will consider and explore the financial and commercial issues associated any potential option, and these findings will be summarised in the report to Committee in early Summer 2018. The feasibility work is being funded initially from the land assembly budget for Brent Cross Cricklewood up to a £10k. The work is within budget. Any further funding requirement will be set out in the next report to be considered by the Committee.

5.3 **Social Value**

5.3.1 As the Committee is aware, the Brent Cross Cricklewood programme will secure wider social, economic and environmental benefits. The proposed relocation of Donoghue Skip Hire and Waste Management outside of the regeneration area is in accordance with the section 73 planning permission.

5.4 **Legal and Constitutional References**

5.4.1 Section 1 of the Localism Act 2011 provides local authorities with a broad power to do anything that individuals can do subject to any specific restrictions contained in legislation.

5.4.2 Section 111 of the Local Government Act 1972 provides that a local authority has power to do anything which is calculated to facilitate, or is conducive or is incidental to, the discharge of its functions.

5.4.3 Council Constitution, Responsibility for Functions states inter alia that only the full Council will exercise the following functions (among others) – All policy matters and new proposals relating to significant partnerships with external

agencies and local authority companies.

- 5.4.4 The public sector equality duty referred to in Section 5.6 below also required consultation to ensure the Council complies with its duties under the Equality Act 2010.

5.5 Risk Management

- 5.5.1 The feasibility work needs to identify and review the risks associated with Donoghue continuing to operate from the Vale alongside the risks associated with the potential relocations options for consideration by the Committee.

5.6 Equalities and Diversity

- 5.6.1 The 2010 Equality Act which outlines the provisions of the Public Sector Equality Duty (PSED), requires all Local Authorities to pay due regard to the need to:

- Eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- Advance equality of opportunity between people who share a relevant protected characteristic (as defined in this Act) and those who do not have it;
- Foster good relations between people who share a relevant protected characteristic (as defined in this Act) and those who do not have it.

- 5.6.2 This places a legal obligation on the Council to pay due regard to equalities in an appropriate and proportionate manner and to take account of how the Council's decisions might impact on different groups across the borough including those identified in equality legislation as protected characteristics, namely: Age, disability, gender, gender reassignment, marriage, civil partnership, pregnancy and maternity, race, sexual orientation and religion or belief and this will be taken into account as and when a decision is to be taken regarding the Donoghue site.

- 5.6.3 Equality and diversity issues are a mandatory consideration in the decision-making of the Council. This requires elected Members to satisfy themselves that equality considerations are integrated into day to day business and that all proposals put to committees have properly taken into consideration what impact, if any, there is on any protected group and what mitigating factors can be put in train.

5.7 Consultation and Engagement

- 5.7.1 The Council/BXS JVLP has met with the Donaghue to help explore the potential relocation options.

BACKGROUND PAPERS

<http://barnet.moderngov.co.uk/CeListDocuments.aspx?Committeeld=120&MeetingId=265&DF=29%2f03%2f2005&Ver=2>

<http://barnet.moderngov.co.uk/documents/s17302/Brent%20Cross%20Cricklewood%20-%20Report.pdf>

<https://barnetintranet.moderngov.co.uk/documents/s21721/Annex%201%20Report%20to%20Urgency%20Committee%2026%20February%202015.pdf>

<http://barnet.moderngov.co.uk/documents/g7819/Public%20reports%20pack%2003rd-Mar-2015%2019.30%20Council.pdf?T=10>

<http://barnet.moderngov.co.uk/documents/g7819/Public%20reports%20pack%2003rd-Mar-2015%2019.30%20Council.pdf?T=10>

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MID=7819#A11444>

<http://barnet.moderngov.co.uk/documents/s27725/Brent%20Cross%20Cricklewood%20Project%20update.pdf>

<https://barnet.moderngov.co.uk/documents/s34207/EXPLORING%20OPTIONS%20TO%20RE-LOCATE%20DONOGHUE%20SKIP%20HIRE%20AND%20WASTE%20MANAGEMENT%20COMPANY%20-%20Assets%20Regeneration.pdf>

These are the notes referred to on the following official copy

The electronic official copy of the title plan follows this message.

Please note that this is the only official copy we will issue. We will not issue a paper official copy.

This official copy was delivered electronically and when printed will not be to scale. You can obtain a paper official copy by ordering one from Land Registry.

This official copy is issued on 18 February 2016 shows the state of this title plan on 18 February 2016 at 15:45:06. It is admissible in evidence to the same extent as the original (s.67 Land Registration Act 2002). This title plan shows the general position, not the exact line, of the boundaries. It may be subject to distortions in scale. Measurements scaled from this plan may not match measurements between the same points on the ground.

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H.M. LAND REGISTRY

TITLE NUMBER

NGL 612586

ORDNANCE SURVEY
PLAN REFERENCE

COUNTY
GREATER LONDON

SHEET

NATIONAL GRID

TQ 2386

SECTION

SV

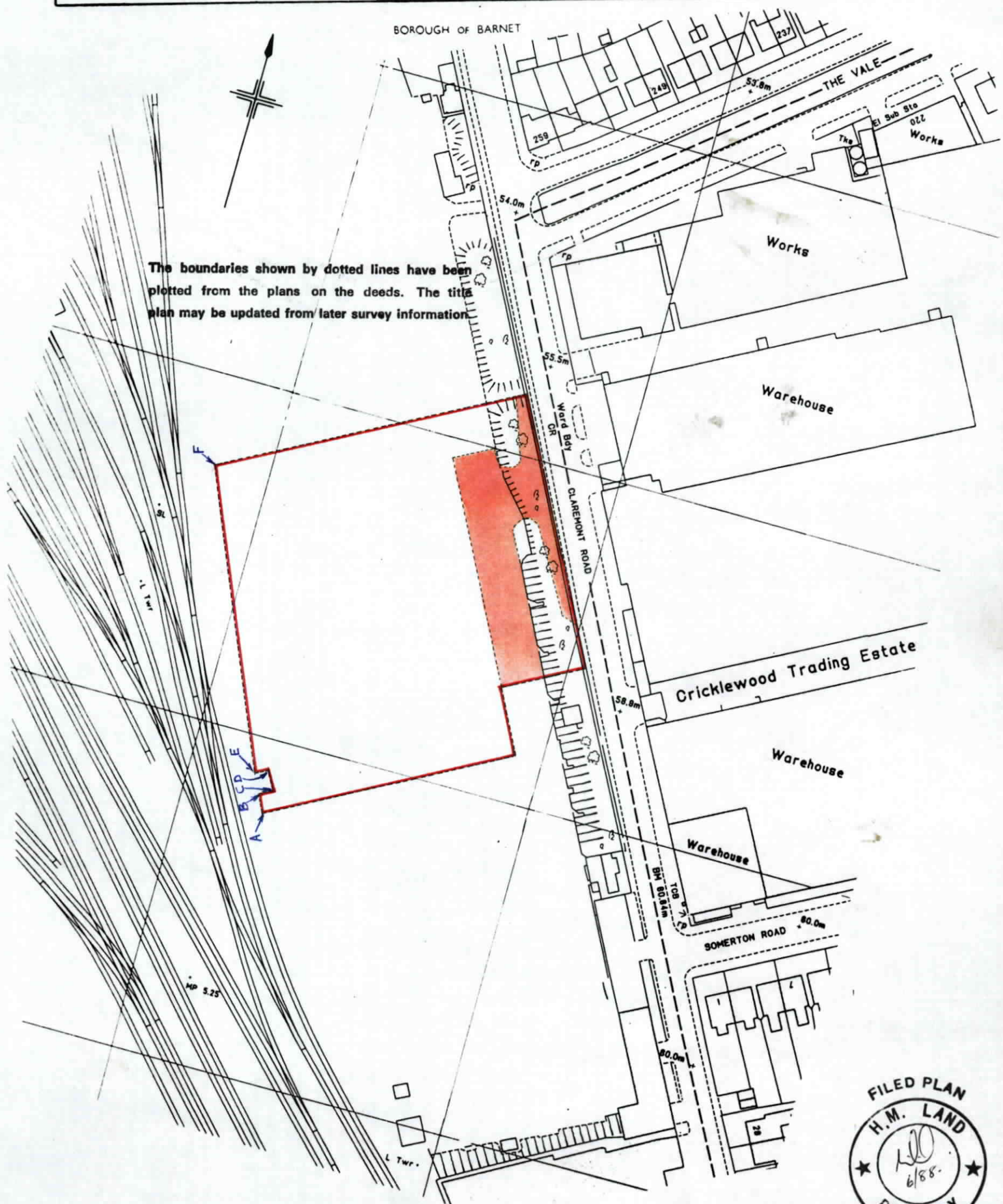
Scale: 1/1250

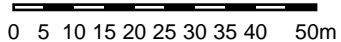
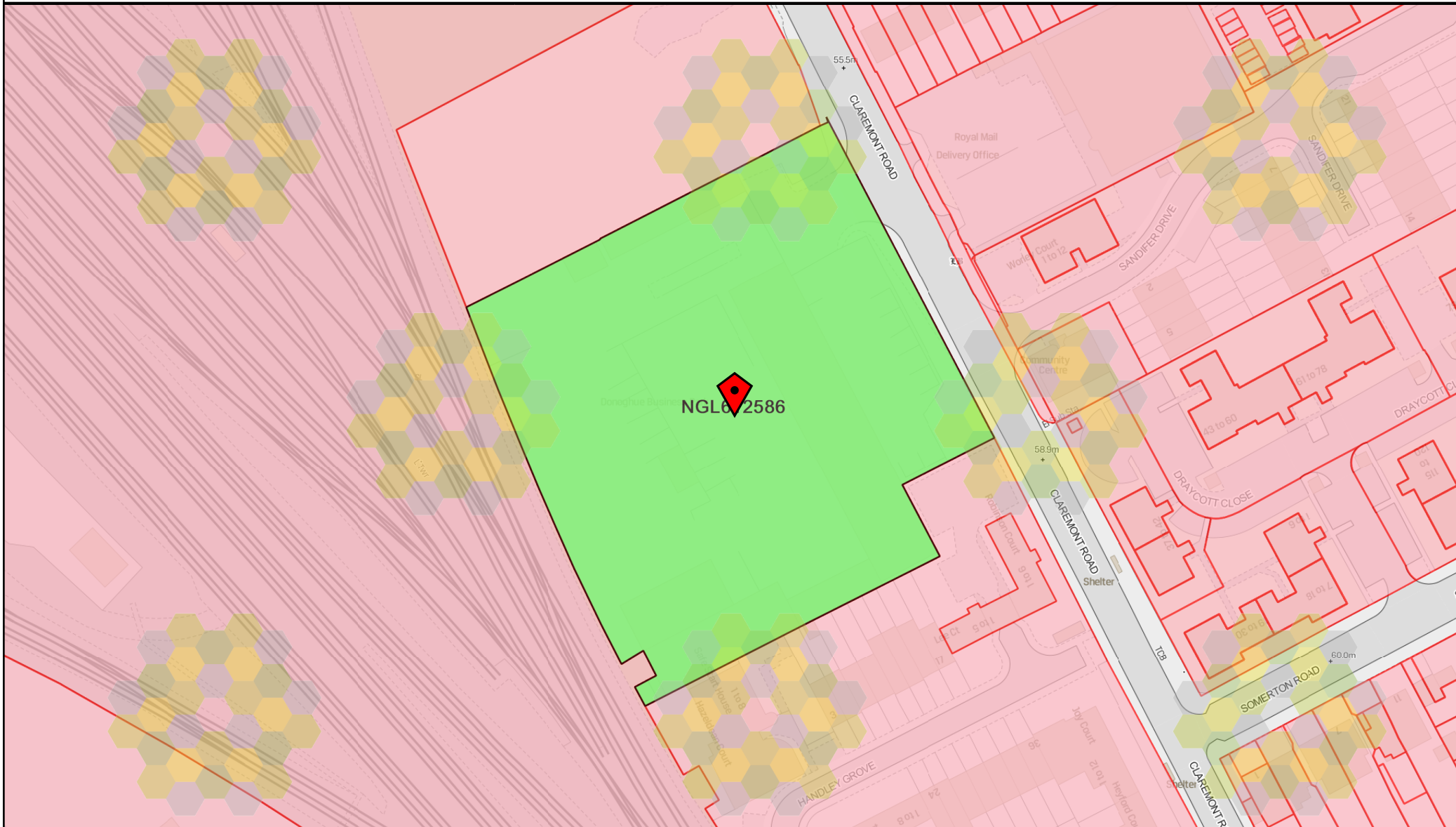
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BOROUGH OF BARNET



The boundaries shown by dotted lines have been plotted from the plans on the deeds. The title plan may be updated from later survey information.





Map scale 1:1250

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Data last updated 10:00pm 23 AUGUST, 2016

OS



Title number	Estate information	Address
NGL612586	Freehold	UNIT 4 DONOGHUE BUSINESS PARK, CLAREMONT ROAD, LONDON NW2 1RW UNIT 3 DONOGHUE BUSINESS PARK, CLAREMONT ROAD, LONDON NW2 1RW UNIT 2 DONOGHUE BUSINESS PARK, CLAREMONT ROAD, LONDON NW2 1RW P B DONOGHUE DONOGHUE BUSINESS PARK, CLAREMONT ROAD, LONDON NW2 1RR UNIT 1 DONOGHUE BUSINESS PARK, CLAREMONT ROAD, LONDON NW2 1RW



ASSETS, REGENERATION & GROWTH COMMITTEE

12th December 2016

Title	WEST HENDON COMPULSORY PURCHASE ORDER 2 & 2a (CPO2 and CPO2a) COMMUNICATIONS UPDATE
Report of	Commissioning Director, Growth and Development
Wards	West Hendon
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix 1 – CPO2 and CPO2a Communications Update
Officer Contact Details	Simon Bailey, Regeneration Manager (RE) Simon.Bailey@barnet.gov.uk, 0208 359 7671

Summary

A report went to ARG on the 17th March 2016 seeking authority to make two Compulsory Purchase Orders at West Hendon, CPO2 & CPO2a. The committee referred the report to Full Council on the 4th of April 2016. Full Council agreed the recommendations.

Full Council also requested that an update of all communications undertaken at West Hendon, with particular regard to CPO activities, was presented to all future ARG meetings until further notice. This was to ensure that all necessary consultation action was being undertaken to keep residents informed of the outcomes for them, what options were on the table for them, and how they would be supported.

The use of the Compulsory Purchase Orders is an option of last resort and will only be utilised where third party interests cannot be acquired through private treaty negotiations.

Recommendations

That the Asset, Regeneration & Growth Committee agrees:

1.1 To note the communication activities undertaken regarding the West Hendon Regeneration Scheme attached in Appendix 1

1. WHY THIS REPORT IS NEEDED

- 1.1 Full council on the 4th April 2016 requested that a communications update for West Hendon, with particular regard to CPO activities, is presented to all subsequent Asset, Regeneration & Growth Committee meetings until further notice.

2. REASONS FOR RECOMMENDATIONS

- 2.1 CPO2 and CPO2a are required to provide certainty with regard to site assembly in order to deliver the benefits of the regeneration to the estate and the wider area. Without a Compulsory Purchase Order as a 'backstop', there would be no realistic prospect to assemble the site through private treaty negotiations.
- 2.2 The Council is obliged under the terms of its Development Agreement with Barratt Metropolitan Limited to progress the CPO for West Hendon.
- 2.3 CPO2 will apply to residential properties at 33-125 Tyrell Way and 11-72 Warner Close and will be promoted using statutory powers under the Town and Country Planning Act 1990. CPO2a is required to deliver the major highways works required as part of the West Hendon Regeneration Scheme. In accordance with the Section 106 Agreement for West Hendon Barratt Metropolitan LLP (BMLLP) are required to deliver the highway works as part of Phase 4 of the Regeneration Scheme.
- 2.4 In order to ensure the smooth running of the CPO process and/or private treaty negotiations the committee are requested to review and note the communications plan and be reassured that all appropriate communication activity is taking place to ensure amicable agreement with residents with interests within the CPO area, and beyond.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The submission of a communications update for the West Hendon CPO process was a request of Full Council. No other option needs to be considered or is required.

4. POST DECISION IMPLEMENTATION

- 4.1 ARG Committee will review the communications update at each ARG, as the CPO/private treaty negotiations progresses. Any recommends made by ARG Committee regarding the approach to communications/consultation at West Hendon will be incorporated into the communications strategy where feasible.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 As set out in the substantive report to 17th March ARG.

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

- 5.2.1 As set out in the substantive report to 17th March ARG.

5.3 Social Value

- 5.3.1 As set out in the substantive report to 17th March ARG.

5.4 Legal and Constitutional References

- 5.4.1 As set out in the substantive report to 17th March ARG.

5.5 Risk Management

- 5.5.1 As set out in the substantive report to 17th March ARG.

5.6 Equalities and Diversity

- 5.6.1 As set out in the substantive report to 17th March ARG.

5.7 Consultation and Engagement

- 5.7.1 Consultation has and will continue to be undertaken with the residents and wider community to ensure that the Scheme reflects local needs. In this regard, the Council and the Development Partners appointed an Independent Resident Advisor to work with the residents on the estate. A Partnership and Residents Board has been established who meet on a regular basis to discuss the regeneration proposals with the Council and its partners. A summary of consultation activity is at Appendix 1.

6. BACKGROUND PAPERS

Full Council, 4 April 2016, West Hendon Compulsory Purchase Order 2 & 2a (CPO2 and CPO2a)

<https://barnet.moderngov.co.uk/documents/s30993/Report%20to%20Council%20-%20ARG%20CPOs.pdf>

Asset, Regeneration and Growth Committee, 17 March 2016, West Hendon Compulsory Purchase Order 2 & 2a (CPO2 and CPO2a)

<http://barnet.moderngov.co.uk/documents/s30497/West%20Hendon%20CPO%202%20a%20CPO2%20and%20CPO2a.pdf>

Cabinet Resources Committee, 16 December 2013, West Hendon Regeneration Project

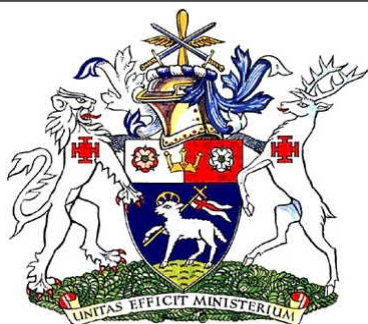
<http://barnet.moderngov.co.uk/documents/s12100/West%20Hendon%20Rege%20neration%20Project.pdf>

Appendix 1 – CPO2 & CPO2a Communications Update – December 2016

Dedicated West Hendon Website: <http://west-hendon.co.uk/>

Method of Communication	Purpose of Communication	Stakeholder	Date/s	Frequency	Comments
Closed Partnership Board	The Board comprises of key stakeholders which support, represent and promote the interests of all residents living on the estate.	London Borough of Barnet, Re, Barratt Metropolitan LLP, Barnet Homes, Resident Representatives, ITA	21/09/2016 05/10/2016 02/11/2016	Monthly	Development Partners provide relevant information and reports as required by the board, subject to data protection and commercial sensitivities. The highways engineers (CH2M) delivered a presentation on the major highways works (CPO2a) to the Partnership Board. The proposed new highways layout was discussed and CH2M have been invited to the December Partnership Board to discuss the plans in further detail.
Communications Meeting	Development Partners meet to discuss communications at West Hendon	London Borough of Barnet, Re, Barratt Metropolitan LLP, Barnet Homes, Hard Hat	21/09/2016 16/11/2016	Monthly	
Construction Working Group	A forum for residents to discuss construction activities and programme with the Barratt's construction team	Barratt London, Wider Community	15/09/2016 20/10/2016 17/11/2016	Monthly	Minutes for the Construction Working Group can be found on the dedicated West Hendon Regeneration website at http://west-hendon.co.uk/construction/construction-working-group/
Regeneration Newsletter	A newsletter that is sent to all West Hendon residents notifying them of key development and community information		December 2016	Quarterly	
Leaseholder Negotiations	Ongoing leaseholder negotiations to purchase properties through private treaty acquisitions.	London Borough of Barnet, Re, GVA, West Hendon Leaseholders, Barratt Metropolitan LLP	Ongoing	Ongoing	34 leasehold interests fall within CPO2. 6 leasehold properties have been acquired. There are 14 further leasehold properties where Heads of Terms are likely to be exchanged by the end of 2016.

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Assets, Regeneration and Growth Committee

12th December 2016

Title	Assets, Regeneration and Growth Committee - Work Programme
Report of	Head of Governance
Wards	All
Status	Public
Enclosures	Appendix A - Committee Work Programme
Officer Contact Details	Sheri Odoffin sheri.odoffin@barnet.gov.uk

Summary

The Committee is requested to consider and comment on the items included in the 2016/17 work programme

Recommendations

1. That the Committee consider and comment on the items included in the 2016/2017 work programme

WHY THIS REPORT IS NEEDED

- 1.1 The Assets, Regeneration and Growth Committee Work Programme 2016/17 indicates forthcoming items of business.
- 1.2 The work programme of this Committee is intended to be a responsive tool, which will be updated on a rolling basis following each meeting, for the inclusion of areas which may arise through the course of the year.
- 1.3 The Committee is empowered to agree its priorities and determine its own schedule of work within the programme.

2. REASONS FOR RECOMMENDATIONS

- 2.1 There are no specific recommendations in the report. The Committee is empowered to agree its priorities and determine its own schedule of work within the programme.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 N/A

4. POST DECISION IMPLEMENTATION

- 4.1 Any alterations made by the Committee to its Work Programme will be published on the Council's website.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Committee Work Programme is in accordance with the Council's strategic objectives and priorities as stated in the Corporate Plan 2015-20.

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

- 5.2.1 None in the context of this report.

5.3 Legal and Constitutional References

- 5.3.1 The Terms of Reference of the Assets, Regeneration and Growth Committee is included in the Constitution, Responsibility for Functions, Annex A.

5.4 Risk Management

- 5.4.1 None in the context of this report.

5.5 Equalities and Diversity

- 5.5.1 None in the context of this report.

5.6 Consultation and Engagement

- 5.6.1 None in the context of this report.

6. BACKGROUND PAPERS

- 6.1 None.

**London Borough of Barnet
Assets Regeneration and
Growth Committee Work
Programme
March 2017 – June 2017**

Contact: Sheri Odoffin 020 8359 3014 sheri.odoffin@barnet.gov.uk

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13 March 2017

West Hendon CPO - Quarterly Community Engagement Update.	Update on community engagement in relation to West Hendon Compulsory Purchase Orders.	Commissioning Director, Growth and Development	Non-key
Brent Cross Cricklewood - Quarterly Update	To receive a quarterly update on the Brent Cross Cricklewood Programme, and take such decisions as are required. To note any decisions of the Brent Cross South Shareholder Board and provide an update on community engagement.	Commissioning Director, Growth and Development	Non-key
Chandos Avenue Community Hub - Lease Heads of Terms & Management Approach.	Committee to receive a report on Lease Heads of Terms & Management approach.	Director of Resources (Deputy Section 151 Officer)	Non-key
Colindale Highway Junctions Programme	A report to committee for the Strategic Planning for the Implementation of Roads around the Colindale developments.	Commissioning Director, Growth and Development	Non-key
Youth Zone - lease and consideration of any planning objections	Approval of the lease and consideration of any planning objections.	Director of Resources (Deputy Section 151 Officer)	Non-key

Assets, Land and Property Transactions for Approval	Assets, Land and Property Transactions for Approval.	Director of Resources (Deputy Section 151 Officer)	Non-key
Final Commissioning Plans	To Approve ARGs Final Commissioning Plan	Commissioning Director, Growth and Development	Non-key
Development Pipeline Tranche 1, Housing Full Business Case	Approval of full business case.	Director of Resources (Deputy Section 151 Officer)	Non-key
Grahame Park: Stage B Principal Development Agreement	To consider proposals following the G/TV merger and commencement of PDA discussions	Commissioning Director, Growth and Development	Non-key
Business Planning Report 2017/18	Business Planning Report 2017/18.	Director of Resources (Deputy Section 151 Officer)	Non-key
136 – 142 Colindale Avenue NW9 5HU	Acquisition of properties to facilitate the completion of the Redrow Development Site	Commissioning Director, Growth and Development	Non-key
The Graham Park Community Hub	Strategic Outline Case	Commissioning Director, Growth and Development	Non-key

5th June 2017

West Hendon CPO - Quarterly Community Engagement Update	Update on community engagement in relation to West Hendon Compulsory Purchase Orders.	Commissioning Director, Growth and Development	Non-key
Brent Cross Cricklewood - Quarterly Update	To receive a quarterly update on the Brent Cross Cricklewood Programme, and take such decisions as are required. To note any decisions of the Brent Cross South Shareholder Board and provide an update on community engagement.	Commissioning Director, Growth and Development	Non-key
Tarling Road, Lease Heads of Terms and Management approach	Committee to receive an update and progress report.	Director of Resources (Deputy Section 151 Officer)	Non-key
Development Pipeline Tranche 3 - Affordable Housing Programme	review the programme milestones and costs	Commissioning Director, Growth and Development	Non-key
The Graham Park Community Hub	Outline Business Case	Commissioning Director, Growth and Development	Non-key
Assets, Land and Property Transactions for Approval	Assets, Land and Property Transactions for Approval.	Director of Resources (Deputy Section 151 Officer)	Non-key

4th September 2017

West Hendon CPO - Quarterly Community Engagement Update	Update on community engagement in relation to West Hendon Compulsory Purchase Orders.	Commissioning Director, Growth and Development	Non-key
Brent Cross Cricklewood - Quarterly Update	To receive a quarterly update on the Brent Cross Cricklewood Programme, and take such decisions as are required. To note any decisions of the Brent Cross South Shareholder Board and provide an update on community engagement.	Commissioning Director, Growth and Development	Non-key
Assets, Land and Property Transactions for Approval	Assets, Land and Property Transactions for Approval.	Director of Resources (Deputy Section 151 Officer)	Non-key

27 November 2017

West Hendon CPO - Quarterly Community Engagement Update	Update on community engagement in relation to West Hendon Compulsory Purchase Orders.	Commissioning Director, Growth and Development	Non-key
Brent Cross Cricklewood - Quarterly Update	To receive a quarterly update on the Brent Cross Cricklewood Programme, and take such decisions as are required. To note any decisions of the Brent Cross South Shareholder Board and provide an update on community engagement.	Commissioning Director, Growth and Development	Non-key
Assets, Land and Property Transactions for Approval	Assets, Land and Property Transactions for Approval.	Director of Resources (Deputy Section 151 Officer)	Non-key
Entrepreneurial Barnet	Annual Update report	Commissioning Director, Growth and Development	Non-key
Community Asset Strategy	Annual Update report	Commissioning Director, Growth and Development	Non-key

12th March 2018

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AGENDA ITEM 26

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AGENDA ITEM 27

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