

MEETING

ASSETS, REGENERATION AND GROWTH COMMITTEE

DATE AND TIME

MONDAY 24TH APRIL, 2017

AT 7.00 PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4BG

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

Chairman: Daniel Thomas
Vice Chairman: Gabriel 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 19th April 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 - 16
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.	Annual update report on the Growth and Regeneration Programme	17 - 28
8.	Strategic Opportunities Fund	29 - 36
9.	Out-of-Borough Acquisitions (Phase 2)	37 - 64
10.	Authorisation to appropriate vacant ex-caretaker's property (3 Gunter Grove, HA8 0HB) from the General Fund to the Council's Housing Revenue Account	65 - 70
11.	Sale of the freehold interest in the land at Tenterden Grove / Mills Grove, Hendon, NW4	71 - 80
12.	Town Centres Expenditure - Burnt Oak and Spacehive Crowdfunding Scheme	81 - 94
13.	136 - 142a Colindale Avenue NW9	95 - 104
14.	Grahame Park: PDA variation update	105 - 112
15.	Grahame Park Community Hub	113 - 122
16.	Phoenix Canoe Club - Additional land take to facilitate the development of a new facility	123 - 130

17.	Release of restrictive covenant for United Reformed Church, Chesterfield Road, Barnet	131 - 136
18.	Brent Cross Cricklewood Update Report	137 - 178
19.	West Hendon Compulsory Purchase Order 2 and 2a (CPO2 and CPO2a) Communications Update	179 - 186
20.	Committee Forward Work Programme	187 - 192
21.	Any other items that the Chairman decides are urgent	
22.	Motion to exclude the press and public	
23.	Brent Cross Cricklewood Update Report (Exempt)	193 - 290
24.	Any other exempt item(s) that the Chairman decides are urgent	

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Decisions of the Assets, Regeneration and Growth Committee

12 December 2016

Members Present:-

AGENDA ITEM 1

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

Councillor Richard Cornelius Councillor Pauline Coakley Webb Councillor Philip Cohen Councillor Geof Cooke	Councillor Rohit Grover Councillor Nagus Narenthira Councillor Peter Zinkin
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1. MINUTES OF THE PREVIOUS MEETING

REVISED ORDER OF BUSINESS

The Chairman revised the running order, as reflected in these minutes.

Minutes of Meeting 28th November 2016

Councillor Cohen asked for the minutes of the Special Meeting on 28th November 2016 to be amended to more accurately read “with reference to paragraph 1.1 8 of the Business Planning Report which mentioned savings of £0.5m through surplus space at libraries, that he questioned how the specific saving would be achieved. This prompted Councillor Zinkin to ask for information on library space”.

Other than this amendment, the minutes of the meeting held on 28th November were agreed as a correct record.

2. ABSENCE OF MEMBERS

None.

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

None.

4. REPORT OF THE MONITORING OFFICER IF ANY)

None.

5. MEMBERS ITEMS (IF ANY)

None.

6. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

Mrs Lisa Pate addressed the Committee and made public comments in relation to Agenda item 22, Donoghues.

The Committee noted the details of public questions in relation to Barnet Museum, Agenda Item 15, submitted by Mr R Roots, a local resident, and that the opportunity to ask a supplementary question was given.

Mrs Jasmine Parsons addressed the Committee and made a public comment in relation to Agenda Items 8, 11, 12, 18, 21 and 22. Following her comments Members of the Committee were given the opportunity to ask questions to Mrs Parsons.

7. EXPLORING OPTIONS TO RE-LOCATE DONOGHUE - UPDATE

The Chairman introduced the report and invited discussion.

Members unanimously agreed to note the report and amend the date that a progress report will come back to committee from 18 months to 12 months.

It was **RESOLVED**:

1. **That Committee noted the content of this report and that the Council has not been able to identify a potential relocation site at this time and will continue to explore options and provide a progress update in 12 months time.**

8. DISPOSAL OF LAND FOR SARACENS HIGH SCHOOL, COLINDALE, NW9

The Chairman welcomed the proposal commenting that it was good news for the borough. Councillor Narenthira welcomed the new school proposal stating that it would help meet the high demand for secondary school places in the area and provide much needed support for local primary schools.

Members unanimously voted in favour of the report recommendations.

It was **Resolved** that Assets Regeneration and Growth Committee

1. **Agreed 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 or 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. **Authorised 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.**

9. UPPER AND LOWER FOSTERS

The Chairman welcomed the report which outlined a new approach to community engagement in relation to housing estate improvements. Councillor Cohen felt that it was a positive move to learn lessons from previous schemes.

Members voted unanimously in favour of the recommendations.

It was **RESOLVED**:

That Assets Regeneration and Growth Committee:

- 1 Noted the initiation of this project and community co-design concept.**
- 2 Noted 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 & Resources Committee.**

10. RELOCATION OF MEADOW CLOSE CHILDREN'S HOME AND TRANSFORMATION

The Chairman introduced the item and invited discussion from Members.

The Leader, who welcomed the proposal pending a review of the costs, and all other Members, were favourable in their support for the proposals.

It was **RESOLVED**:

- 1. That the Committee approved the Business Case for the Relocation of Meadow Close Children's Home to 27 Woodside Avenue and delegated the authority to submit 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 the Director of Resources was authorised to agree 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.**
- 4. That the Head of Estates was authorised to appropriate 27 Woodside Avenue for planning purposes for the purpose of a children's home once the necessary conditions have been satisfied.**

11. TRANSFER OF 80 DAWS LANE, NW7

The Chairman introduced the item and welcomed the progress made on bringing the Daws Lane community facility further forward. He also confirmed a minor amendment to

the recommendations requiring removal of the brackets around the words ‘the Head of Estates’.

During the discussion Members were given assurances that the Charitable status of the organisation NW7 Hub who were to run the centre, was in hand, the lease status was sufficiently certain to enable fundraising activities to be unencumbered, and NW7 would have sufficient independence over the design and build plans of the building within the constraints of planning and Open Space policy considerations.

Members voted unanimously in favour of the recommendations.

It was **RESOLVED**:

- 1. That, subject to the NW7 Hub obtaining all relevant planning consents, and other statutory consents being granted, the Committee approved in-principle that the Council shall exchange an agreement for lease and 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 Community Benefit Assessment Tool 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.**
- 2. That authority to settle final detailed Heads of Terms, and development agreement and lease was delegated to the London Borough of Barnet, Head of Estates.**
- 3. That authority was 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.**

4. That authority was 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.
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.
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.

12. IN-LONDON AND OUT-OF-LONDON ACQUISITIONS

The Chairman reminded the Committee that the report is seeking authority to extend the existing programme of in and out of borough residential property acquisitions.

Members were reassured that the same housing regulation standards apply wherever the properties are located and received confirmation that Right to Buy receipts, which need to be spent, would be used towards the cost of the programme.

Members voted unanimously in favour of the report recommendations.

It was **RESOLVED**:

1. That the Committee approved 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 agreed additional acquisitions in London up to a total value of £6m, and noted that this was subject to the approval of additional funding sought from the Policy & Resources Committee on 1 December 2016.
3. That the Committee approved 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 was delegated to the Commissioning Director, Growth and Development in consultation with the Chairman of Assets, Regeneration and Growth Committee.

13. DEVELOPMENT PIPELINE TRANCHE 3 - AFFORDABLE HOUSING PROGRAMME

The Chairman advised Committee of an amendment to the list of sites and properties involving the removal of the Church End library Site from the programme.

Councillor Cooke commented that he is in favour of the programme in principle but requested the removal of the Summers Lane site in Woodhouse Ward, and The Croft

site in Burnt Oak ward pending the production of business cases specific to both sites which would provide an opportunity to review current housing arrangements against proposed and give a clearer account of proposals

Officers agreed to share information with ward councillors on the business cases for Summers Lane and the Croft.

Following discussion, a motion was moved by Councillor Thomas and seconded by Councillor Cornelius to amend recommendation 1. The vote on the amended recommendation was unanimously in favour of the amendment.

Members then voted unanimously in favour of all the report recommendations.

It was **Resolved** that Committee

- Approved 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. This is subject to the removal of the Church End Library site from the disposal programme and delegating authority to the Commissioning Director for Growth and Development to decide upon the disposal of the temporary accommodation sites at Summers Lane and The Croft following consultation with Ward Councillors.**

Early Sites	Post Code	Ward
Basing Way Garages	N3 3DB	Finchley Church End
Elmshurst Crescent	N2 0LN	East Finchley
Sites	Post Code	Ward
Sheaveshill Court	NW9 6SJ	Colindale
Hanshaw Drive	HA8 0AP	Burnt oak
The Croft	HA8 0FT	Burnt Oak <i>(subject to further consideration as detailed above)</i>
Linden/Pine Road	N11 1ER	Brunswick Park
Adamson Court	N2 9BW	East Finchley
Norfolk Close	N2 8ET	East Finchley
Burnt Oak Registry Office	HA8 0AW	Burnt Oak
Friern Court	N20 0NJ	Totteridge
Basing Way Green	N3 3DB	Finchley Church End
Summers Lane	N12 0JY	Woodhouse <i>(subject to further consideration as detailed above)</i>
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

- Approved the disposal of the Sites by the Council to Opendoor Homes pursuant to the terms of the Development Agreement.**

- 3. Approved 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. Resolved that land, comprising the Early 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. Approved 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. Declared 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. Delegated authority 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. Delegated authority 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 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 Sites and the Sites and to take all necessary steps that may be required to dispose of the Sites.**
- 9. Delegated authority 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. Delegated authority to Commissioning Director, Growth & Development to dispose of each parcel of land comprising the Early 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.**

14. ENTREPRENEURIAL BARNET - ANNUAL UPDATE AND FORWARD PLAN

The Chairman introduced the report advising Members that it was for noting.

It was agreed to share the Executive Summary with Committee Members as it contains additional business data analysis. Members expressed a particular interest in business failure rates, and wanted to see the relationship between regeneration sites and where businesses are locating and between indices of deprivation and location of business failures. Councillor Cohen requested information on business failure by ward or Town Centre. Officers agreed to prepare a short paper.

Following discussion it was **Resolved**:

1. That the Committee noted the progress of Entrepreneurial Barnet in 2016.
2. That the Committee noted the forward work plan set out on page 10 of the report will identify any additional items that it would like to be incorporated into it or to return to a future meeting.

The votes were as follows:-

For	5
Against	0
Abstain	4

15. COMMUNITY ASSET STRATEGY IMPLEMENTATION PLAN UPDATE

The Chairman introduced the report which was a progress update for noting.

Following discussion, Members voted unanimously in favour to note the report contents.

It was **Resolved**:

1. That Committee noted the contents of the briefing paper.

16. BARNET MUSEUM, WOOD STREET, EN5 4BE

The Chairman introduced the report drawing attention to the proposal that will generate income for the Council. The Chairman asked the committee to note that on officers' advice recommendation 3 required minor amendment to make it clear that the delegated authority was to be exercised by the designated officer in consultation with, rather than jointly by, the Chairman

Councillor Cohen said it would be helpful if the proposed lessee could secure funding before granting of the lease.

The Chairman moved to propose an amendment to the recommendation 2 to include securing funding before granting of the lease. Councillor Richard Cornelius seconded the motion and voting on the amendment was unanimous.

The Committee then voted unanimously in favour of all the report recommendations.

It was **Resolved**:

- 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, subject to Third party funding being secured to for the purposes outlined in the terms of the lease.**
- 3. That authority be granted to the Director of Resources in consultation with 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.**

17. LEASE RENEWAL FENELLA, THE BURROUGHS, NW4 4AX

The Chairman introduced the report and invited Mr Mason to speak as requested about Land at the rear of Ravenscroft, The Burroughs, NW4, a site he wishes to purchase with neighbours and which is adjacent to Fenella House.

The Chairman advised Committee that the Fenella House lease transaction does not have any impact Mr Mason's interest.

The Committee then voted unanimously in favour of all the report recommendations.

It was **Resolved**:

- 1. That the committee approved 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.**

18. RENT REVIEW AT HENDON TOWN HALL, THE BURROUGHS, NW4 4AX

The Chairman introduced the item, welcomed discussion and called for the vote.

The Committee voted unanimously in favour of the report recommendations.

It was **Resolved**:

- 1. That the committee approved the proposed Head Lease rent review agreement between the parties at £498,000 per annum.**
- 2. That the committee approved the proposed Under Lease Rent Review Agreement between the parties at £124,500 per annum.**

19. DOLLIS VALLEY ESTATE REGENERATION

The Chairman introduced the report, invited member discussion and then called for the vote.

Members unanimously approved the report recommendations.

It was **RESOLVED**:

- 1. That Authority was delegated 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**

20. GRANVILLE ROAD NEW HOUSING DEVELOPMENT COMPULSORY PURCHASE ORDER OF PRAMSHEDS AND 16 BEECH COURT

The Chairman introduced the report and welcomed comments and questions.

Members voted unanimously in favour of the recommendations.

It was **RESOLVED**:

That the Assets, Regeneration and Growth Committee:

- 1. Authorised 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. Authorised 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. Authorised 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. Authorised appropriate Chief Officer to issue and sign the order, notices and certificates in connections with the making, confirmation and implementation of the CPO.**

5. **Authorised 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. **Authorised the appropriate Chief Officer to take any further necessary actions to secure the making, confirmation and implementation of the CPO.**
8. **Gave approval for any amendments required to the Development Agreement regarding the CPO to be delegated to the Commissioning Director of Growth and Development.**

21. BRENT CROSS CRICKLEWOOD UPDATE REPORT

The report was considered in conjunction with the addendum report and the additional recommendation contained therein, which was published after the main agenda pack.

The Chairman invited officers to update Committee on progress on the Brent Cross Cricklewood programme and advised Members that the report is seeking, amongst other things, delegated approval to deal with amendments to PDA with partners if required, and possible red line boundary changes

Councillor Cooke expressed concern over the affordable housing and Thameslink Station proposals with a preference that amendments come back to committee rather than be delegated to officers. He also requested for council/community engagement in the naming of the new station and queried why there is a reduction in the width of the road bridges.

Officers clarified that station naming will come back to ARG Committee and that financial savings were made against the original gold standard TfL bridge modelling figures and further details are within the exempt report. As requested, officers will confirm with TfL that there are no safety implications as a result of the changes.

Following discussion the Chairman called for the vote.

It was **RESOLVED** that Committee:

- 1) **Noted the content of this report.**
- 2) **Agreed that the shareholder board previously proposed will only act in advisory capacity**
- 3) **Delegated 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) Delegated 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.
- 5) Authorise the Chief Executive in consultation with the Leader to finalise and complete any required consequential amendments to the Brent Cross South Project Agreement, Limited Partnership Agreement, Shareholder Agreement and associated documents as a result of the Council entering into legal agreements with third parties in respect of the CPO process and revised programme.

Votes were as follows:-

For	5
Against	4
Abstain	0

22. WEST HENDON COMPULSORY PURCHASE ORDER 2 & 2A (CPO2 AND CPO2A) COMMUNICATIONS UPDATE

The Chairman introduced the report which Members unanimously agreed to note.

It was **RESOLVED** that Committee:

1. **Noted the communication activities undertaken regarding the West Hendon Regeneration Scheme attached in Appendix 1.**

23. COMMITTEE FORWARD WORK PROGRAMME

The Chairman introduced the Committee Work Programme which Members unanimously agreed to note.


It was **RESOLVED** that Committee:

1. **Noted the items included in the Work Programme.**

24. ANY OTHER ITEM(S) THAT THE CHAIRMAN DECIDES ARE URGENT

None

The meeting finished at 8.30 pm

	<p>Assets, Regeneration, and growth Committee</p> <p>24th April 2017</p>
Title	<p>Annual update report on the Growth and Regeneration Programme</p>
Report of	<p>Commissioning Director Growth and Development.</p>
Wards	<p>All Wards</p>
Status	<p>Public</p>
Urgent	<p>No</p>
Key	<p>No</p>
Enclosures	<p>Appendix 1 – Growth and Regeneration Programme Annual Report</p>
Officer Contact Details	<p>Max Houseago Re: Regeneration Programme Manager Email: Max.houseago@barnet.gov.uk Tel: 0208 359 3032</p>

<p>Summary</p>
<p>This report seeks to update the Committee on the progress being made towards delivering the borough’s Growth and Regeneration Programme. The report also provides an update on key achievements and successes since March 2016, and the expected activities in 2017/18 for which approval is sought from the Committee.</p>

<p>Recommendations</p>
<p>That Committee</p> <ol style="list-style-type: none"> 1. Note the general progress being made towards delivering the borough’s Growth and Regeneration Programme. 2. Note the key achievements and successes from April 2016 to March 2017, and approve the expected activities in 2017/18.

1. WHY THIS REPORT IS NEEDED

- 1.1 The fifth Growth and Regeneration Programme Annual Report, attached in appendix 1, provides information on the progress being made towards delivering the Borough's growth and development programmes. This includes updates on estate regeneration schemes and growth areas at Mill Hill East, Colindale and Brent Cross; Development Pipeline schemes; and a summary of business, employment, and skills activities which are covered more fully in the Entrepreneurial Barnet Annual report presented to the Committee at its December 2016 meeting. The Growth and Regeneration Programme Annual Report sets out key achievements and successes since the report of March 2016, and expected activities for 2017/18.

2. REASONS FOR RECOMMENDATIONS

- 2.1 As noted above, the need for an annual progress report was agreed by Cabinet Resources Committee in February 2012.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The alternative is not to provide a report, or to provide reports at different intervals throughout the year. An annual report was recommended following an external review of the Council's Regeneration Service. In addition, Members have asked for progress updates. This reporting mechanism forms a key part of the response to that requirement. This report also provides an accessible way of keeping partners and the local residential and business communities informed of existing regeneration commitments and future plans.

4. POST DECISION IMPLEMENTATION

- 4.1 Following endorsement or comments, and any alternative or additional actions proposed the activities of the Growth and Regeneration Programme will be progressed in line with the report for the next financial year 2017/18.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The regeneration and development pipeline schemes; and the skills and enterprise activities that comprise the Growth and Regeneration Programme, contribute to the delivery of key elements the Corporate Plan 2017/18 addendum and targets which highlights the corporate plan priorities of:

- Delivering quality services.
- Responsible growth, regeneration and investment.
- Building resilience in residents and managing demand.
- Transforming local services.
- Promoting community engagement, independence and capacity.

The principles of fairness, responsibility, and opportunity are applied to these

priorities which the regeneration programme supports.

5.1.2 The Growth and Regeneration Programme supports Entrepreneurial Barnet which sets out the council's approach to supporting Barnet's economy, and ensuring that local businesses and entrepreneurs have the space and support they need to thrive. The vision for Entrepreneurial Barnet is to make Barnet the best place in London to be a small business. The Annual Regeneration and Growth Programme Report describes what the council is doing to support jobs, skills and growth and as the Local Plan is updated, the objectives of Entrepreneurial Barnet will be embedded within it.

5.1.3 The growth and development programmes also contributes to the Barnet Joint Health and Wellbeing Strategy 2016 – 2020, by:

- Creating better local urban environments and living conditions for local residents, and providing training and job opportunities that will create circumstances to enable people to have greater life opportunities.
- Offices for The Centre for Independent Living have been built which will support residents to be independent, with advice and sign posting to a range of support services, and assisting residents to gain and retain employment, and promote healthy workplaces.
- Health provision is considered and provided through the regeneration programme that will provide care and support to facilitate good outcomes and improve user experience.
- Schools, nurseries, and child health provision will be delivered through the Regeneration Programme that will Improve outcomes for babies, young children and their families.
- Increasing employment and training opportunities including those who are further from the job market.

5.1.4 Adopted in 2012 Barnet's Core Strategy sets out a 15 year 'vision', helping to shape the kind of place that Barnet will be in the future. It contains the most fundamental, cross-cutting objectives and policies that the local authority and its partners will seek to deliver. Barnet has been set the challenge of meeting the 4th highest housing target in London. Over 27,000 new homes are expected to be delivered across the Borough by 2030. The Local Plan Core Strategy sets out when, where and how this growth will be delivered. Over half of these are expected to be delivered in the Regeneration and Development Areas of Brent Cross, Mill Hill East and Colindale together with the Priority Estates of Dollis Valley, Grahame Park, Granville Road, and West Hendon. Barnet's Infrastructure Delivery Plan is the vehicle for highlighting infrastructure needs. It sets out key infrastructure programmes and projects to support the housing growth outlined in the Local Plan Core Strategy.

5.1.5 The Growth and Regeneration Programme support the six themes/priorities of the Council's Housing Strategy 2015-2025 which include:

- Increasing housing supply.
- Delivering homes that people can afford.
- Sustaining quality, particularly in the private rented sector.
- Preventing and tackling homelessness.
- Providing suitable housing for vulnerable people.
- Delivering efficient and effective services.

5.1.6 Furthermore, the Growth and Regeneration Programme support the strategic objectives in the Council's Regeneration Strategy, September 2011, which include:

1. Enhance Barnet as a successful London suburb through delivery of quality new places and neighbourhoods in the areas of the borough in greatest need of investment and renewal;
2. Deliver sustainable housing growth and infrastructure, and improve the condition and sustainability of the existing housing stock;
3. Ensure residents in all areas of the borough can share in Barnet's success while taking responsibility for the well-being of their families and their communities;
4. Promote economic growth by encouraging new business growth while supporting local businesses and town centres;
5. Help residents to access the right skills to meet employer needs and take advantage of new job opportunities;

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

5.2.1 **Finance** - The council's development partners (developers) are currently responsible for a substantial amount of the Council's costs to bring the regeneration schemes to fruition. The Principal Development Agreements and Regeneration Agreements allow the Council to recover its costs at certain stages of the regeneration projects.

5.2.2 **Finance** - On each scheme, the Council's costs are budgeted and recorded on a monthly basis, and are invoiced either quarterly or towards the end of each financial year, depending on the terms of the agreement with the development partner. It is the responsibility of Regional Enterprise (Re) to manage the project budgets and manage the reclaim of costs on behalf of the Council.

5.2.3 **Finance** - The implications in relation to funding the regeneration programme have been included in the Council's Capital Programme 2017/18

5.2.4 Full Council on 7th March 2017 approved the Business Planning Report which contained strategic priorities, budgets and capital programme proposals up to 2020. The process allocated/committed budgets, and forward financial planning, for key capital elements of regeneration schemes to support their timely delivery.

- 5.2.5 **Performance and Value for Money** - The Council and its development partners have obligations within the respective Principal Development Agreements to maintain a transparent and open book approach to the management and monitoring of each development. The Council has the right to access management accounts and other relevant documentation to ensure that information being provided in connection with financial matters is accurate and accords with 'Value for Money' criteria.
- 5.2.6 **Property** - The Principal Development Agreements for each of the estate regeneration schemes commit the Council, subject to certain pre-conditions, to the phased disposal of all land and property owned by the Council within the area for redevelopment to its respective developer partners, as and when certain pre-conditions and processes are satisfied, and subject to appropriate consent from the Secretary of State. In general the land is disposed of without taking cash receipt but in consideration of the development partner's obligations to redevelop the estate. Where the land/property has been specifically acquired by the Council to enable the regeneration schemes to proceed (for example, properties acquired because of hardship, or pursuant to Compulsory Purchase Orders), then all costs incurred by the Council in these acquisitions (including the cost of acquisition itself) will be reimbursed as project costs. If the regeneration schemes yield profits above agreed thresholds, the Council will generally receive a share of the eventual profits known as overage.
- 5.2.7 **Procurement** - The Growth and Regeneration Programme is now delivered for the Council by Re (Regional Enterprise). However, the Council's procurement procedures and processes are adhered to in relation to Barnet Council funds.
- 5.2.8 **Procurement** – The requirements for technical experts and professional support services will be identified and brought into projects as needed, from within the Capita group, without the need for external procurement (i.e. Architecture, cost consultancy, employers agents). A Special Project Initiation Request (SPIR) will be presented to the council for services outside of the core contract.
- 5.2.9 Where Re are managing the procurement of the build contract, in cases such as the Development Pipeline; there will be adherence to Barnet Councils Contract Procedure Rules. Upon the successful appointment of a preferred contractor Re will project manage the delivery of the schemes.
- 5.2.10 Any services brought in as required to deliver the schemes of the Regeneration Programme will be procured in line with the procurement process of Barnet council, and detailed on the Council's Procurement Forward Plan as appropriate.
- 5.2.11 **Procurement, Staffing, IT and Sustainability** - There are no issues to report around Staffing, IT and Sustainability.

5.3 Social Value

- 5.3.1 The next 5 years represents a great opportunity for Barnet residents and businesses, with the borough set to benefit from a growing economy and local investment in regeneration. This is an essential part of Barnet Council's strategy with growth, housing, and responsible regeneration indispensable for the borough; revitalising communities, providing new homes and jobs, and delivered in a manner that protects the things residents love.
- 5.3.2 Some residents will need extra help to take advantage of the opportunities that growth will bring, so RE, Barnet Council, and Barnet Homes are providing targeted help for those that need it, and commissioning a range of partnership services to help residents into work. The council want everyone in Barnet to have access to a good job and good housing, or a better job and better housing, so that the borough remains a place where people want to live and work. In this way the purpose of the Regeneration Programme is to provide Social Value for residents.
- 5.3.3 The regeneration programme is turning deprived mono tenure estates into mixed tenure neighbourhoods with new modern homes for social rent tenants.
- 5.3.4 An increased number of better quality community facilities will be provided through the programme, including: GP surgeries, pharmacies, nurseries, libraries, community centres, religious centres, and a minimum of 10 schools.
- 5.3.5 As part of the Entrepreneurial Barnet approach the Growth and Regeneration Programme is providing a number of initiatives to support residents into work including: a Retail Job Shop, construction training and jobs through developer S106 contributions and the Workfinder project for unemployed residents. The Platforms project ran for out of work/education 16 – 24 year olds between June 2012 and December 2015. In 2015 the project was subject to a social return on investment audit which showed the programme delivered £2.12 in social value return for every £1 spent.
- 5.3.6 The report in appendix 1 details the Benefits Realisation measures for the programme. These are a range of indicators that are monitored to show how the Growth and Regeneration Programme is improving outcomes for Barnet.

5.4 Legal and Constitutional References

- 5.4.1 Brent Cross South, Dollis Valley, Grahame Park, Granville Road, Stonegrove Spur Road, and West Hendon regeneration schemes are regulated and governed by Development Agreements. Each of these Development Agreements are long term, legally binding agreements, under which, all parties, usually made up of the Council, a Private Sector Limited Company and a Registered Provider as well as any Special Purpose Vehicles, or subsidiaries of the development partners, required for the delivery of the schemes, have obligations and responsibilities which in the event they are not fulfilled, could give rise to legal liabilities.

- 5.4.2 Any changes to the schemes are generally enabled within the contractual framework established by the Development Agreements. Any such changes will usually be detailed in delegated powers reports. However, the change is not then exempt from other statutory requirements such as planning permission.
- 5.4.3 Most of the Development Agreements and ancillary documents were made pursuant to the now defunct, “wellbeing power” under Section 2 of the Local Government Act 2000, whilst the more recent ones have been or are being entered into pursuant to the general power of competence provisions of Section 1 of the Localism Act 2011. In entering into disposal, appropriation and acquisition arrangements, the Council is also relying upon its powers to deal with land contained in the Local Government Act 1972, the Housing Act 1985 and the Town & Country Planning Act 1990.
- 5.4.4 Millbrook Park is administered through the Inglis consortium of which Barnet Council is a partner. The arrangements of the consortium have been agreed at committee.
- 5.4.5 The nature and extent of development within Colindale is controlled through the Colindale Area Action Plan, which has been incorporated into the Barnet Local Plan 2012. Developments are undertaken by private developers without development agreements with the council.
- 5.4.6 Regional Enterprise (Re) is responsible for supporting the Council in meeting its obligations under the Development Agreements.
- 5.4.7 Legal and constitutional arrangements between Barnet Council and Regional Enterprises are laid out within the Joint Venture contract.
- 5.4.8 The High Street Fund project in Burnt Oak required the Council to enter into legally binding agreements with the Greater London Authority for the period of the one year Grant.
- 5.4.9 In accordance with the 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”.
- 5.4.10 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 1, Table A sets out the authorisation thresholds and requires the disposal of an asset to be authorised by the Assets Growth and Regeneration committee.

5.5 Risk Management

- 5.5.1 Despite the challenging economic climate over the past six years, the Council has continued to progress the physical regeneration schemes. Risks are monitored across the programme as well as at project level.

- 5.5.2 The viability of each of the physical regeneration projects is substantially dependent on the performance of the housing market over the lifetime of the developments. Delays to the delivery of the schemes could result in reduced resident satisfaction levels. To help mitigate this, continual monitoring of the local housing market and housing delivery takes place with the development partners. Economic sensitivity measures review mechanisms have been included in the Development Agreements.
- 5.5.3 In 2001 the Department for Transport, Local Government and the Regions issued guidance to local authorities on meeting 'decent homes' standards. The Council was advised that on the basis of the known data the homes on the priority regeneration estates would fail to meet the required standards. In response to the need to address problems around heating, condensation and general structural repairs, as well as the modernisation requirements for the homes on these estates, the Council decided to embark on the programmes to regenerate these estates to provide well designed, high quality and efficient homes. If the estate regeneration schemes do not complete, the Council will be required to bring the remaining properties up to Decent Homes Standard.
- 5.5.4 The Council's development partners are currently responsible for a substantial proportion of Council costs in delivering the regeneration schemes. These costs include, but are not limited to, the costs of making and implementing Compulsory Purchase Orders, statutory Home Loss and Disturbance Payments to secure tenants required to move, qualifying staff costs, Resident Independent Advisors and cost consultancy advice. The Principal Development Agreements set out the framework for these costs being recovered. It is the responsibility of Regional Enterprise (Re) to manage the reclaim of these costs on behalf of the Council, however if the developer defaults on these payments or the projects do not proceed to stages specified within the Principal Development Agreements, then the Council may not be able to recover all the costs incurred. To mitigate this risk, anticipated costs are agreed with the Development Partners in advance of expenditure wherever possible.
- 5.5.5 The Council also has obligations under the Principal Development Agreements and Regeneration Agreements. If the Council fails to fulfil these obligations for each scheme, it may be liable for damages and other financial liabilities given the investment in the regeneration schemes by the Council's development partners. It is the responsibility of Regional Enterprise (Re) to support the Council in meeting its obligations under the Development Agreements.
- 5.5.6 There is a risk that the delivery of physical and socio-economic regeneration could be endangered due to restrictions in the availability of third party funding. This could lead to reputational issues for the Council and resident dissatisfaction. The Council and Regional Enterprise (Re) will maintain close working relationships with development partners, the Greater London Authority and other government bodies to ensure a flexible approach to future problems that may threaten individual projects. The Council and Regional Enterprise (Re) will also keep residents well informed through appropriate communications and will work with development partners to undertake

continual value engineering of development proposals.

5.6 Equalities and Diversity

- 5.6.1 Under the Equality Act 2010 (“the Act”), the Council and organisations working on their behalf, have a legal duty to have ‘due regard’ to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between those with a protected characteristic and those without; and promoting good relations between those with protracted characteristics and those without. The ‘protected characteristics’ are age, gender, ethnic origins and race, disability, gender reassignment, pregnancy and maternity, religion or belief and sexual orientation. The ‘protected characteristics’ also include marriage and civil partnership, with regard to eliminating discrimination.
- 5.6.2 The Regeneration and Growth Programme will follow the principles set out in the London Borough of Barnet Equalities Policy (revised January 2014) and the Corporate Plan 2017 -2020 and aim to ensure that all Barnet residents benefit from growth and regeneration in the Borough. Being fair and giving equal chances to all our residents is central to Barnet’s Corporate Plan 2016 - 2020 and the council’s strategic equalities objective, (SEO), that “Citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the taxpayer.” The Regeneration and Growth Programme will reflect the Council’s commitment to give fair treatment for all our citizens balancing their different needs and rights as we support our more vulnerable residents and incorporate the principles of equality into everything we do as a Council.
- 5.6.3 Barnet is committed to building strong, cohesive, healthy, resilient, successful and safe communities where people from all different backgrounds get on well together. As outlined in the Corporate Plan, 2016 -2020, the Council is committed to improving the quality of life and wider participation for all those who live work and study in Barnet in the economic, educational, cultural, health, social and community life in the Borough through regeneration in the Borough’s regeneration areas and schemes. The regeneration schemes will deliver a mix of approximately 27,000 new affordable, intermediate and private sale flats and houses (including Colindale). The developments will also provide new community facilities and commercial units for business to rent or lease. The Council will have 100 per cent nomination rights to the new affordable housing on the housing estate regeneration schemes and re-housing offers will be made to all the existing secure tenants on the existing housing estates who live in a property to be demolished. Thus the regeneration schemes will provide new areas of mixed tenure housing that will make these parts of the borough better place to live and contributing to improved community cohesion in areas with highly diverse populations. This will benefit all Barnet citizens and the rich diversity of the Borough’s communities. In particular those who are seeking housing by addressing the shortage of housing in the Borough across all tenures.
- 5.6.4 Entrepreneurial Barnet is the council’s approach to support jobs, skills and growth. It includes measure to support businesses and residents who are looking for work or have low level skills.

- 5.6.5 The development of Town Centre Strategies supports Barnet's aspiration to support vibrant and viable town centres in the borough. Integral to this is the need to respect the diversity of our town centres, their different requirements, and the different needs and preferences of those who use them.
- 5.6.6 On 12th December 2013, Health Overview and Scrutiny Committee considered an interim update report on GP services, from NHS England and the Council's Regeneration. The Committee resolved that health provision across the borough is monitored by the Health and Well-being Board. An Estates Working Group had been established with representation from Barnet Clinical Commissioning Group, NHS England, NHS Property Services and the Council to improve joint working on NHS estates issues.
- 5.6.7 Work is ongoing in partnership with the public health team, to understand the health challenges faced by communities in Barnet and identify the health priorities when designing places.
- 5.6.8 Equality considerations will be kept under review and updated as proposals develop under the regeneration schemes so that an up to date assessment of the equalities impact will accompany any future proposals which are put to decision makers.

5.7 **Consultation and Engagement**

- 5.7.1 Consultation is a fundamental part of the Growth and Regeneration programme with each regeneration scheme having its own stakeholder engagement plan as part of its Project Initiation Document (PID).

5.8 **Insight**

- 5.8.1 Sources of data used in the Annual Regeneration Plan include:

- The Barnet Regeneration Strategy. Barnet Council, 2012.
- The Barnet Housing Strategy, Barnet Council, 2015-25.
- A Growth Strategy for Barnet, Barnet Council, 2012.
- Developing Barnet's economic Strategy, Middlesex University, May 2014.
- Barnet Local Plan, Barnet Council, 2012.
- Data obtained from the regeneration schemes themselves.

6. BACKGROUND PAPERS

- 6.1 7th March 2017, Council, Appendix N - Corporate Plan – 2017/18 addendum
<https://barnet.moderngov.co.uk/documents/s38364/Council%20-%20Business%20Planning%202017-20%20-%20Cover%20Report.pdf>

Minutes, Item 11:

RESOLVED – That Council:

1.26 Approve the Corporate Plan – 2017/18 addendum attached as Appendix N

<https://barnet.moderngov.co.uk/documents/g8819/Printed%20minutes%2007th-Mar-2017%2019.00%20Council.pdf?T=1>

- 6.2 17th March 2016, , Assets, Regeneration and Growth Committee, Annual update report on the Growth and Regeneration Programme
<https://barnet.moderngov.co.uk/documents/s30495/Annual%20update%20report%20on%20the%20Growth%20and%20Regeneration%20Programme.pdf>

Minutes, Item 8:

RESOLVED

1. Note and approve the general progress being made towards delivering the Borough's regeneration and development pipeline schemes; and skills and enterprise activities

2. Note and approve key achievements and successes from April 2015 to March 2016, as well as expected activities in 2016/17.

<https://barnet.moderngov.co.uk/documents/g8312/Printed%20minutes%2017th-Mar-2016%2019.00%20Assets%20Regeneration%20and%20Growth%20Committee.pdf?T=1>

- 6.3 7th September 2015, Assets, Regeneration and Growth Committee, Burnt Oak High Street Fund
<https://barnet.moderngov.co.uk/documents/s25571/Burnt%20Oak%20High%20Street%20Fund.pdf>

Minutes, Item 9:

RESOLVED:

1. To note the successful application for funding and agree the Burnt Oak High Street Fund project (valued at £617,464).

2. To approve the spending of £348,416, to be used to match £269,048 of Mayor of London's grant money to deliver the High Street Fund project in Burnt Oak Town Centre, subject to signing of a Grant Agreement with the GLA.

3. To delegate to the Commissioning Director, Growth & Development, the authority in consultation with the Chairman of the Assets, Regeneration and Growth Committee:

- to develop the detail of the Burnt Oak Town Centre Strategy
- following development to approve the Burnt Oak Town Centre Strategy
- to approve all matters associated with implementing the Burnt Oak Town Centre Strategy

<https://barnet.moderngov.co.uk/documents/g8310/Printed%20minutes%2007th-Sep-2015%2019.00%20Assets%20Regeneration%20and%20Growth%20Committee.pdf?T=1>

6.4 15th December 2014, Assets, Regeneration and Growth Committee, Appendix 1 – Entrepreneurial Barnet –

<https://barnet.moderngov.co.uk/documents/s19843/Appendix%201%20-%20Entrepreneurial%20Barnet.pdf>

Minutes, Item 9:

RESOLVED:

1. That the committee approve Entrepreneurial Barnet: the public sector contribution to Barnet's economy 2015-2020 (Appendix A).
2. That officers feedback to area committees any specific issues or suggestions from consultees relating to individual town centres.
3. That the Committee defer endorsing the Town Centres approach to the next meeting.

<https://barnet.moderngov.co.uk/documents/g7886/Printed%20minutes%2015th-Dec-2014%2019.00%20Assets%20Regeneration%20and%20Growth%20Committee.pdf?T=1>

6.5 12th December 2013, Health Overview and Scrutiny Committee, Interim Update Report on GP Services –

<http://barnet.moderngov.co.uk/documents/g6564/Public%20reports%20pack%2012th-Dec-2013%2019.00%20Health%20Overview%20and%20Scrutiny%20Committee.pdf?T=10>

Minutes, Item 10:

RESOLVED that:

1. The Committee note the update on GP Services in Barnet as set out in the report and above
2. The Committee keep a watching brief on this issue
3. The Committee refer this issue to the Health and Well-Being Board to consider alongside the refresh of the Joint Strategic Needs Assessment.

<http://barnet.moderngov.co.uk/documents/g6564/Printed%20minutes%2012th-Dec-2013%2019.00%20Health%20Overview%20and%20Scrutiny%20Committee.pdf?T=1>

	<p>Assets Regeneration and Growth Committee</p> <p>24 April 2017</p>
<p>Title</p>	<p>Strategic Opportunities Fund</p>
<p>Report of</p>	<p>Commissioning Director Growth and 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>Officer Contact Details</p>	<p>Neil Taylor, Strategic Lead Development and Regeneration; 0208 359 7474; neil.taylor@barnet.gov.uk</p> <p>Susan Curran, Commissioning Lead Regeneration and Development; 0208 359 3608; susan.curran@barnet.gov.uk</p>

Summary

The Council's Development Pipeline Programme combines an ambitious programme of new build mixed-tenure housing development on Council land across the Borough. Sites have already been secured for the initial 3 tranches, but to enable a sustainable pipeline for future housing and non-housing developments or to help unlock existing development opportunities it may become necessary to obtain additional sites / properties. As part of the overall capital budget agreed by Policy & Resources Committee on 23rd February 2017, and Council on 7th March 2017, there is an approved scheme of £20million for a revolving fund for key real estate acquisitions. This paper seeks approval of the principles of how the strategic operations fund will work.

Recommendations

- 1. That the Committee approve the principles of the Strategic Opportunities Fund as set out in the report.**

2. That the authorisation of purchases of individual real estate is delegated to the Commissioning Director Growth and Development, or the Section 151 officer, in consultation with the Chairman of Assets, Regeneration and Growth Committee.

3. That Committee authorise the commencement of a procurement process to appoint agents to support the development of business cases for acquisitions made through the Strategic Opportunities Fund.

1. WHY THIS REPORT IS NEEDED

- 1.1 On 9th July 2014 Assets Regeneration and Growth Committee approved the approach to, and principles underpinning the creation of a development pipeline – the development of surplus council sites for housing.
- 1.2 In 2016 the initial 40 new homes for affordable rent were completed by Barnet Homes. These have all been let in accordance with the council's Housing Allocations Policy. A further tranche of 320 homes for affordable rent is being delivered by Opendoor Homes and will start on site in May 2017. In addition Re are preparing plans for the development of sites to created mixed tenure housing.
- 1.3 Many of the remaining surplus council owned sites are either small infill sites or have a number of constraints which mean they are more costly and less viable to develop.
- 1.4 To maintain a sustainable pipeline of regeneration activity and to support town centre improvements it will become necessary to acquire additional sites / properties. The acquisition of viable development sites is a competitive business. The Council needs to be in a position to make an offer in a much shorter timescale than normal governance processes would permit. Therefore a fund of £20 million has been approved in the Capital Programme for the acquisition of key real estate to enable development. The fund will be 'revolving' in that spending power will be returned to the fund once properties have been transferred into a development scheme. In the case of a site being transferred to an external developer, this will be at best value. This is not a long term investment fund. This report sets out the principles for decision making in relation to the fund.
- 1.5 The guiding principles underpinning any decision to acquire real estate using the strategic opportunities fund are:
- 1.5.1 The real estate must be suitable for development in its own right or must add value to an adjacent development.
- 1.5.2 There must be a professional valuation justifying the purchase cost in line with the Council's strategic objectives set out in this report. The cost must be within the budget agreed in the Capital Programme.

- 1.5.3 There must be a business case that clearly sets out the financial rationale behind the purchase. This will describe the principles of the acquisition and the tangible benefits.
- 1.5.4 There needs to be a clear exit strategy for the fund. This means that once a scheme reaches the stage where approval is sought to enter in to construction contract, development funding would be sought and the value of acquisition costs expended would be returned to the strategic opportunities fund. Should a scheme not progress then the site can be resold on the open market.
- 1.6 Any acquisitions approved will be reported to the Assets, Regeneration and Growth (ARG) Committee as part of a regular Assets, Land and Property Transactions report. Once a scheme has been developed, the outline business case will also be submitted to ARG Committee for consideration.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Committee approval is also needed where delegated authority levels within the constitution are not high enough to approve spend over £100,000. Delegating authority for the approval of purchases to the Commissioning Director Growth and Development or Section 151 Officer, in consultation with the Chairman of Assets, Regeneration and Growth Committee will enable the council to be sufficiently agile in a competitive property market. All decisions will be made in line with the principle that in the unlikely event that the project doesn't proceed or the full business case or is not approved, the site will be resold at best consideration and the funding returned to the Strategic Opportunities Fund.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Do nothing. This would limit the council's ability to acquire real estate to unlock development opportunities.
- 3.2 Individual acquisition reports could be submitted to ARG on a quarterly basis or to specially convened Urgency Committees. Quarterly committees are too infrequent and Urgency Committees can be very difficult to schedule so relying on these would mean that the council cannot be agile in the competitive property market and would be left with only the less viable or difficult sites.

4. POST DECISION IMPLEMENTATION

- 4.1 Procurement of Agents to support the project will commence in line with the Council's Contract Procedure Rules. Timescales for procurement would be determined per procurement project/requirement and the value involved.
- 4.2 The project governance will be established by end May 2017 The Strategic Opportunities Fund will be managed and monitored by the Development

Pipeline Programme Board with transactions reported to the Assets and Capital Board and Assets, Regeneration and Growth Committee.

- 4.3 A process for identifying, assessing and acquiring real estate will be agreed by Development Pipeline Programme Board.

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. The acquisition of key real estate will enable future development opportunities to support the delivery of Council functions as set out in the Corporate Plan 2015-20, including the delivery of new homes that residents need, and increase revenue streams.

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 Development Pipeline Programme sets out how the council will use its land holdings to deliver key priorities in the Housing Strategy 2015 - 2025, including.

- Increasing the housing supply- to provide more homes. In the February 2016 Residents Perception Survey access to affordable housing was found to be the issue that most residents are concerned about, demonstrating the importance of increasing the housing supply.
- Delivery of homes that people can afford- to provide more affordable homes for rent and sale.
- Providing housing related support to vulnerable people- for example housing suitable for older people suffering from Dementia.
- Improving quality, particularly in the private rented sector- by developing high quality bespoke purpose built private rented homes.

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.

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

5.2.1 Within the currently approved Capital Programme, there is a scheme for Development Pipeline Strategic Opportunities Fund, £20m, currently profiled as follows:-

17/18 £8 million

18/19 £10 million

19/20 £2 million

5.2.2 The intention is for the fund to be 'revolving' in that spending power will be returned to the fund once properties have been transferred into a development scheme.

5.2.3 It is envisaged that most sites would be developed by Barnet - each site purchased will be transferred into a Development Pipeline scheme at purchase price plus purchase costs and the cost of holding the asset – with the Development scheme making a business case for the investment. If a business case cannot be worked up, the site would be sold at market value, and costs recovered that way.

5.2.4 Building acquisitions would be let on a short term basis, where practical, in order to generate revenue until the property is needed for development. For acquisitions that include housing stock that is suitable for use as temporary accommodation this use could assist in the Council meeting its statutory responsibilities towards homeless households and limit the use of time limited Bed and Breakfast accommodation for families. In this case up to £15,000 rental income could be received per property per annum.

5.2.5 The procurement of the technical advice / agents will be undertaken in accordance with Contract Procedure Rules, Appendix 1 Table A. Options for the procurement will be considered to ensure best value and quality for the specific requirements of the project. If the purchase is successful, fees can be capitalised to become part of the purchase cost.

5.3 **Social Value**

5.3.1 The strategic opportunities fund will increase investment in regeneration in Barnet and the supply of homes to meet housing need.

5.3.2 The Council will seek to provide employment opportunities for local people and opportunities for small and medium enterprises through the procurement of the construction contracts for the delivery of development pipeline schemes.

5.4 **Legal and Constitutional References**

5.4.1 Section 120 of the Local Government Act 1972 provides that a principal council can acquire land (whether situated in or outside their area) by

agreement for the purposes of any of their functions or the benefit, improvement or development of their area. The decision must be made taking into account all relevant considerations including the price to be paid.

5.4.2 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”.

5.4.3 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”. Approval of this report by Assets Regeneration and Growth Committee includes delegation of approval of the purchase of individual property real estate to the Commissioning Director for Growth and Development vis a vis officer DPRs. The intention is for approval of these transactions to sit above the requirement for such approvals to come back to committee for approval. Once a scheme has been developed, the outline business case will also be submitted to Committee for consideration.

5.5 Risk Management

5.5.1 The table sets out the key risks associated with the proposed strategic opportunities fund.

Risk	Mitigation
Schemes are not brought forward on sites acquired.	Provided acquisitions are made in line with principles set out in section 1.5, this should minimise the risk of failure. Should a scheme not progress then the site can be resold on the open market.
Drop in property values	Council holds on to the asset for a longer period.
Stamp Duty - may need to be paid twice (in event of purchase by developer)	Advice will be sought with regards to Stamp Duty application.

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
- foster good relations between people from different groups

5.6.2 The Council has taken account of its Equalities Policy and paid due regard to equalities as required by the legislation issues in relation to the strategic opportunities fund. The proposals in this report anticipate a positive impact for residents and do not raise any negative equalities issues because the strategic opportunities fund will:

- 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.

5.6.3 Equality and diversity issues will need to be considered as part any proposed development and Equality Impact Assessments will be undertaken on a scheme by scheme basis.

5.7 Consultation and Engagement

5.7.1 Consultation on all schemes proposed will be undertaken on an individual basis. This will include, but not be limited to, statutory consultation undertaken as part of the planning process. Each development project will be expected to produce a full consultation and engagement plan that will be used to demonstrate how the council has consulted with its citizens at various stages of the project life cycle. A library of evidence for the findings will be kept by the project team.

5.7.2 Consultation and engagement on schemes will also be monitored by the Development Pipeline Programme Board.

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 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>.

6.2 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>

- 6.3 Assets Regeneration and Growth Committee, 8 September 2014, Barnet Development Pipeline
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=7885&Ver=4>
- 6.4 Policy and Resources Committee, 1 December 2016, Business Planning - Medium Term Financial Strategy 201720 and draft budget for 201718
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8731&Ver=4>
- 6.5 Full Council, 7 March 2017, Report of Policy and Resources Committee – Business Planning 2017 – 2020
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8819&Ver=4>

	<p>Assets, Regeneration and Growth Committee</p> <p>24 April 2017</p>
<p style="text-align: right;">Title</p>	<p>Out-of-Borough Acquisitions (Phase 2)</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>Yes</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix 1– Out-Of-Borough Acquisitions (Phase 2)Project Business Case</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Kate Laffan, Assistant Director, Housing Options, Barnet Homes. kate.laffan@barnethomes.org, 020 8359 4829</p>

<h2>Summary</h2>
<p>Against a backdrop of increasing housing demand and rising costs associated with providing temporary accommodation, this report sets out the business case for purchasing residential properties outside of London for use as temporary accommodation, to be let and managed by Barnet Homes.</p> <p>Due to the lack of affordable housing supply in the borough, the Council is already procuring properties for use as temporary accommodation outside London, and purchasing properties directly would provide a cheaper alternative as well as providing a capital asset that would be expected to increase in value.</p>

<h2>Recommendations</h2>
<p>1. That the Committee approve the business case for the acquisition of Out-of-Borough accommodation as outlined in Appendix A, subject to approval for the required capital expenditure from the Policy and Resources Committee on 16 May 2017 and that the Committee’s decision be reported for noting at the next Housing Committee.</p>

2. That the authorisation of purchases of individual properties for the Out-of-Borough acquisitions programme within the parameters of the business case is delegated to the Commissioning Director, Growth and Development in consultation.

1. WHY THIS REPORT IS NEEDED

- 1.1 Due to continuing high demand for housing and rising housing costs, the number of households in temporary accommodation has continued to increase and currently stands at 2,833.
- 1.2 The cost of providing temporary accommodation for homeless applicants in London currently stands at £3,400 per annum net for each new household placed in a 2 bedroomed property.
- 1.3 Along with other London Boroughs, the Council has sought to secure a supply of more affordable accommodation outside of London, and during 2015/16 233 households were placed outside of London by Barnet Homes.
- 1.4 Temporary accommodation sourced outside of London costs Barnet £1,900 for each household net and the purchase of properties directly by the Council provides a cheaper alternative, as well as providing an asset which is likely to increase in value.
- 1.5 On 11th July 2016, the Asset, Regeneration and Growth Committee approved the business case for the acquisition of Out of Borough properties. On 28th June 2016 the Policy and Resources Committee approved the General Fund capital expenditure of £5 million for the acquisition of the purchase of properties in the Bedfordshire area.
- 1.6 During Q3-4 2016/17, the Council acquired approximately 48 properties from the open market, including a total of 28 properties in the Bedfordshire area.
- 1.7 Building upon the successes of the initial tranche of acquisitions, Barnet Homes have carried out an assessment of the viability of purchasing additional homes directly on the private market, to be owned by the Council and let and managed by Barnet Homes and have developed a business case for proceeding with this as set out at Appendix 1.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Acquisition of additional properties outside of the borough will provide the opportunity to increase affordable housing supply relatively quickly at a lower long-term cost than other forms of temporary accommodation.

- 2.2 The on-going cost of the accommodation will be more predictable than that procured through third party providers and will serve to better control temporary accommodation cost inflation.
- 2.3 The accommodation will be used as temporary housing, and Barnet Homes will work with households to help them secure more settled accommodation in the longer term.
- 2.4 The Council would need to provide capital investment of approximately £159,000 for each property acquired, but the business model shows that this could be recouped over a 30 year period, during which time the value of the property would be expected to increase.
- 2.5 The initial proposal is for approximately 50 properties to be acquired in the Bedfordshire, Buckinghamshire, Northamptonshire and Cambridgeshire areas, which would require a capital investment of about £8m, and has the potential to deliver total revenue savings of approximately £160,000 over the first five years, and £550,000 over ten years.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Barnet Homes could continue to rely solely on the acquisition of properties outside London on licence from existing temporary accommodation providers. However, this would not deliver the expected benefits of reduced and stabilised costs and an asset increasing in value.

4. POST DECISION IMPLEMENTATION

- 4.1 Barnet Homes would seek to acquire approximately 50 two and three bedroom homes in the Bedfordshire, Buckinghamshire, Northamptonshire and Cambridgeshire areas that could be demonstrated to fit within the parameters of the business case, which would mean that they would cost less than £160,000 each (this is made up of an expected average purchase price of £142,000 plus delivery costs). These units would be expected to be acquired from Q1 2017/18.
- 4.2 Barnet Homes would provide a full management service for properties purchased and units would be used to provide long-term temporary accommodation, let at Local Housing Allowance rates.
- 4.3 The Council would monitor progress and expenditure of the project through the Development Pipeline Programme Board, which is sponsored by the Commissioning Director, Growth and Development.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 By reducing the cost of temporary accommodation, the acquisition of homes outside of London 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)

5.2.1 The project would be funded from the Council's General Fund (currently assumed to be borrowing, 70% of cost), and supported through the use of Right to Buy receipts (30% of cost). An initial capital budget of £8m would enable the programme to deliver approximately 50 units in the Bedfordshire/Buckinghamshire/Northamptonshire/Cambridgeshire areas. Approval will be sought from Policy and Resources Committee for this expenditure, as it involved an increase in the Capital Budget.

5.2.2 The table below indicates the potential overall financial position delivered by the scheme taking into account worst and best case scenarios¹

¹ Analysis of likely and worst case scenarios were tested against the cost of existing Temporary Accommodation options outside London, with the worst case assuming higher costs for voids, management/maintenance, inflation, refurbishment, and major works

Table 1 – revenue position of proposal vs. existing TA options

Below is a summary of the cumulative estimated position over 5, 10, 20 and 30 years:-

Existing TA Option – per unit	5 Years	10 Years	20 Years	30 Years
Income	£37,821	£81,859	£196,280	£357,683
Expenditure	£53,797	£114,502	£264,966	£467,139
Net Cost	£15,976	£32,643	£68,686	£109,456
Likely outcome – per unit				
Income	£30,974	£67,039	£160,745	£292,927
Expenditure	£43,739	£88,635	£183,794	£289,969
Net Cost	£12,766	£21,597	£23,049	-£2,957
Net benefit	£3,211	£11,047	£45,636	£112,414
Worst Case – per unit				
Income	£28,947	£61,230	£139,080	£238,735
Expenditure	£46,626	£92,239	£187,086	£291,086
Net Cost	£17,679	£31,008	£48,005	£52,351
Net benefit	-£1,702	£1,635	£20,680	£57,106

Table 2 – Capital position

Capital - Per unit	Best Case	Worst Case
Average Purchase Price	£140,174	£154,191
Refurbishment Costs and Fees	£23,669	£31,890
Total Cost	£163,843	£186,081
Asset value @	3% PA	2% PA
10 Years	£205,181	£184,041
20 Years	£275,746	£247,695
30 Years	£370,580	£301,938
Outstanding borrowing @ Yr. 30	£45,876	£52,103
Capital Benefit @ Yr. 30	£206,737	£115,857

5.2.4 Table 1 highlights that where Right to Buy receipts are used to fund purchases, each unit will deliver revenue savings against the cost of existing TA options from year 1. It should be noted however, the modelling assumes a quantity of leasehold acquisitions being delivered over the life of the programme, some of which may be delivered at a higher net revenue cost than indicated in Table 1. However, where freehold assets are acquired, these will likely be delivered at a lower revenue cost. Therefore, in order to afford greater flexibility it is proposed that the key financial driver for units

acquired is that the average overall revenue benefit for the scheme equates to an approximate £3k per unit over 30 years (see likely benefit of £2,957 in table 1)..

- 5.2.5 To provide a consistent approach, both the purchasing scheme and existing temporary accommodation options have been modelled using rents set at 100% of the April 2017 Local Housing Allowance rate, ie the basis on which Housing Subsidy is calculated.

5.3 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 Section 120 of the Local Government Act 1972 provides that a principal council can acquire land (whether situated in or outside their area) by agreement for the purposes of any of their functions or the benefit, improvement or development of their area. The decision must be made taking into account all relevant considerations including the price to be paid.

- 5.4.2 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”

- 5.4.3 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”.

- 5.4.4 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:

- There is a risk that there will be an insufficient volume of units available for purchase at the projected average purchase price of £140k (best case). To mitigate against this risk, a wide range of areas are being targeted and inflationary increases throughout the year have been factored in to the proposed average purchase price. Where there are no properties available for purchase that meet the modelled conditions, no additional units will be acquired.
- There is a risk that the assumptions made are not realised and that the programme would fail to deliver the projected revenue savings over the life of the scheme. To mitigate against this risk there are a number of options the Council has, including stock disposal and alternative lettings route.
- There is a risk that the programme will attract negative publicity. To help mitigate this risk, Barnet Homes will expand its existing communications strategy and engage with the host borough to inform them of the acquisitions programme.
- Properties acquired out-of-borough 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 properties acquired through the programme will have longer void times due to customers refusing to move to these areas. To help mitigate against this risk, 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.

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 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 and reported to senior council officers 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 Local Authorities, 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 (30%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 2,833 at the end of January 2017).
- 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.

6.0 BACKGROUND PAPERS

6.1 None



Out-Of-Borough (GF) Acquisitions Project

Phase 2

Business Case

**Outline Business Case (OBC):
Out-Of-Borough Acquisitions Project (Phase 2)**

Author:	<i>Nick Lowther</i>
Date:	<i>13 February 2017</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.....	9
6. Risks.....	9
7. Financial Appraisal	9
8. Project Approach	10
9. Project Assurance.....	10
10. Dependencies.....	12
11. Approach to Consultation	12
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

With a lack of housing supply, high private sector rent levels and the impact of welfare reforms, the last few years have been testing for all Local Authorities. Local Authorities have seen increased level of demand in terms of homeless applications and numbers in temporary accommodation which has placed pressure on already 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 50% 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 (30%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 2,833 at the end of January 2017)
- Barnet has the 6th highest number of households in temporary accommodation in the country
- Almost 75% of all the households in temporary accommodation in England are placed by North, East and West 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 – and the business case for this programme was approved on 11 July 2016. With the first tranche of purchases successfully completed in Q3 and Q4, this proposal seeks to extend the programme, targeting a larger volume of purchases in affordable areas on the M1/A1 corridors.

2. Rationale

Building upon the success of the first tranche of out-of-London acquisitions, the opportunity to acquire additional properties in more affordable areas has 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 further 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 approximately 50 properties purchased from Q1 2017/18 onwards based on an assumption of a purchase price of between £85k and £200k per unit. There are further allowances for 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.	November 2016
Presentation of recommendations	Presentation of options, and preferred approach to the London Borough of Barnet Council	March 2017
Approval	Approval (budget and approach)	April 2017
Implementation	Procurement of properties in accordance to the preferred approach	Q1 2017/18

Deliverable	Details	Timeframe
	Development and implementation of processes (i.e. repairs and maintenance arrangements etc.)	
Review	Review & benefits realisation	On-going

4. Options

Our learning and insight gained through the delivery of a successful in-London and out-of-London acquisitions programme in Q3 2016/17 has proven invaluable and has helped formulate future scheme planning. Whilst the market in areas closer to London continues to be buoyant our experience to date has evidenced that there is a supply of units to be acquired in areas further afield and where necessary refurbished within the price per unit envisaged.¹

In developing the business case, other 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. Should inflationary increases in the cost of delivering alternative temporary accommodation options worsen, then this will further increase the pressure on the Council's General Fund. It is therefore the least favourable option.

2. Acquiring private sector properties outside London for use as temporary accommodation

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.

Barnet Homes would provide a full management service for properties purchased and units would be used to provide long-term temporary accommodation, let at the relevant temporary accommodation subsidy rate to ensure a consistent approach across the temporary accommodation portfolio.

A budget of up to £8m was assumed with approximately one third of the purchases to be funded by Right to Buy receipts.

¹ Including legal and other professional fees.

Key benefits

There are several key benefits realised through this model:

- Delivers at a net surplus of £3k 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 unspent Right to Buy receipts, which reduces the borrowing requirement by 30% and meets the Council's target timeframe for committing receipts
- A capital asset would be 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
- A lower average purchase price would result in a lower Stamp Duty Land Tax liability compared to units purchased in less affordable areas
- 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 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)
- Units acquired would be delivered at a higher management cost. This is reflected in the modelling with a higher per unit management cost factored in

Suggested approach

The proposal is for the acquisition of units in areas outside London and to utilise them as temporary accommodation. This option has a number of benefits, not least the ability deliver revenue benefits against alternative temporary accommodation options and thus providing greater opportunity to reduce General Fund costs.

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 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	Milton Keynes	Peterborough	Northampton
Median Purchase Price	438,974	224,995	126,998	150,000
No of properties on the market ²	229	319	348	229

² Number of properties listed for sale as at 12 December 2016 (Source: www.home.co.uk)

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

Barnet Homes currently holds over 170 units of temporary accommodation outside London and has a management presence in the proposed target procurement areas. A table outlining where Barnet currently places households in temporary accommodation is given below.

	Number of units	Distance from Barnet	Travelling Time
Bedfordshire	66	28 miles	66 minutes
Hertfordshire	36	21 miles	80 minutes
East Essex	24	47 miles	120 minutes
Essex	12	31 miles	136 minutes
Sussex	10	81 miles	156 minutes
Kent	7	87 miles	161 minutes
Manchester	3	194 miles	178 minutes
Berkshire	2	26 miles	83 minutes
Buckinghamshire	2	49 miles	85 minutes
Dorset	2	126 miles	174 minutes
Oxfordshire	2	75 miles	165 minutes
Suffolk	2	81 miles	131 minutes
Surrey	2	56 miles	122 minutes
Total/Weighted Average	170	41 miles	97 minutes

However, there would be increased management costs if any acquisitions programme did not limit itself to a few locations. This is factored into the proposed acquisitions programme.

It is recommended that purchases are made for properties focusing on the Bedfordshire, Buckinghamshire, Cambridgeshire and Northamptonshire areas. These areas are broadly within the average travelling time of our existing temporary accommodation stock and a broad procurement area will also serve to help minimise the impact of the programme on private market inflation; if acquisitions were targeted in one area this could, as our experience has indicated, drive property price inflation in local markets.

There are 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 rents³ in Northants (£105.94 per week) and Peterborough (£115.38 per week) significantly over £100 per week lower than rents in Barnet (£255.34 per week) for a two bedroomed property.
- Properties can be purchased in affordable areas such as Bedfordshire, Buckinghamshire, Cambridgeshire and Northamptonshire 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 April 2014 Barnet Homes has placed 680 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 and the Temporary Accommodation Placements Policy, approved by Housing Committee on 27 June 2016. New out of London acquisitions that could be offered as affordable private sector 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.

True capacity of the programme: A significant consideration when planning an up-scaled programme of acquisitions is an understanding of the quantity of households to whom future acquisitions could be offered and let to. A good gauge of this is Barnet Homes' current performance in making successful out-of-London placements; in the first two quarters of 2016/17, approximately 16% of temporary accommodation placements were in locations outside London. Whilst this figure is also impacted by available supply, it is a good indication of the potential volume of placements. Therefore, with around 900 new temporary accommodation admissions expected annually over the coming two years, it is reasonable to assume that between 140 and 180 households per year could be successfully nominated to out-of-London properties acquired through the programme. In addition to this, there are other sources of demand for future acquisitions, including households impacted by the overall benefit cap and other households seeking affordable accommodation outside London.

Overall demand for out-of-London acquisitions in 2017/18 is in the region of 430 households. A table summarising this prospective demand and therefore maximum capacity for out-of-London supply is given below.

	Number of households
New Demand approaching 2017/18	180
Existing temporary accommodation stock	170
Households seeking accommodation outside London (Ben Cap) ⁴	60
Other households seeking accommodation outside London	20
Total	430

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, and offers of accommodation outside London would be suitable for some of these households. The proposed programme would certainly offer this group a housing solution that is not currently available.

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

⁴ This number is expected to significantly increase following the provision of updated information in January 2017

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:

- Assured shorthold or non-secure tenancy offered
- Rents charged at the relevant Local Housing Allowance level
- 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. A budget of £8m would see the programme deliver approximately 50 units in the Bedfordshire, Buckinghamshire, Northamptonshire and Cambridgeshire areas.

The tables below indicate the potential overall financial position delivered by the scheme taking into account likely and worst case scenarios, using average projected rents and purchase prices.⁵

Table 1 – revenue position vs. existing TA options

Existing TA Option – per unit				
	5 Years	10 Years	20 Years	30 Years
Income	£37,821	£81,859	£196,280	£357,683
Expenditure	£53,797	£114,502	£264,966	£467,139
Net Cost	£15,976	£32,643	£68,686	£109,456
Likely outcome – per unit				
Income	£30,974	£67,039	£160,745	£292,927
Expenditure	£43,739	£88,635	£183,794	£289,969
Net Cost	£12,766	£21,597	£23,049	-£2,957
Net benefit	£3,211	£11,047	£45,636	£112,414
Worst Case – per unit				
Income	£28,947	£61,230	£139,080	£238,735
Expenditure	£46,626	£92,239	£187,086	£291,086
Net Cost	£17,679	£31,008	£48,005	£52,351
Net benefit	-£1,702	£1,635	£20,680	£57,106

⁵ Analysis of likely and worst 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

Table 2 – Capital position per unit

Capital - Per unit	Best Case	Worst Case
Average Purchase Price	£140,174	£154,191
Refurbishment Costs and Fees	£23,669	£31,890
Total Cost	£163,843	£186,081
Asset value @	3% PA	2% PA
10 Years	£205,181	£203,196
20 Years	£275,746	£247,695
30 Years	£370,580	£301,938
Outstanding borrowing @ Yr. 30	£65,537	£74,433
Capital Benefit @ Yr. 30	£206,737	£115,857

Table 1 highlights that where Right to Buy receipts are used to fund purchases, each unit will deliver revenue savings against the cost of existing TA options from year 1. It should be noted however, the modelling assumes a quantity of leasehold acquisitions being delivered over the life of the programme, some of which may be delivered at a higher net revenue cost than indicated in Table 1. However, where freehold assets are acquired, these will likely be delivered at a lower revenue cost. Therefore, in order to afford greater flexibility it is proposed that the key financial driver for units acquired is that the average overall revenue benefit for the scheme equates to an approximate £3k per unit.

To provide a consistent approach, 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

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)	Representing Barnet Homes interests
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)
	Nick Lowther (Service Manager, Housing Supply)	Representing Housing Options (housing supply)
	Thomas Carroll (Major Works Project Manager)	Representing Property Services
Project	Nick Lowther (Service Manager,	Lead on the bidding and acquisition of

Role	Name & Position	Comments
Team	Housing Supply)	properties
	Thomas Carroll (Major Works Project Manager)	Inform on investment levels needed to bring the homes acquired up to an agreed standard and maintained 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 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

Deliverable Product	Quality Criteria	Author	Reviewers	Acceptor
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.
- That there may be some resourcing implications for management of stock further 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 £3.9m over a 30 year period	From Q1 2017/18	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	Approximately 50 units	by 18/19	Paul Shipway	Performance monitoring	

Appendix B – Financial Model

1. Individual unit Income and Expenditure sheet (Averages, under best case/likely scenario)

	Year 1	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Income							
1 Rent	6,254	6,699	7,956	9,449	11,223	13,329	15,831
2 Void Loss	188	201	239	283	337	400	475
Total Income	6,066	6,498	7,718	9,166	10,886	12,930	15,356
Expenditure							
3 Routine Maintenance	800	900	1,044	1,210	1,403	1,626	1,885
4 Management Cost	450	506	587	681	789	915	1,060
5 Service Charge & Ground Rent	400	450	522	605	701	813	943
6 Major Works	1,402	1,578	1,829	2,120	2,458	2,849	3,303
7 Bad Debt Provision	182	195	232	275	327	388	461
8 Interest	3,154	2,902	2,586	2,271	1,955	1,640	1,325
9 Minimum Revenue Provision	2,294	2,294	2,294	2,294	2,294	2,294	2,294
Total Expenditure	8,682	8,825	9,093	9,456	9,927	10,525	11,271
Charge/Credit to General Fund	2,616	2,327	1,376	290	-959	-2,404	-4,085
Closing Balance	2,616	12,766	21,597	25,277	23,049	14,004	-2,957
11 Purchase price	140,174						
12 Stock investment	23,669						
13 RTB Re-investment	49,153						
14 Borrowing Required	114,690						
13 Loan Amount	114,690						

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	3.00%	3.60%
Major Works	1.00%	1.00%
Service charge and ground rent	£400 ⁶ per annum (average)	£810 per annum (average)
Refurbishment costs	£12,500	£20,000
Borrowing rate	2.75%	3.00%
Minimum Revenue Provision	2.00%	2.00%

⁶ Average figure based upon mix of freehold and leasehold properties procured through the programme

Appendix C: 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	Feb 17	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	Feb 17	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	Feb 17	Low	Medium		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 there will be an insufficient volume of units available for purchase that deliver the required revenue benefits	NL	Feb 17	Low	High		The proposed target areas have been broadened to help minimise any potential impact the programme will have on local market inflation. Where there are no properties available for purchase that meet the modelled average revenue outcome across the whole scheme, no additional	Delivery of new acquisitions may not be met, if unable to purchase properties at the right price.

Ref	Risk type	Risk description	Risk Owner	Date raised	Initial assessment		Control actions	Consequences/ potential impact
							units will be acquired.	
005	Reputation	There is a risk that customers will refuse to accept properties in out-of-borough locations	NL	Feb 17	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	Feb 17	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	Feb 17	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	Feb 17	High	Medium	Extend arrangements established as part of the initial phase of the purchasing programme 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
Business Case (incorporating options analysis)	Complete research & analysis and identify options for:			
	• Property Location (out-of-borough)	DB	Nov 16	Complete
	• Property Type	NL	Nov 16	Complete
	• Property Size	DB/NL	Nov 16	Complete
	• Property Tenure	DB	Nov 16	Complete
	• Property Condition	TC/DB	Nov 16	Complete
	• Procurement Strategy	NL/DB	Nov 16	Complete
	Identify and document each available option	NL/KL	Dec 16	Complete
	Complete initial financial modelling	NL	Dec 16	Complete
	Identify, monitor and manage risks	KL	Dec 16	Ongoing
	Prepare an outline business case for review by LBB	KL	Dec 16	Complete
	Develop options for managing out-of-borough properties	KL	Feb 17	Not Due
	Prepare final business case	KL	Feb 17	Not Due
	Reviewed by DPPB	PS	Mar 17	Not Due
Business case signed off by Commissioner	CS	Mar 17	Not Due	
Presentation of recommendations to the Council	Draft Report	KL/PS	Mar 17	In progress
	Council make decision whether to approve programme	PS	Apr 17	Not Due
Implementation	Commence acquisition programme	DB	From Q1 2017/18	Not Due
	Complete first tranche of purchases	DB	Q2 2017/18	Not Due
Review	Qtly review of programme incorporating lessons learned.	KL	Ongoing	Not Due

Document Control

File path	
Reference	
Version	1.4
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Status	Draft

Document History

Date	Version	Reason for change	Changes made by
09/12/16	1.0	Document creation	Nick Lowther
14/12/16	1.1	Revisions following comments	Nick Lowther
22/12/16	1.2	Revisions following comments	Nick Lowther
13/02/17	1.3	Revised to incorporate reduced budget	Nick Lowther
28/03/17	1.4	Further revisions following comment	Nick Lowther

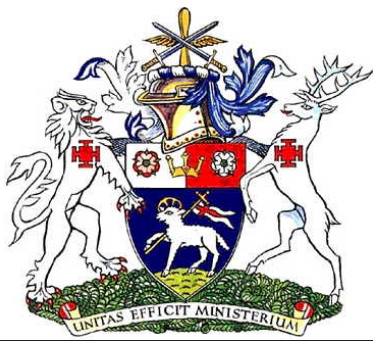
Distribution List:

Name	Role	Date
Derek Rust	Deputy Chief Executive Officer	
Elliott Sweetman	Director, Operations	
Paul Shipway	Strategic Housing Lead LBB	
Nick Lowther	Service Manager, Housing Supply	
Thomas Carroll	Major Works Programme Manager	
Russell Buchanan	Project & Contract Management Officer	

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	Deputy Chief Executive Officer			
Paul Shipway	Strategic Housing Lead			
Kate Laffan	Assistant Director, Operations			



Assets, Regeneration and Growth Committee

Mon 24th April 2017

Title	Authorisation to appropriate vacant ex-caretaker's property (3 Gunter Grove, HA8 0HB) from the General Fund to the Council's Housing Revenue Account
Report of	Commissioning Director, Growth and Development
Ward	Burnt Oak
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A: 3 Gunter Grove site plan
Officer Contact Details	<p>Charles Kornbluth Graduate Estates Surveyor 0208 359 2216 charles.kornbluth@barnet.gov.uk</p> <p>Iliana Koutsou Client Lead – Capital Works 0208 359 5494 iliana.koutsou@barnet.gov.uk</p>

Summary

The report seeks approval for the appropriation of the property at 3 Gunter Grove HA8 0HB as identified and edged red in Appendix A from Education use (vacant) to housing use. Thereafter, the property is to be held in the Housing Revenue Account (HRA) (Non General Fund). The property is currently a vacant ex-caretaker's property and appropriation will enable the property to meet housing need through Barnet Homes.

Recommendations

- 1. That the Committee resolve that land, comprising 3 Gunter Grove HA8 0HB is suitable for appropriation as no longer required for the purpose for which it was originally held.**
- 2. That the Committee approve the decision to appropriate the land and premises comprising 3 Gunter Grove HA8 0HB as set out in Appendix A for housing use subject to obtaining any necessary statutory consents to appropriate.**
- 3. That the committee approve the decision for the transfer of the property into Housing Revenue account from the General Fund and thereafter continue to be held in the Council's Housing Revenue Account..**
- 4. That the Committee delegates authority to the Commissioning Director, Growth & Development, to take all necessary steps to obtain the statutory consents to appropriate and thereafter to appropriate for housing use and to take all steps necessary to enable the property to be held in the Housing Revenue Account.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The report is needed because the transfer from the General Fund to the Council's Housing Revenue Account of the land and premises comprising 3 Gunter Grove HA8 0HB, will enable the property to be used as permanent social housing. Barnet Homes will manage the property to meet social housing need. The school with which the caretaker's property is associated (Goldbeaters) has been consulted and it is deemed that the caretaker's house is surplus to requirements.

2. REASONS FOR RECOMMENDATIONS

- 2.1 To enable the property to be used for housing, it must be appropriated from the General Fund to the Housing Revenue Account. Goldbeaters School no longer wish to use the caretaker's house for a caretaker. As such, it is surplus to requirements. The Council has a duty to ensure best use of its assets and it is considered suitable to be used for housing needs.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 If appropriation does not take place, the property would continue to remain vacant and fall into disrepair, which is not a good use of the asset. This property is not being disposed of as it can meet social housing need.

4. POST DECISION IMPLEMENTATION

- 4.1 The Council will apply for Secretary of State consent to appropriate the property.
- 4.2 Once Secretary of State consent has been obtained, the Council will alter its Asset Register to move the properties to the Housing Revenue Account.
- 4.3 The property will be passed to Barnet Homes to manage, as social housing stock.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Technical Appendix of the Council's Corporate Plan 2015-2020 states that one of the priorities of the Assets, Regeneration and Growth Committee is to provide 'new and replacement housing for residents'.

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

- 5.2.1 When land and property is appropriated between the HRA (Non General Fund) and the General Fund, adjustments are required to reflect the change in the HRA capital financing requirement. The adjustments are at certified value, determined by the District Valuer or a qualified Valuer employed by the Council. In this case, the value of the property has been determined at £330,000 (valuation date 17 February 2017).
- 5.2.2 The adjustment required will result in an increase in the HRA debt and a corresponding decrease in the General Fund debt. There will also be a reduction in the HRA headroom. In this case, the HRA debt will increase by £330,000, whilst the General Fund debt will decrease by a corresponding amount.
- 5.2.3. The adjustment to debt would be made with effect from the date of Secretary of State approval.

6. Legal and Constitutional References

- 6.1.1 The Council has power under S122 of The Local Government Act 1972 to appropriate land from one statutory purpose to another where:
 - (i) The land is no longer required for the purpose for which it is currently held: and
 - (ii) The purpose for which the land is to be appropriated is one for which the authority is empowered to acquire land by agreement. The land meets the requirements and is now no longer needed for planning purposes.
- 6.1.2 It is confirmed that the Council has carried out an internal consultation with the respective school departments regarding the use and requirement of the land shown on the attached plan as Housing land, highways and amenity land benefitting the Estate and has decided that the land is no longer required for these purposes

- 6.1.3 In accordance with the 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”.
- 6.1.4 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 1, Table A sets out the authorisation thresholds and requires the disposal of an asset.
- 6.1.5 S122 of the Local Government Act 1972 sets out the statutory criteria to appropriate land for another purpose. It states a Council may appropriate land for any purpose which is no longer required for the purpose for which it is held.
- 6.1.6 The Academies Act 2010 confirms that land used wholly or mainly for the purposes of a school can only be appropriated or disposed of by a local authority with consent of the secretary of state (paragraph 6, Schedule 1). If consent is not obtained, the secretary of state may compulsorily purchase the land.
- 6.1.7 This property has been used to house a caretaker to a school in the last 8 years so is treated as educational land under this act as a result of paragraph 22(1), schedule 1) so will require secretary of state consent before the appropriation can occur.

7. Risk Management

- 7.1 This paper deals with Assets Regeneration and Growth Committee giving authority for a decision to appropriate the land from caretaker use to housing use and to reflect that decision by an internal Council process to transfer the asset from the General Fund to the Housing Revenue account. There is no risk in that process as it is not controversial to the public and completes the process which commenced with the Cabinet Resource Committee decision of the 24th June 2013 and the accountancy aspect will be dealt with by the Council’s staff as an administrative process.

8. Equalities and Diversity

Making use of this vacant property for social housing will have a positive impact on Equalities, as this will meet housing need for individuals on the housing waiting list.

9. Consultation and Engagement

None relevant to this administrative process that is to be carried out by Council staff. The ex-caretakers home was associated with Goldbeaters school, which is no longer required by the school for caretaker housing. The school has been informed of this process and are in favour of the recommendation outlined in the report.

10. Insight

The Council has reviewed its stock and status of its caretakers' homes, which has resulted in this report.

11. BACKGROUND PAPERS

None

Appendix A:

3 Gunter Grove site plan



	<p>Assets, Regeneration and Growth Committee</p> <p>24th April 2017</p>
<p style="text-align: right;">Title</p>	<p>Sale of the freehold interest in the land at Tenderden Grove / Mills Grove, Hendon, NW4</p>
<p style="text-align: right;">Report of</p>	<p>Director of Resources</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>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<p>Site Plan – 24604/1</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Judith Ellis Associate Director Strategic Property Customer and Support Group (CSG) Tel: 0208359 7364</p> <p>Abid Arai Development Programme Director (Re) Abid.Arai@barnet.gov.uk 0208359 4980</p>

Summary

This report seeks an in principle decision to the conditional sale of the Council’s freehold interest in the land at Tenderden Grove shown edged with a thick line on the site plan attached (“the Property”) to Metropolitan Housing Trust (MHT), who currently hold the land from the Council under a lease with 53 years unexpired. The site was developed by the lessee in the 1970’s for Social Rented Housing and now requires investment. In order to maximise the potential of the site and provide a new mixed housing scheme including extra care accommodation, negotiations with Metropolitan Housing Trust have identified an opportunity for the Council to sell its reversionary freehold interest which will provide Metropolitan Housing Trust with an interest to secure funding and undertake a comprehensive redevelopment of the site delivering a capital receipt to the Council, subject to planning, estimated between £3.5 to £4.5m. Existing residents will be re-housed in the new development, with the Council having access to future nomination rights on all affordable units.

Recommendations

- 1. That Committee agrees to the disposal of the Property, subject to planning.**
- 2. That Committee delegates authority to the Director of Resources following approval of this report, and prior to exchange of contracts to appoint an independent valuer to confirm the proposed sale price subject to planning.**
- 3. That Committee delegates authority to the Director of Resources in consultation with the Chairman of the Assets, Regeneration and Growth Committee to negotiate and approve the final disposal terms of the Property following the grant of planning consent. This will be conditional upon validation via an independent valuer ensuring compliance with the Council's obligations to achieve best consideration under section 123 of the Local Government Act 1972 and obtaining any necessary statutory consents.**
- 4. That the Committee notes that the new development will include as a minimum the replacement of existing social rented units, and that MHT's intention is that residents of the existing estate are rehoused in the new development.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council own the freehold interest in approximately 2 hectares of land at Tenterden Grove/Mills Grove, Hendon NW4 ("the Property") The Freehold is subject to a lease to Metropolitan Housing Trust dated November 1970 for a term of 99 years at a rent of £1000 pa. This lease has less than 53 years remaining, rendering the Property un-mortgageable for Shared Ownership or Private Sale.
- 1.2 The Property is in a prime residential area and consists of 102 homes, across 6 x 3 storey blocks of flats, bedsits and 1 & 2 bedroom flats and traditional 2 storey 3 & 4 bedroom houses. A former caretaker's house, known as Westhorpe Cottage is located at the entrance to Westhorpe Gardens off Tenterden Grove. The cottage is significantly older than the existing properties on the Estate. There is forecourt parking, 93 garages and undercroft parking to the flats.
- 1.3 As a result of the short unexpired term of the lease and the need for investment in the existing units the opportunity to redevelop the whole site and provide new units with better utilisation of the land has been considered. Following a review of the options detailed in paragraph 2 and 3 below, the sale of the Council's freehold interest in the Property is recommended for an estimated capital receipt between £3.5 to £4.5m. In addition to this receipt MHT will build, manage and maintain up to 77 extra care units of which 35 will be affordable with Council nomination rights over these & other affordable units. The construction of the extra care units is to be delivered in advance of Market sale units, subject to an agreed decanting strategy.

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 1970s the Property suffers from a number of issues such as heat loss and condensation to homes. This opportunity maximises the asset value for both LBB and MHT and delivers a diversification of home ownership and high quality older persons housing.
- 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 recommendation in this report enables the Council to continue discussions with MHT to achieve a capital receipt and more comprehensive redevelopment of the site for a mixed residential development scheme incorporating affordable housing and extra care accommodation on which the Council will hold nomination rights. It is MHT's intention to replace existing social units, and to re-house tenants of the existing estate in the new development.

Redevelopment

The comprehensive redevelopment of the Property has been explored under various scenarios;

- Joint Venture
- Sale of part of the Property to MHT, Council retains part of the Estate.
- Sale of the Property to Metropolitan

After a thorough review of all options, the sale of the Property to MHT has been determined as the most mutually beneficial to both parties; the sale will provide the Council with a capital receipt and enable MHT to redevelop the Property, maximising its development potential, creating a supply of new affordable homes, offering properties for intermediate sale and market sale

and homes to meet the needs of older persons requiring extra care accommodation.

The sale price will be based upon the re-provision of 102 existing Social Rent dwellings, In addition the provision of between 118 to 155 new dwellings of Rented, Shared Ownership and Private Sale Tenures subject to Planning is proposed- within this there will be up-to an additional 77 extra care units.

Figure 1: Proposed schedule of accommodation, assuming 155 new dwellings

Tenure	1B2P	2B3P	2B4P	3B5P	4B6P	Total
Social Rent	52	24	26	0	0	102 (40%)
London Affordable Rent	13	4	4	1	0	22 (9%)
London Shared Ownership	6	1	2	0	0	9 (4%)
Market Sale	11	5	14	14	3	47 (18%)
Affordable Rent (Extra Care)	35	0	0	0	0	35 (14%)
Market Sale (Extra Care)	27	9	6	0	0	42 (16%)
Total	144	43	52	15	3	257

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 A range of options have been considered;

1) **Do nothing-** The council would continue to receive £1000 pa for the remainder of the term at which stage the site with the tenants would revert to the council or be decanted to alternative accommodation. This would not allow better utilisation of the site or generate a receipt.

2) **Infill development and refurbishment to provide 13 new homes**

Metropolitan acquire the freehold interest in the Property from Barnet Council.

Improvements to existing properties, parking and public realm to include;

Creation of a dedicated play area, Improvement of communal external areas and provision of more private external areas, Creation of allotments, demolish garages to provide hard standing parking bays.

This option was discounted as a result of viability challenges with purchasing the freehold, infill development and significant levels of investment to upgrade existing properties, undercroft parking and public realm which would not provide a financially viable opportunity.

4. POST DECISION IMPLEMENTATION

- 4.1 Exchange Contract: May 2017
Procurement: May - July 2017
Resident engagement strategy: May - Dec 2017
Planning application preparation: May - Dec 2017
Planning decision: April 2018
Completion of contracts: June 2018

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

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.

5.1.1 The 2017-2018 Addendum to the 2015-2020 Adults and Safeguarding Commissioning Plan includes the following commissioning priorities:

- Developing best practice social care, focused on what people can do and how they can help themselves.
- Diversifying Barnet’s accommodation offer to help more people live independently.
- Transforming day care provision to ensure that people remain active and engaged through access to employment and volunteering.
- Integrating health and social care services to prevent crises and help individuals stay well and in their own homes.
- Improving the borough’s leisure facilities to support and encourage active and healthy lifestyle.

The expansion of extra care provision in partnership with Metropolitan Housing supports delivery of these priorities. It also supports the priorities of the Joint Health and Wellbeing Strategy (2015 – 2020) and the strategy’s

themes of wellbeing in the community and care when needed. The expansion of extra care contributes to meeting the commitments of the Dementia Manifesto for Barnet, supporting people with dementia to live a full and active life, and enabling them to live at home for longer.

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 approval of the sale of the Council's interest in the Property provides the council with a capital receipt based on the development value of the land. That is currently estimated at between £3.5m and £4.5m, and would be available to support the Council's Capital Programme. The sale price will be assessed following the grant of planning consent and will be independently verified to ensure compliance with the Council's obligations to achieve best value under Section 123 of the Local Government Finance Act 1972. The receipt is currently expected during 2018/19.

5.2.2 Each party will bear their own surveyor and legal costs.

5.2.3 The Council will have nomination rights across all affordable units including the Extra Care Affordable Rent units within the scheme in perpetuity. These Extra care units and additional services will be provided by Metropolitan Housing. A pricing schedule for the provision of care services will be agreed between the Council and Metropolitan Housing every three years.

5.2.4 The revenue savings for the Council, through the replacement of residential placements with extra care placements, have been estimated by finding the cost difference between the minimum unit price for residential care for older adults (as provided in the table below) and the average weekly cost of extra care for adults with dementia¹, indicating a weekly saving of £308 per week.

5.2.5 The Adults and Communities service have two MTFs savings targets in this area - £465k in 2018/19 and a further £760k in 2019/20. The proposal in this

¹ SWIFT Data Analysis - Adults category strategy workshop may 2015 CAPITA

report is anticipated to create around 35 units of affordable extra care during 2018/19, which would produce savings estimated at £560k p.a.: these savings would contribute to the MTFS targets.

5.3 Legal and Constitutional References

- 5.3.1 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 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.
- 5.3.2 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.
- 5.3.3 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.

5.4 Risk Management

- 5.4.1 There is a risk that planning consent will not be granted for the scale of development proposed which will impact on the capital receipt and the number of units built. The negotiated financial transaction provides for adjustment to reflect any differences resulting in a less favourable planning consent being granted.
- 5.4.2 The sale is conditional, therefore should planning not be granted, the Council is minded not to dispose of its Freehold and will review alternative options with Metropolitan Housing Trust.

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 re-provision of additional high quality housing in the Borough will assist first time buyers, many of whom are currently priced out of the market. In addition, much needed affordable rented housing and Extra care units will also be provided, as well as promotion of further construction jobs in the borough.
- 5.5.4 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.

5.6 Consultation and Engagement

- 5.6.1 Metropolitan will ensure Residents, the Local Community and Stakeholder are fully engaged throughout the development of the planning application and beyond, adopting the approach set out in the Mayor's Good Practice Guide for Estate Regeneration.

Consultation will be conducted in various forms and tailored to the needs of the Residents.

- Consultation Events on location
- Door to Door visits
- Visits by Appointment
- Newsletter Updates
- Dedicated Website for Comments

It is proposed the Residents will have input into the selection of the Architect appointed to secure planning permission for the redevelopment. A Resident

Representative(s) will be selected to assist with the design process, subject to certain design criteria, specification and cost management.

The phasing and decanting of the redevelopment will be key and the involvement and support of Residents and the Council will be paramount to making the project a success.

Housing Needs Assessments will be carried out for all residents to ensure decant properties meet their current and future needs.

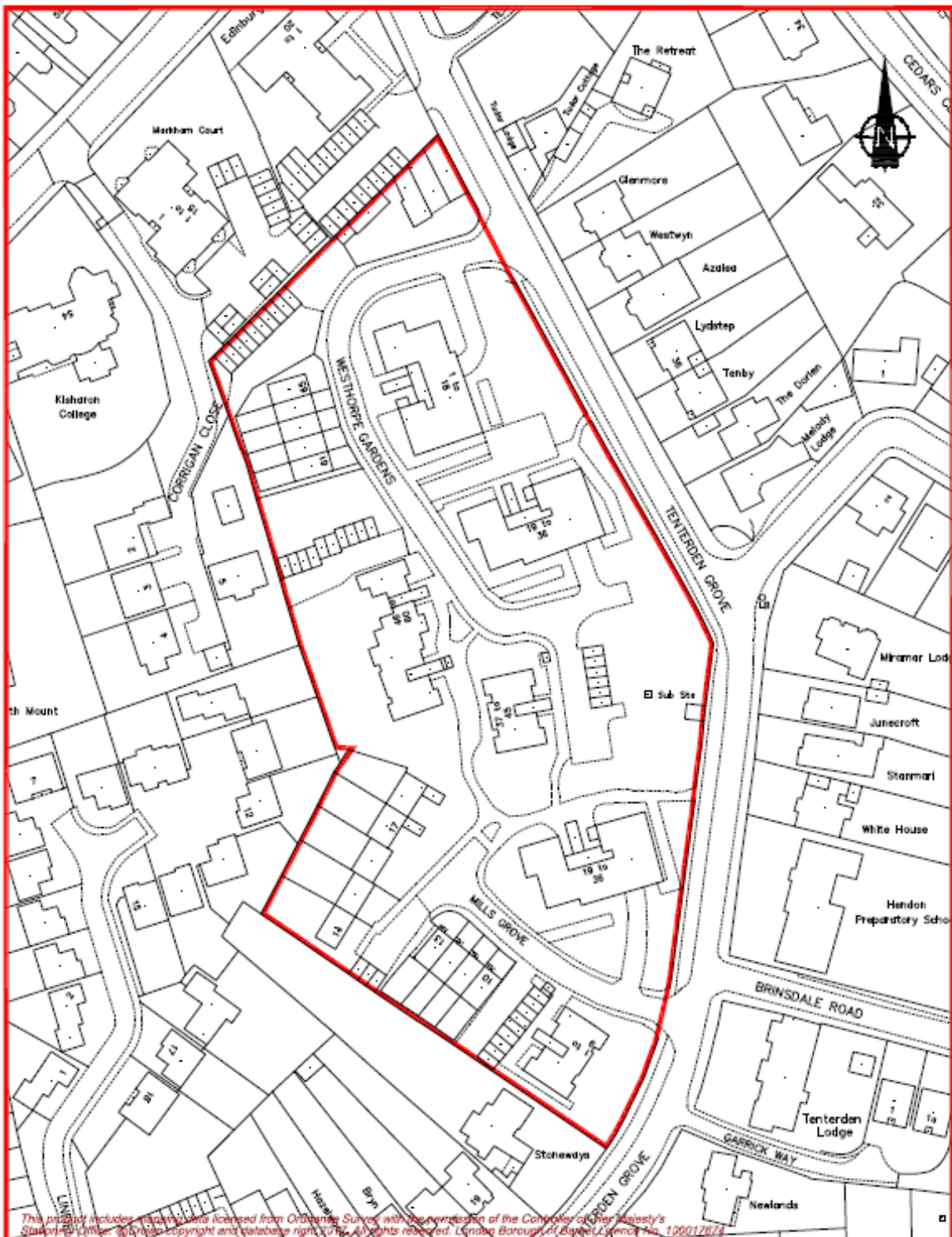
A right to return will be offered to all existing tenants.

6. BACKGROUND PAPERS

- 6.1 Extension of Extra Care Services, Adults and Safeguarding Committee, 10 November 2016, item 9:

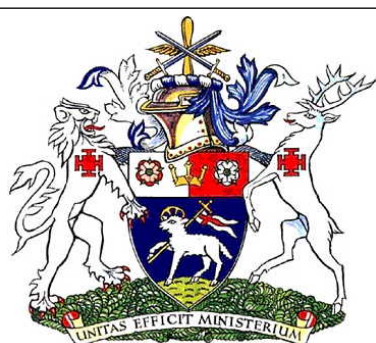
<http://barnet.moderngov.co.uk/documents/s35905/Extension%20of%20Extra%20Care%20Services.pdf>

Site Plan



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Initiated by	SCHEME: LAND AT TENTERDEN GROVE, HENDON, LONDON, NW4	Steve Duneveln, Director of Estates.	
Drawn by K.E.B.	TITLE: LAND LET ON LEASE	London Borough of Barnet, Barnet House, 1255 High Road, Whetstone, London, N20 0EJ Tel. 020 8359 2000	
Checked by			DRAWING No.
Date 01/02/17	Scales 1:1250		24604/1



Assets, Regeneration and Growth Committee

24 April 2017

Title	Town Centres Expenditure - Burnt Oak and Spacehive Crowdfunding Scheme
Report of	Commissioning Director, Growth and Development
Wards	All & Burnt Oak
Status	Public
Urgent	Yes
Key	No
Enclosures	Appendix A: Proposed crowdfunding criteria (attached to bottom of report)
Officer Contact Details	<p>Shelleyna Rahman, Town Centres and High Street Investment Manager shelleyna.rahman@Barnet.gov.uk 020 8359 4984</p> <p>Jamie Robinson, Innovation Lab Manager jamie.robinson@barnet.gov.uk 07921 293 884</p>

Summary

There are two Town Centres items which require approval as summarised below:

Burnt Oak Town Centre Project

The Burnt Oak High Street Fund project was originally approved by the Assets, Regeneration and Growth Committee in September 2015. Following a procurement and tendering exercise, the value of works is higher than expected, and in order to achieve the ambitions of the project and ensure the requirements of the GLA match are met, an additional spend of £59,598 is required in order to provide a railway mural and to cover additional costs for delivering the works.

This report seeks the approval of the additional spend from the Town Centres capital programme in order to facilitate the works in Burnt Oak.

Barnet Crowdfunding initiative via Spacehive

Spacehive is a civic crowdfunding platform that communities use to pitch ideas to the public, or ‘crowd’, and to raise money towards projects that benefit or improve their local area. Spacehive has been set up as a grassroots initiative to be led by communities and largely funded by them. This report seeks to request authorisation for the spend of these two identified funds, as well as to agree criteria for assessing projects that are proposed on Spacehive, within which officers will have the delegated authority to agree to contribute funding to projects, in order to increase the speed of responsiveness to community proposals.

Recommendations

That the Assets, Regeneration and Growth Committee:

- 1. Approves the additional spend of £59,598 from the Town Centres Capital Budget for the Burnt Oak Town Centres Project, to deliver physical environment interventions as identified in the Burnt Oak Strategy.**
- 2. Approve the procurement of implementation works to a value of £65,000 (per 5.2.2.) should this be required**
- 3. Approves use of £25,000 from s106 Employment and Training Funds, and £20,000 from the Town Centres Capital Budget on the Barnet Spacehive projects subject to high quality proposals being submitted.**
- 4. Approves the proposed criteria for selection of projects to fund via the Spacehive crowdfunding platform as set out in Appendix A.**
- 5. Delegates assessment of Spacehive projects to the Strategic Lead, Growth and Development Commissioning Group, using the agreed selection criteria and up to a maximum amount of funding of £5,000 per project.**
- 6. Agrees that the Committee members will help promote Barnet’s crowdfunding initiative and help to stimulate proposals and funding from community members, local businesses and others as appropriate.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required to authorise funding for projects related to town centres, specifically: to authorise the release of additional funding for the Burnt Oak Town Centre Project; and to agree the release of funding to citizens/project fundraisers using the Barnet Spacehive crowd funding platform.
- 1.2 The Burnt Oak High Street Fund project was originally approved by the Assets, Regeneration and Growth Committee in September 2015. The project committed a total of £617,464, of which £269,048 was match funded by the GLA, for the creation and implementation of a town centre strategy for Burnt Oak. As part of this project, the Burnt Oak Town Centre Strategy identified a series of physical, environmental and other measures towards improving the attractiveness of the town centre and increasing economic vibrancy so that shoppers and residents have an attractive and safe place to live and shop, and businesses thrive. Recommendations for interventions were divided into four separate hotspots, and a set of interventions were suggested for each.
- 1.3 Following a procurement and tendering exercise, the value of works is higher than expected, and in order to achieve the ambitions of the project and ensure the requirements of the GLA match are met, an additional spend of £59,598 is required in order to provide a railway mural and to cover additional costs for delivering the works. The inclusion of these works will create a more cohesive sense of place in Burnt Oak, complementing the other interventions in the town centre.
- 1.4 This report will authorise the release of additional funding of £59,598 from the approved Town Centres capital budget of £5.461m in order to progress further works and interventions identified in the approved Burnt Oak Strategy.
- 1.5 The second project, Spacehive, is a civic crowdfunding platform that communities use to pitch ideas to the public, or 'crowd', and to raise money towards projects that benefit or improve their local area. Spacehive has been set up as a grassroots initiative to be led by communities and largely funded by them. Whilst the set up and activation costs of the project are being funded through Capita's Community Development Fund, the project requires a contribution of Local Authority match funding for projects to kick-start crowdfunding in Barnet. These funds have been identified from the Town Centres budget and the s106 Employment and Training fund, as well as a further contribution from Capita. This report seeks to request authorisation for the spend of these two identified funds, as well as to agree criteria for assessing projects that are proposed on Spacehive, within which officers will have the delegated authority to agree to contribute funding to projects, in order to increase the speed of responsiveness to community proposals.
- 1.6 Barnet Spacehive will provide a £50,000 'pledge pot' to be used to contribute resources to funding raised by residents, students and business-owners who develop ideas to improve their communities, high streets and parks/open spaces and deliver outcomes of jobs, skills and growth. Experience elsewhere

suggests that for every pound invested by the council the community and businesses will contribute £3.

- 1.7 Given the strong alignment with the Council's Entrepreneurial Barnet and Town Centres strategies, resources have been earmarked from S106 (£25,000) and Town Centres (£20,000) budgets. Additional funding is being provided by Capita.
- 1.8 It is important to note that the contribution to Spacehive projects may or may not all be spent and any spend will always be in line with service area priorities. Furthermore project fund-raising is entirely led by communities, businesses and stakeholders, and largely funded by them. Project fundraisers have an opportunity to pitch to the local authority and the GLA for additional funding towards their target figure; and both have an opportunity to support potential worthwhile projects. The Council contribution would only be released if the fundraising target is met. This is an excellent example of communities celebrating their neighbourhoods and local interests at a grassroots level, enlisting peer support from fellow residents and community members. This is exactly the type of citizen activism that the Council wants to support and promote as it aligns with current Barnet Together plans for active Barnet citizens. Finally it is also important to note that this is not a replacement to Area Committee funding, as crowdfunding encourages citizens to raise their own funds or "self-fund", rather than rely solely on grant funding. It therefore encourages communities to be resilient and galvanise support from each other, whilst also allowing the council to prioritise projects which have significant community support.
- 1.9 Below is a link to the GLA's crowdfunding website which provides some background to this innovative community concept.
<https://www.london.gov.uk/what-we-do/regeneration/funding-opportunities/crowdfund-london/about>
- 1.10 This report requests that the Assets, Regeneration and Growth Committee approves the criteria listed in Appendix A for the release of financial contributions to projects developed through crowdfunding and that Members delegate decisions regarding the release of funding to council officers.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Burnt Oak High Street Fund Project has already commenced and provided a number of interventions along the high street, such as food hygiene audits, visual merchandising, a winter festival, and work with local traders to work towards creating a Burnt Oak trader's association – these have been funded from revenue budgets. The additional spend on the highlighted physical interventions will provide enhancement to the town centre which creates an enhanced sense of placemaking and which draws the elements of public realm into a more cohesive place.
- 2.2 Securing additional funds will allow the full intention of the project to be realised and ensure that the requirements of GLA match funding are met..

- 2.3 As part of the Community Participation Strategy, it was agreed that the council would launch a crowdfunding initiative with the aims of building more resilient communities and doing more with less. Spacehive initiatives work best when sponsor funds are used to boost community action. Funds have been identified from funds for Entrepreneurial Barnet activity and Town Centre improvements as these are all areas where we want to increase community and business engagement in improving outcomes. As well as Entrepreneurial Barnet and the Town Centres strategies, this project directly supports the council's focus on Community Participation, including the 'Barnet Together' campaign launched in the March 2017 edition of Barnet First magazine.
- 2.4 Spacehive is the market leader in civic crowdfunding and provides a dedicated online platform. The organisation is currently working with 24 local authorities across the country and, to date, has supported the successful funding of 234 projects with a value of £6.1m. Spacehive offers a range of benefits for local authorities, including:
- Leveraging an average £3 of investment into local projects for each £1 the authority spends by funding as part of the 'crowd';
 - Enabling grassroots regeneration at pace that is visible in the community;
 - Building resilience in the community by equipping people with key skills and changing the relationship between citizens and the state;
 - Handling time-intensive engagement with project creators and verifying that their ideas are viable before fundraising starts;
 - Offering social impact reporting providing digital updates to funders and monitoring the impact of projects once delivered.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The alternative option for the Burnt Oak Town Centre Project is to continue to deliver a partial set of interventions and omit the additional preferred interventions recommended for Hotspot 3 and the railway bridge. Whilst these outstanding interventions may still be delivered at some point in the future, this could potentially be at greater cost, and may put the GLA investment at risk. There would certainly be a reduction in the visual impact of Town Centre improvements in Burnt Oak as key interventions would be missing.
- 3.1 With regard to crowdfunding, the council could choose not to develop its own approach and accept that crowdfunding could happen organically in the borough through alternative initiatives such as the Mayor's Civic Crowdfunding Programme. However, crowdfunding aligns with the council's priority of building a more resilient community. Adopting a dedicated Barnet approach allows the Council to directly support worthy civic projects and foster a sense of responsibility for local areas among the community. It also allows the Council to leverage funding from other sources, such as the Mayor's Office.
- 3.2 Another alternative option would be for the council to move forward with the platform but decide not to put forward a pledge pot. However, Spacehive's

statistics show that there is an 82% success rate for projects where a council provides funding (compared to a 42% national average for project success), and as such, an approach without a pledge pot may not realise the desired outcomes of the project.

4. POST DECISION IMPLEMENTATION

- 4.1 Following the Committee's decision in relation to Burnt Oak, the additional elements of the project will be progressed before the 30th June in order to ensure that they are delivered in the same timescales as the rest of the High Street project.
- 4.2 In relation to Spacehive, following approval of the funding criteria and spend, the Council will communicate with local residents and businesses about the Barnet Crowdfunding initiative. The Mayor is launching a Civic Crowdfunding Programme in April with a focus on creating local places people love and there is an opportunity to promote the two opportunities side by side and gain real local momentum.
- 4.3 Spacehive activation, including community-based workshops and a social media campaign, will commence in early May and will continue into the summer. The target for proposals will be community led initiatives with ideas coming from the bottom up. Key project stakeholders – who will help to promote the initiative – include Members and their business networks, Middlesex University, Barnet and Southgate College, Town Teams and Voluntary and Community Sector Organisations. Middlesex University has given positive feedback indicating a keen interest for intergenerational and other activities with the student body.
- 4.4 An officer Funding Committee will be established within 3 months to review and approve projects for funding using the criteria listed in Appendix A. This group will provide a summary of projects which have been supported to the Assets, Regeneration and Growth Committee in a year's time. The Council will also update its Spacehive website, highlighting projects which have received support.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Burnt Oak Town Centre Project supports the Council's Entrepreneurial Barnet Strategy 2015-2020, which sets out Barnet Council and its partners' commitment and key actions to support the economy to grow and to make Barnet a great place to live, work and study.
- 5.1.2 Furthermore, one of the key themes in Entrepreneurial Barnet specifically focuses on ensuring that town centres thrive; and delivering high quality infrastructure and public realm.

5.1.3 Spacehive directly supports the Council's Vision for 2020, in particular:

- More involved and resilient communities;
- A clean and attractive local environment;
- Parks and green spaces that are amongst the best in London;
- Provision of a broad offer of skills and employment programmes for all ages;
- Barnet will be amongst the safest places in London, with high levels of community cohesion, and residents feeling safe.

5.1.4 More specifically, the council's Town Centre offer can be enhanced through crowdfunding, particularly smaller town centres that do not receive other support. There is also strong potential to respond to business needs and help to ensure an active business community that takes responsibility for its own success and engages in civic activities.

5.1.5 Finally, this project directly aligns with a number of other service priorities including:

- Joint Health and Wellbeing Strategy – empowering residents to do more for themselves and supporting residents and communities to become equal partners with public services;
- Parks and Open Spaces Strategy – initiatives that encourage community-led activities to animate parks and open spaces.

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

Burnt Oak Town Centre Project

5.2.1 In order to fund the additional elements of the project, a further draw down of £59,598 will be required from the Town Centres capital budget – this sum can be contained within the 2017/18 budget of £5.461m.

5.2.2 It is anticipated that the Council's approved Highways Contractors will be appointed to deliver the additional highways works, which will effectively be an extension of the current schedule of works and programme. There will therefore not be any further impact on procurement. Resourcing support for the delivery of these capital works have been factored into the existing revenue budget. Should the appointment for this requirement not be confirmed through this option, approval to proceed with procurement with a value of £65,000 is sought through this report.

Spacehive project

5.2.3 Regarding crowdfunding, Barnet Council has entered into a one-year contract with Spacehive, effective 1 March 2017. Capita has paid the licence and activation fees necessary for the Council to have its own branded crowdfunding website and to cover the cost of community engagement and promotion. This small payment covers the set-up, activation and management fees for Spacehive and is at no risk or cost to the Council. This then allows the exploration and preparatory elements to be progressed ahead

of obtaining formal Committee approval.

- 5.2.4 The pledge pot is to be comprised of resources identified from existing budgets, with £20,000 from the Town Centres capital budget of £5.461m, £25,000 from the s106 Employment and Training pot, and £5,000 identified from Capita. It is important to note that the funds may or may not all be spent and any spend will always be in line with service area priorities. Following the soft launch, there will be a review of how successful the project has been and analysis of the value added to the council against the total spend which will be used to inform future contributions to projects.
- 5.2.5 The Pledge pot is separate from any potential grant funding which may be made available from Area Committee. Spacehive funding criteria (outlined in Appendix A) precludes providing funding to any project already in receipt of Council assistance, such as Area Committee funding. However, individual project fundraisers may seek to obtain non-financial support from the Council through the Spacehive platform as well as the Area Committee. This support could be provided through cross-promotion in order to generate additional match funding through third parties, or it may be that Council officers are directed to provide guidance and support to project fundraisers as appropriate, in order to assist community members in progressing their chosen project.
- 5.2.6 Spacehive will provide all necessary IT infrastructure and maintenance.

5.3 **Social Value**

- 5.3.1 The provision of civic interventions in high streets and town centres is aimed to increase the economic and community value in an area, and the enhancement of the public realm is designed to create a stronger sense of place and bolster the Burnt Oak town centre.
- 5.3.2 Civic crowdfunding is one such way to provide public realm and civic interventions, and specifically promotes wider social, economic and environmental benefits and is likely to have a positive impact across a number of areas.
- 5.3.3 Recent research by the Future Cities Catapult shows that benefits of local authority involvement in civic crowdfunding initiatives are substantial and diverse. These include increased funds to spend on local-area-improvement projects, enhanced citizen engagement, improved community cohesion and resilience. It is suggested that the extensive economic and social impacts have contributed to the rapid adoption of civic crowdfunding initiatives by local authorities and others in recent years.

5.4 **Legal and Constitutional References**

- 5.4.1 The Council has a range of powers to enable the proposals in this report, including the general power of competence under Section 1 of the Localism

Act 2011 to do anything that individuals can do subject to any specific restrictions contained in legislation, and the power at section 111 of the Local Government Act 1972 to do anything which is calculated facilitate, or is conducive or incidental to, any of its functions.

- 5.4.2 The terms of reference of Assets Regeneration & Growth Committee include town centre regeneration programmes, the promotion of skills and enterprise initiatives, engagement with the business community and measures to support local business.
- 5.4.3 The Council project will likely need to enter into a Deed of Variation in respect of the Burnt Oak project in order to extend the GLA Grant Agreement to Q1 2017 in order to ensure that all match funding can be claimed. No other legal issues have been identified.
- 5.4.4 In relation to Spacehive, under the schemes of delegation, the Commissioning Director for Growth and Development has the authority to commission services for regeneration, skills and employment; this project therefore falls under her remit.
- 5.4.5 The Barnet Spacehive Fund criteria for the award of grant funding are set out at Appendix A for members' approval. Once the criteria are approved it is proposed that officers consider individual applications under delegated powers, although members are invited to play a continuing role in raising awareness of the scheme through community involvement and networking.

5.5 Risk Management

- 5.5.1 In relation to the Burnt Oak Town Centre Project, there is a risk that the full benefits will not be realised should the Council not complete the delivery of the Town Centre Strategy in a more comprehensive manner, and defer these implementations for a future date.
- 5.5.2 There is a reputational and financial risk to the Council that without full implementation of the key interventions within the Burnt Oak Town Centre Strategy, the GLA may withdraw their match-funding which would seriously limit what the project can deliver.
- 5.5.3 Contractors for the Burnt Oak Town Centre Project will be submitting a full risk assessment plan prior to commencement on site.
- 5.5.4 In relation to Barnet Spacehive, a summary of associated risks is set out below.
- There is a low financial risk to the Council's investment as the Council will contribute only to agreed projects and on the basis that a target level of crowd funding has been secured. In addition, the Council contributions to individual schemes are capped at £9,999.
 - Where investment is in the public realm, Council approvals will be

required, giving the opportunity for scrutiny and influence and synergy with corporate priorities and objectives. This will therefore reduce the risk of projects progressing which do not comply with Council regulations or objectives.

- Poor take-up by community – to be mitigated by connecting Spacehive to key local stakeholders to increase engagement and create awareness; a ‘soft launch’ will produce a series of case studies that can be used to demonstrate the value added and encourage further participation;
- Funding is predominantly accessed by individuals and groups that are more experienced at fundraising, more networked or digitally capable – we will ensure targeting of groups in areas with lower levels of community engagement and will use a range of non-digital means of promotion, such as holding community events;
- The risk that the contractor, Spacehive, mishandles council or community funds is not possible as funds are pledged to projects through one of two secure payment platforms: Paypal or GoCardless. Paypal and GoCardless process the payments, sending the payment directly to the Project meaning that Spacehive does not hold any of the money that the Project collects.
- A project creator absconds with council or community funds – in Spacehive’s experience this has never happened; however, under the terms of the agreement between Spacehive and project creators, project creators must only use funds for the purposes of the identified project and will be liable to prosecution should they divert funds for other uses; furthermore, project creators are first and foremost raising funds from friends, family members and neighbours and are therefore less likely to use funds inappropriately. In sum the risk is almost nil.
- A project cannot be completed due to insufficient funds during delivery – Spacehive and partner organisation Locality provide comprehensive project support such that all costs are identified and verified in advance and contingencies built in; it is extremely rare that additional costs should be incurred once a project reaches the delivery phase.
- A project creator proposes a project that is offensive to members of the public or the council – Spacehive’s terms of use explicitly prohibit users of its website from posting material that is threatening, defamatory, offensive, pornographic, obscene, indecent, seditious, abusive, liable to incite racial hatred, discriminatory, menacing, scandalous, inflammatory, blasphemous, in breach of confidence, in breach of privacy, or which may cause annoyance or inconvenience; any such content will be removed by Spacehive.

5.6 Equalities and Diversity

- 5.6.1 The Burnt Oak project is part of the overall Entrepreneurial Barnet approach that the Assets, Regeneration and Growth Committee approved at its meeting on 15 December 2015. An Equalities Impact Assessment was undertaken for Entrepreneurial Barnet, the key findings of which were outlined in the paper presented to Assets, Regeneration and Growth Committee in March 2015.
- 5.6.2 The proposals will ensure that people in the area, no matter what their background and circumstances, should have equality of opportunity to succeed and gain from the improvements and growth of the economy in the town centre.
- 5.6.3 A full Equalities Impact Assessment has been completed for the Barnet crowdfunding project and concludes that no negative differential impact has been found on any of the protected characteristics. The assessment is that there will be a positive overall impact.

5.7 Consultation and Engagement

- 5.7.1 A significant amount of consultation and engagement has been undertaken for the Burnt Oak project, which involved the local community in the strategy creation process through a number of engagement events. Key feedback on subsequent consultations indicated a desire from the local community for the implementations to be delivered as soon as possible; the release of these funds will ensure that the project is able to deliver all of the key interventions identified within the strategy for the local community.
- 5.7.2 On the crowdfunding initiative, there has been engagement with service areas across the council, including Growth and Development, Re, Parks and Open Spaces, Sports and Physical Activity, Public Health, Children and Young People.
- 5.7.3 Once the project is formally launched within the community, there will be extensive engagement with residents, businesses and students. Ward member engagement will be a key element of the success of the Spacehive project, as ward members will be aware of grassroots organisations who may be interested in the opportunity provided by Spacehive.

5.8 Insight

- 5.8.1 Insight data has not yet been used to support crowdfunding although the project team's ambition is to use existing data to target community engagement as well as to track the take up and impact of the project.

6. BACKGROUND PAPERS

- 6.1 Assets, Regeneration and Growth, “Burnt Oak High Streets Fund”, 7th September 2015
<https://barnet.moderngov.co.uk/documents/s25571/Burnt%20Oak%20High%20Street%20Fund.pdf>

- 6.2 Community Leadership Committee, “Developing a Community Participation Strategy for Barnet”, 25th June 2014
<https://barnet.moderngov.co.uk/documents/s15686/Community%20Participation%20Strategy.pdf>

APPENDIX A: PROPOSED CROWDFUNDING CRITERIA

Project creators must be over the age of 18 and must be at least one of the following:

- Residents of the London Borough of Barnet;
- Students in full-time education at a recognised educational establishment located within the London Borough of Barnet;
- Business owners or employees of an organisation located in Barnet or with offices located in Barnet; this includes employees of the London Borough of Barnet.

The Council will fund projects that:

- Will be delivered or take place within the London Borough of Barnet;
- Are locally based, i.e. addressing local issues or opportunities, or are borough-wide;
- Comprise the feasibility, start up, or scaling phase of a project – so long as there is clear community benefit and a defined project end-state;
- Align with Council corporate priorities and vision;
- Adhere to the requirements of identified funding pots, e.g. s106 Employment and Training monies will only be used to fund projects related to employment and training.
- Include capital and revenue costs, including one-off events or purchases.


The maximum value of an award is £5,000.

The council will fund both individuals and constituted groups. The Council reserves the right to insist, at its discretion, that funding to individuals be directed via a constituted group which would act as an 'accountable body'.

Areas agreed not to be considered for funding:

- Self-interest groups – where there is no evidence of wider community benefit;
- Funding must not be used to meet a budget deficit in a specific area, to meet the debts of an organisation in financial difficulty, or to cover a shortfall in a service which would normally be provided by the Council or another public sector organisation;
- Funding will not be given to assist with the administration and/or research costs of preparing an application;
- Funding must not require maintenance from the Council, or future expenditure, unless otherwise agreed by the Council;
- Projects that are already in receipt of, or due to receive, funding from the London Borough of Barnet, from any source.

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	<p>Assets Regeneration and Growth Committee</p> <p>24 April 2017</p>
<p>Title</p>	<p>136 – 142a Colindale Avenue NW9</p>
<p>Report of</p>	<p>Commissioning Director for Growth and Development</p>
<p>Wards</p>	<p>Colindale</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>Yes</p>
<p>Enclosures</p>	<p>Appendix i) 136 – 142a Colindale Avenue site and location plan</p>
<p>Officer Contact Details</p>	<p>Martin Smith. Martin.smith@barnet.gov.uk 0208 359 7419</p>

Summary

Redrow Homes is in the process of re-developing the Peel Centre at Colindale. The scheme of development extends to 23.50 Hectares of land and will produce around 3000 new homes in the area, along with various other amenities and facilities in the immediate locality.

The Council is committed to assisting Redrow Homes in delivering this project in its entirety and during the pre-application process, a small but significant piece of Council owned land was identified as being required to complete the land assembly package. This site facilitates the significant road widening and infrastructure works to the locality and provides an important access to the new development at the Peel Centre. The land was included in the agreed red line drawing for the consented scheme and officers indicated that, at the appropriate point in the phasing programme, formal council approval to the disposal of the site to Redrow would be sought. .

Redrow have now indicated that they would like to proceed with the acquisition of the Council's land.

Recommendations

That the Committee;

- 1. Declares the site outlined in red on the attached plan appendix I surplus to the Council's requirements.**

- 2. Approves the disposal of the Council's freehold interest in the site to Redrow on the basis of a best consideration transaction which will be determined by an independent valuation. Authority to approve the final negotiated terms and complete the transfer of the land is delegated to the Commissioning Director for Growth and Development.**

- 3. Authorises the appropriate Chief Officer(s) to seek any necessary consents and approvals required to complete the transaction and delegates consideration of any representations following advertising and/or consultation to the Commissioning Director for Growth and Development.**

1. WHY THIS REPORT IS NEEDED

- 1.1 Redrow Homes are in the process of developing the Peel Centre redevelopment at Colindale. The scheme of development extends to 23.50 Hectares of land and will produce around 3000 new homes in the area, along with various other amenities and facilities in the immediate locality.

- 1.2 The land was included in the agreed red line drawing for the consented scheme and officers agreed at the appropriate point in the phasing programme, to seek authority to sell the vacated site to Redrow Homes. An independent valuation was jointly commissioned in 2014 which provided an indication of the value to both parties and this will require updating. Redrow have now indicated that they wish to commence this process principally to facilitate the widening of Colindale avenue, a project outlined in the Redrow section 106 agreement which is being jointly delivered with the Council

- 1.3 The subject site is known as 136–142a Colindale Avenue and is within the Housing Revenue Account. The site includes a development of 7 one bedroom, alarm assisted flats which were traditionally let to elderly residents and at present there are 6 residents over 70 and 3 aged over 80. Barnet Homes have been commissioned to lead in relocating the residents which at this stage is on a voluntary basis. One resident has been re housed and a further resident is in the process of relocating to a nearby sheltered scheme. Given the vulnerability of the residents we are keen to ensure that they are re-housed within the same locality to minimise disruption and maintain existing support networks. This has prompted the decision to commence the re-housing process early in order to capture all potential opportunities.

- 1.4 It is proposed that detailed negotiations and due diligence will commence following approval with a view to transferring the site when Vacant Possession has been secured. Redrow are aware of the vulnerability of the residents and the need for a sensitive approach to the decanting.

2. REASONS FOR RECOMMENDATIONS

- 2.1 In order to facilitate the comprehensive Regeneration of the Colindale area and ensure that appropriate infrastructure and access is provided to the sites the transfer of this land to Redrow at Market Value is recommended.
- 2.2 The Local Government Act 1972 Section 123 (2) requires the disposal of public Land at best value. This report recommends the appointment of an independent valuer to ensure compliance with section 123.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 **Do Nothing** – This would restrict any opportunity for road widening and limit access to the new development on the Peel Centre.
- 3.2 Sell the site on the open Market. -This would prevent improvement to the infrastructure and would fail to achieve a higher receipt as the proposed transaction is at best value and independently verified.

4. POST DECISION IMPLEMENTATION

- 4.1 Post Committee approval Barnet Homes will continue to identify the individual housing and support needs of the tenants. This information will then be used to secure each household a suitable offer of accommodation that meets those needs.
- 4.2 Whilst the above process is being undertaken, CSG Estates and HB Public Law will undertake due diligence on the site to ensure there are no restrictions on the land and commission an independent valuation to ensure compliance with section 123 of the Local Government Act.

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.

5.1.1 Bring the site within the development as per the development strategy for the entire site, will support the corporate plan and help to assist and maintain the pace of the regeneration of the Peel Centre.

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

It is proposed to sell the site for best consideration, which will be informed by an independent valuation.

The proposal to dispose would generate a capital receipt; the site is held in the Housing Revenue Account, and thus is potentially subject to a pooling payment to the Exchequer – however it is planned to spend the whole receipt on affordable housing/regeneration, so it is expected that the whole receipt, net of sale costs, would be available to support the Council's Capital Programme.

As regards costs associated with decanting the tenants, this is currently the subject of negotiation.

5.3 **Legal and Constitutional References**

5.3.1 The councils constitution, responsibility for Functions, states the terms of reference of Assets Regeneration and Growth Committee which includes: to develop and oversee a Regeneration Strategy: Develop strategies which maximise the financial opportunities of growth; oversee major regeneration schemes including those of key social housing estates; and all matters relating to land and buildings owned rented or proposed to be acquired or disposed of by the council.

5.3.2 Where the Council seeks possession of premises let on a secure tenancy in reliance on ground 10A of schedule 2 to the Housing Act 1985, the Secretary of State for Communities and Local Government (SoS) must first approve the Council's proposed scheme for the sale and redevelopment of the property. Before the SoS's consent can be sought, notice in prescribed form must be given to the tenants affected and their response must be considered. An application to court is required. The court may order possession if it is satisfied that suitable accommodation will be available for the tenant. The court may impose conditions. If a tenant who receives a demolition notice has applied for a right to buy they may be entitled to compensation for their costs.

5.3.3 Initial and final demolition notices are required in order to disapply the right to buy.

5.3.4 If the tenancies of the property were not ended before the sale (1) a specific consent to sale of housing land would be needed from SoS and (2) a right of first refusal may arise for the tenants under the Landlord & Tenant Act 1987. Once the property is vacant, the General Housing Consent 2013 made by SoS to sale of housing land can be relied upon provided the sale price is "market value" as referred to in that general consent.

On a sale the Council is required by section 123 of the Local Government Act 1972 to obtain the best consideration reasonably obtainable, unless the consent of SoS is given to sell at undervalue; but it is not intended to sell at undervalue. The valuation should reflect the requirement to obtain best consideration.

5.4 Risk Management

5.4.1 If Redrow Homes do not provide the required indemnity: The process cited above will not commence.

5.4.2 Barnet Homes have identified a number of key challenges that could cause delay in the rehousing process: These issues are cited below:

- Resistance from residents in leaving and moving to a new home.
- Uncertainty created by the proposed move can have a significant impact on the residents' health.
- securing new accommodation that can meet their current needs which, given the age profile of the tenants, are more likely to be complex (e.g. requirement for alarm assisted, Level access showers, adaptations such as hand and grab rails)
- Resistance from residents who live in general needs accommodation can be resistant to being housed into sheltered housing
- Meeting expectation on the standard, size and location of the new offer.
- Such tenants often have local support networks that they need to maintain.
- It should be noted that securing suitable accommodation in the immediate vicinity may be challenging.

5.4.3 In the event a suitable offer of re housing is refused, the Council will need to consider legal action to ensure vacant possession of the property. The potential for negative publicity that the eviction of longstanding residents of this age profile could attract will require sensitive handling. The lessons learned from the recent decanting of the sheltered scheme at Morton Close have illustrated that a desired vacant possession date can be significantly delayed where possession proceedings are not commenced early enough alongside a sensitively managed decanting programme. It is hoped that the early engagement of Barnet Homes will mitigate against delayed Vacant Possession..

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:

- 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 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. It is important that the re-housing process gives due regard to the needs of the elderly residents by providing appropriate accessible accommodation within a familiar neighbourhood.

5.6 **Consultation and Engagement**

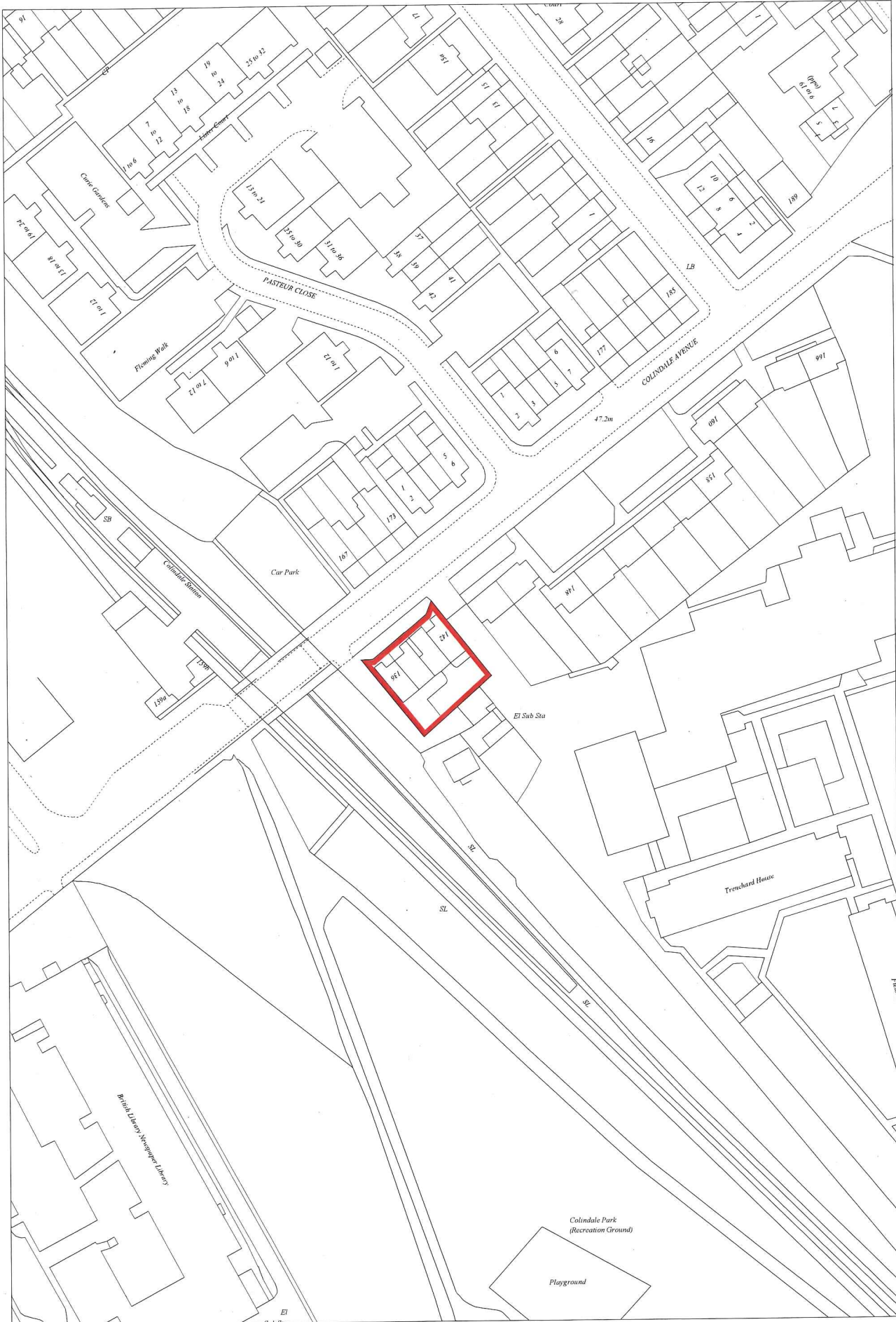
5.6.1 Informal discussions have taken place between the developers and the Council, leading to this paper.

5.6.2 Engagement has already commenced with all the residents affected by the proposal.

5.6.3 Ward Members are consulted at regular briefing meetings.

6. **BACKGROUND PAPERS**

None



Plan title: Appendix 2 - Site Plan

Copyright (c) 2003 Ordnance Survey

Date: 4/11/2014

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Scale: 1:1250

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Plan title: Appendix 1 - Location Plan

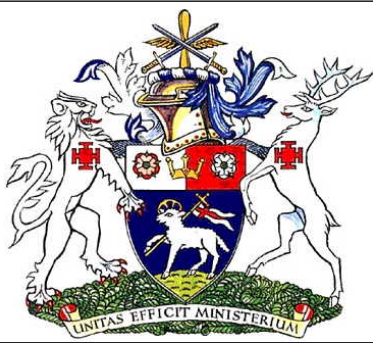
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Date: 4/11/2014

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Assets, Regeneration, and Growth

24/04/2017

Title	Grahame Park: PDA variation update
Report of	Cath Shaw, Commissioning Director for Growth and Development
Wards	Colindale
Status	Public
Urgent	No
Key	Yes
Enclosures	
Officer Contact Details	Martin Smith 0208 359 7419

Summary

The Grahame Park Regeneration Programme is nearing the successful completion of stage A. The Council and its partners, Genesis Housing Association (GHA) are about to embark on stage B with a planning application for the concourse (plots 10,11,and 12) anticipated by the end of April 2017. As part of this they have agreed a wide range of adaptations to the phasing, design, delivery, and funding of the programme, in compliance with the Supplementary Planning Document, agreed at Full Council in July 2016. These amendments need to be reflected in the Principal Development Agreement (PDA), the agreed development contract between London Borough of Barnet (LBB) and GHA. Attached to this report (annex A) is a draft initial deed of variation which will enable the scheme to proceed. However the PDA is a long complex document and both parties have agreed that this deed will be followed up with a further deed following planning approval for the concourse scheme.

Recommendations

- 1. That the Committee notes the progress to date in agreeing the revisions to the Principal Development Agreement.**
- 2. That the Committee agrees the proposed draft Deed of Variation to record initial necessary changes to the Principal Development Agreement and delegates authority to the Commissioning Director, Growth and Development to finalise its terms and complete the document.**

3. That the Committee notes that officers will bring forward to a future ARG for approval a further Deed of Variation, after the planning position is clarified.

1. WHY THIS REPORT IS NEEDED

- 1.1 Since its formal adoption in 2007 the Grahame Park PDA has been varied by the agreement of both parties. The last two years have seen considerable changes within stage A and the PDA itself proposes a fundamental review at stage B. The key elements of that review are now in place and to minimise risk to both parties' significant changes to the scheme both retrospective and going forward need to be recorded in the principal contract. The draft Deed of Variation at annex A indicates key areas of revision.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Grahame Park estate was built in the 1960s and 1970s by the Greater London Council, with 1777 units built around a central 'concourse'. In 2007 the Council signed a development agreement with Choices for Grahame Park, a subsidiary of Genesis Housing Association (GHA), for redevelopment of the estate to provide 3,400 units in two stages. In keeping with common practice at the time, the development agreement sought to replace a mono-tenure estate with a mixed tenure development, enabling both a broader social mix and the use of profits from market sale housing to fund affordable housing and community facilities.
- 2.2 Stage A, comprising 717 units, was partly delivered prior to the economic downturn and is now on-site with the remaining units. It is due to be substantively completed next year. A review of stage B in Autumn 2013 concluded that original master plan was no longer fit for purpose, and should be updated to reflect the demand for family housing and more traditional street layouts. It noted that the critical first step was the demolition of the concourse, to challenge the 'estate feel', create a better environment for residents, and improve sales values. The Autumn 2013 report also concluded that there were significant viability and cash flow challenges in delivering the scheme.
- 2.3 Since then two significant pieces of work have been concluded:
- 2.4 GHA have secured a low cost loan of £56m from the HCA, to address cash flow issues. The loan agreement was signed in Spring 2016 and the money needs to be spent by March 2019.
- 2.5 GHA and Re have worked together to produce, and the Council has agreed, a revised Supplementary Planning Document to govern the development of Stage B. The SPD was formally adopted at full Council in July 2016. The SPD doesn't affect existing Council policy with regard to re-housing council tenants: secure council tenants housed before 2003 will be re-housed in a new home in Grahame Park provided by GHA. The

existing s106, agreed in 2007 and still valid requires the provision of social rented, shared ownership and low cost units. On completion of stage A GHA will have provided a total of 717 new homes of which 364 (52%) will be private sale or rent. The remainder will be affordable with 235 (32%) social rent, 38 (5%) affordable rent and 80 (11%) shared ownership.

- 2.6 In addition, Plot 8, which formed part of Stage A, will no longer be used for residential and community uses, and will instead be the site for the Council's new office building.
- 2.7 Following formal agreement of the Principal Development Agreement (PDA) between the Council and Genesis in 2007 both parties have periodically agreed amendments to the PDA to enable the scheme to continue in a changing financial and legislative climate. The most recent of these amendments to reflect the proposals for plot 8 (see above) was approved by ARG in November 2015.
- 2.8 The recent adoption of the Supplementary Planning Document (see above) and agreement to the Government loan, necessitates further important work to update and amend the PDA. This work is critical as it will to a large extent determine the progress of the scheme over the next 10 years.
- 2.9 Furthermore, GHA are bidding for an additional £12m under the Government's Recycled Capital Grant Fund (RCGF) and are required to include this funding within the revised PDA.
- 2.10 Trowers and Hamlins (T&H) have been advising the Council on the SPD since 2006 .They have considerable specialist knowledge and expertise and under their existing authority will support the Council in the upcoming PDA negotiations.
- 2.11 T&H and GHA lawyers have agreed a two-stage process for bringing the PDA up to date and fit to support the project through the Stage B delivery phase. The first stage, to be completed by end April 2017, is to put into place an initial Deed of Variation which will:
- 2.12
 - Record current timescales for the conclusion of Stage A of the regeneration project, and re-set the long stop date for Stage B;
 - Record the numbers/tenures of new homes produced in Stage A, and those envisaged to be delivered in Stage B;(currently not available)
 - Record specific changes to Stage A as originally envisaged, such as the change of use of Plot 8 from Genesis residential to Council office;
 - Amend the conditions precedent as they relate to the Stage B viability review, including use of Recycled Capital Grant (RCG), confirming the revised tenure mix of 50% affordable and 50% private, surplus, overage, and external benchmarking;
 - Update key documents and schedules – programme, list of principal consultants, rehousing arrangements for resident leaseholders etc.

- 2.13 A further Deed of Variation will follow later in 2017, following the grant of planning approval for Stage B. This will record the planning-approved detail of Stage B and update the bulk of the PDA schedules to make them relevant for the remainder of the project as it proceeds.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 There is no 'do nothing' option. In order for the scheme to proceed in an orderly fashion the PDA must be updated to reflect historic and anticipated changes. The current state of the PDA represents risks to both parties.
- 3.2 A further option would be to wait and undertake a single stage variation post planning. This option was discounted because of the requirement of the HCA to include the RCGF grant funding to GHA within the PDA at the earliest possible date.

4. POST DECISION IMPLEMENTATION

- 4.1 The HCA will formally agree the RCG F, (see above) which will determine housing numbers for the concourse application. In April 2017 the Council and GHA will formally sign and seal the initial Deed of Variation and commence work on the second DOV (see 2.13 above) . Also in April /May 2017, GHA will formally submit the concourse planning application which will be considered by committee in Nov/Dec 2017. A further Deed of Variation will be submitted for approval in Spring 2018.

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:
1. of opportunity, where people can further their quality of life
 2. where people are helped to help themselves
 3. where responsibility is shared, fairly
 4. where services are delivered efficiently to get value for money for the taxpayer
- 5.1.3 The Amended PDA will determine the delivery of stage B of Grahame park and as such will shape every aspect of the development of the area but with a special focus on 1 and 4
- 5.1.4 The plan proposes a number of achievements. Those particularly relevant to this initiative as follows;

- 5.1.5 • more involved and resilient communities, with residents taking on greater responsibility for their local areas
- 5.1.6 • there will be a broad offer of skills and employment programmes for all ages
- 5.1.7 • a clean and attractive environment, with well-maintained roads and pavements, flowing traffic, increased recycling
- 5.1.8 • a responsible approach to regeneration, with thousands of new homes built and job opportunities created
- 5.1.9 • customer services will be intuitive and flexible

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

The proposed variations have limited financial impact; the overall financial arrangement, where the Council provide land at nil cost, and Genesis meet development costs, is unchanged. There are some changes to the financial arrangements, eg the waiver of viability tests for plots 10,11 and 12, Schedule A, para 4 (which is a risk for Genesis), and the inclusion of the proposal to apply for £12m under the government's Recycled Capital Grant Fund (RCGF) – Deed of Variation para 6. Other items in the draft revised Head of Terms, eg Surplus/Overage are unchanged – Schedule A, para 6.1. The loan arrangements detailed in Schedule A, para 10 - have already been agreed (ARG Nov 2015).

An estimated sum of £65,000 is included across two years in the revenue budget for Grahame Park to meet the legal costs of the work. There is a current agreement within the PDA that the Council can reclaim up to £200,000 pa from Genesis for its regeneration costs; that arrangement is agreed to continue but negotiations are underway with GHA to extend or replace the cap with an annually agreed budget .This budget is held within the Regional Enterprise (RE) area's revenue budget, within the Housing Revenue Account.

5.3 Legal and Constitutional References

- 5.3.1 The terms of reference of Assets, Regeneration and Growth Committee which includes: to develop and oversee a Regeneration Strategy; develop strategies which maximise the financial opportunities of growth; oversee major regeneration schemes including those of key social housing estates; and 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 Contract Procedure Rules. If the proposed variation does not fall within these rules a new procurement exercise is needed. The Council Constitution and Scheme of delegations set the rules relating to delegation thresholds for decision-making and authorisations.
- 5.3.2 The PDA contains an unusually detailed review and change/variation clause to deal with anticipated amendments to implement Stage B and it is considered that the proposed changes to be documented by the deeds of

variation are therefore highly likely to comply with Regulation 72 of the Public Contracts Regulations 2015.

5.4 Risk Management

5.4.1 There is one significant risk associated with the initial PDA variation; if the variation isn't agreed with immediate effect there is potential for GHA to lose £12m of Recycled Capital Grant Fund (RCGF) which would have a negative impact on the whole scheme viability and reduce the anticipated level of affordable homes the scheme is capable of providing.

5.4.2 The contingency measure is agreement by this committee to the initial deed which contains within it the authority to proceed with the grant.

5.5 Equalities and Diversity

The Equality Act 2010 places a duty on the Council as follows:

(1) A public authority must, in the exercise of its functions, have due regard to the need to—

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are:

- age;
- disability;
- gender reassignment;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;
- sexual orientation.

5.6 This report has considered the Equality Act 2010 and in particular how its proposals are designed to reduce the inequalities of outcome which result from socio-economic disadvantage. The Council is committed to improving the quality of life and wider participation for all the economic, educational, cultural, and social and community life within the borough. This is achieved by pursuing successful regeneration of the Borough's regeneration areas, in this instance Colindale and more specifically Grahame Park. This benefits all sections of society by directly addressing the shortage of housing in the Borough across all tenures.

5.8 The Supplementary Planning Guidance (SPD) for Grahame Park was adopted by full council on July 26 2016 The SPD contains within it a full Equalities Impact Assessment. which assesses the masterplan impacts on all the Council's target equalities groups.

5.7 Consultation and Engagement

- 5.7.1 The Council and its partners GHA are engaged in a wide range of consultations which are required at every stage of the regeneration programme. The recently adopted SPD required extensive consultation with residents and stakeholders during 2015 and 2016.
- 5.7.2 The Council and GHA are currently engaged in a design consultation which is a central element in the preparation of the detailed planning application to be submitted in April 2017. This will be followed by a further consultation later in the year.
- 5.7.3 Following the Council giving authority to the appropriate Chief Officer to make up to three Compulsory Purchase Orders (CPO's) for plots 10,11 and 12 at September 2016 ARG, the council has commenced further consultation with all leaseholders and freeholders across the estate.
- 5.7.4 In addition the re-housing and voluntary buyback processes both require considerable engagement with resident groups and there are regular (monthly) surgeries held as well as the regular circulation of newsletters etc.
- 5.7.5 The re-housing of secure and non-secure tenants from homes within the concourse is now well underway and the council is consulting as appropriate.

5.9 Insight

- 5.9.1 There are no data sources available that are applicable to this proposal.

5.10 Social Value

The Public Services (Social Value) Act 2012 requires that when procuring services, local authorities must consider how what is proposed might improve the economic, social and environmental wellbeing of the relevant area and how in conducting the process it may act with a view to securing that improvement. The recommendations in this report do not lead to a fresh procurement exercise.

- The re-development of Grahame Park brings with it a range of social value, including;
- Enhancement including new retail and leisure opportunities within an area already designated as a local hub
- Environmental and highways improvements
- The creation of large scale local employment and training opportunities in a disadvantaged neighbourhood with disproportionately high levels of unemployment
- Major new housing ,education ,health, childcare and other key infrastructure developments

6. BACKGROUND PAPERS

6.1 30th November 2015 Assets Regeneration and Growth Committee. PDA variation

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=8311&Ver=4>

6.2 July 2016 .Full Council. Supplementary Planning Document

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=8825&Ver=4>

	<p>Assets, Regeneration and Growth Committee</p> <p>24 April 2017</p>
<p>Title</p>	<p>Grahame Park Community Hub</p>
<p>Report of</p>	<p>Commissioning Director, Growth and Development</p>
<p>Wards</p>	<p>Colindale</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>Yes</p>
<p>Enclosures</p>	<p>No</p>
<p>Officer Contact Details</p>	<p>Martin Smith Martin.Smith@Barnet.gov.uk Tel. 020 8359 7419</p>

Summary

A detailed Planning Application for Stage B Grahame Park (Plots 10, 11, 12) is expected to be submitted in April 2017 with planning Application (RIBA stage 2) for new Grahame Park Community Hub in Plot 10 forming an integral part of Stage B application.

The Grahame Park Community Hub is a single building co-locating a health centre, children’s centre, nursery, office, café, and community centre. Its re-provision is scheduled for completion late 2019 as it is required to be ready for occupational use prior to the demolition of existing health centre, children’s centre and community centre on the Concourse (Plot 11) in early 2020.

The Grahame Park Community Hub is more significant than a ‘like for like’ replacement of existing facilities, it is an innovative solution for health, children and community services to meet demand from population growth and a changing demographic in Grahame Park and the wider Colindale area.

The Grahame Park Community Hub will be situated on a key crossroads at the centre of

the Grahame Park redevelopment. It will be adjacent to the Diocese of London's redevelopment of St Augustine's Church (approx. 80 new homes and replacement parish) and the new Heybourne Park, as well as neighbouring new primary/secondary school developments.

Recommendations

That the Committee agrees;

- 1. To note the progress made to date and;**
- 2. To underwrite the design and planning fees for the community hub at risk, until the outline business case is approved by committee, by releasing up to £640k from the approved capital budget. This will ensure the Community Hub achieves RIBA stage 3a in parallel with plots 10a and 10b.**

1. WHY THIS REPORT IS NEEDED

This report updates the committee on the development of a new, inclusive community facility in Grahame Park. A range of community facilities is currently available in Grahame Park, many of them utilising existing buildings. The vast majority of these facilities are in plot 11; the replacement facility needs to be in plot 10 and therefore available before the current facilities are demolished. Some replacement facilities (Library and Centre for Independent Living) have already been re-provided

- 1.2 The new community hub will replace and enhance the existing buildings and provide a step change in quality and the opportunity for greater integration of children's health and community services. The building is being designed by Mae architects, appointed by GHA. The proposals have reached RIBA stage 2 which means the outline shape, height, dimensions and location of the building have been agreed. The building has been the subject of thorough community consultation and display information is permanently available within the community building (No 15) in the Grahame Park concourse

2. REASONS FOR RECOMMENDATIONS

- 2.1 The report seeks to review the broad principles underpinning the new facility; its funding, ownership, management and identifies an outline future delivery programme and key decisions requiring the committee's approval. The first of these will be the consideration of the outline business case by this committee at its June meeting
- 2.2 The council has allocated a headline budget through the annual capital programme, agreed by full council on 7th March 2017. The design is now being taken forward to obtain detailed planning consent and a final detailed cost estimate. Following consent and a final cost estimate a final business case will be submitted to the Assets and Regeneration Committee for approval to build. If the Council decides not to proceed with the build it will meet the design and planning costs to that point.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The Principal Development Agreement (PDA) between development partner Genesis and the Council states that Genesis is obliged to deliver the re-provision of community facilities (health centre, children's centre and community centre) prior to the demolition of existing facilities on the Concourse (Plot 11).
- 3.2 Consequent to the PDA, the Supplementary Planning Document (SPD) for Grahame Park identified two options in Plot 10 for the delivery of new community facilities: (i) Plot 10B Genesis site adjacent to Heybourne Park; or (ii) Plot 10C Diocese of London's St Augustine's Church site.
- 3.3 The Council commissioned Capita Health Partners to undertake an assessment and evaluation of the community facilities requirements in Grahame Park; the appropriateness of the two sites was also considered.
- 3.4 Given the greater requirement for floor space than was envisaged in the SPD, it became apparent that the Diocese of London site could not readily accommodate additional floor space because of the limited footprint of the site.
- 3.5 Site Analysis study (RIBA Stage 1) considered four different options for delivering the community facilities in Plot 10B Genesis site. Key NHS England stakeholders championed for the one option that co-located health, children and community services in a single hub building adjacent to Heybourne Park which was the option selected.

4. POST DECISION IMPLEMENTATION

- 4.1 The existing RIBA stage 2 design will be subject to further detailed design work by Mae architects, to RIBA stage 3a and if necessary will be amended using a section 96A notice. This will be submitted later in the summer but will be considered alongside the detailed planning application which is scheduled for planning committee in November/December 2017. A section 106 agreement will be completed as part of the full application which will include a contribution of £7.6m towards the construction costs of the hub
- 4.2 Assuming the planning application is consented there are two scenarios for the delivery of the hub; one assumes the scheme can proceed without a CPO enquiry and the other with a CPO enquiry. The former estimates a hub completion in early 2020 and with an enquiry 2021
- 4.3 The Council wishes to retain freehold interest in the land on which the community hub will be built. This means that LBB will need to agree a 'carve out' with Genesis because under the existing terms of the PDA all the development land (currently including the hub land) transfers to Genesis prior to development. Previous carve outs have been agreed on plots 7 (College) and 8 (council office). This will require a future variation to the PDA. There are several options available to the Council for the construction of the hub; GHA/

Countryside, open tender, LIFTCo etc. These will be further explored in the Outline Business Case.

- 4.3 In parallel with the planning and construction process the council will be preparing for the ownership and management of the new building. This will include the procurement of a management organisation, establishment of a lettings policy, agreement on fit out and rental agreements with large anchor tenants (NHS, children's centre etc) and smaller voluntary and community organisations requiring access on a daily ,casual, or occasional basis
- 4.4 The committee will receive an outline business case at its June meeting and a full business case following planning approval. The council will be working closely with CCG partners to establish a viable business model for the health element of the hub as well as the children's service and other community organisations as appropriate.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The re-provision of community facilities in Grahame Park is part of a wider regeneration programme of the Grahame Park Estate that supports the strategic objectives of the Corporate Plan 2013-2016 to improve skills and employment opportunities, engage with business and provide social and community infrastructure to support growth.
- 5.1.2 The Grahame Park Community Hub project supports the Council's vision for redesigned local services outlined in Corporate Plan 2015-2020:
- By 2020, public sector agencies will be more integrated – pooling resources, sharing assets and staff, and developing joint solutions.
 - Public services will be commissioned jointly for the borough by the council working with partners.
 - For residents, this will mean easier access to multiple services in one place.
 - For the Council, it will reduce bureaucracy and drive innovation in the way services are designed and delivered.
- 5.1.3 The Grahame Park Community Hub project supports the Council's priorities outlined in Corporate Plan 2015-2020:
- Responsible growth and regeneration – revitalising communities and providing new homes and jobs whilst protecting what residents love about the borough, such as its green spaces, and generating local revenue as Government funding reduces to zero.
 - Managing demand – working across the public sector and with residents to prevent problems rather than just treating symptoms.
 - Transforming services – redesigning services to make them more intuitive and integrated, and more efficient to deliver.
 - More resilient communities – working with residents to increase self-sufficiency, reduce reliance on statutory services and tailor services to their needs.

- 5.1.4 Functional integration across health and other public and community services is central to new primary care models that are being developed as part of NHS England's Five Year Forward View.¹
- 5.1.5 NHS England have identified Grahame Park Community Hub as an opportunity to fully integrate GP health services with children services, community health, mental health, social services, and the voluntary sector that are already providing a wide range of community services responding to local need.
- 5.1.6 NHS England have identified Grahame Park Community Hub as a new building (albeit a replacement) and therefore any business case being submitted to NHS England for Primary Care Transformation Fund (PCTF) must meet the following transformative objectives:
- Improving seven day access to effective care
 - Increased capacity for clinical services out of hospital
 - Increased training capacity
 - Commitment to a wider range of services as set out in your commissioning intentions to reduce unplanned admissions to hospital.
- 5.1.7 NHS England have identified multi-disciplinary shared space (clinical and non-clinical) and functional integration across all services (health/children/community) as the best way of achieving these Transformative objectives (above) in Grahame Park.
- 5.1.8 NHS England have also identified that multi-disciplinary shared space lends greater flexibility to services to provide for the future needs of a changing and increasing population in Grahame Park than merely increasing space requirement for health.
- 5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**
- 5.2.1 A cost plan has been undertaken on the existing RIBA stage 2 proposal and forms the basis for the draft budget for this scheme. A sum of £13m has been included in the council's capital programme following agreement at Full council on March 7 2017.
- 5.2.2 To meet the tight programme requirements the detailed design work (to RIBA stage 3a) must commence immediately and to this end it is proposed to release up to £640,000 from the capital budget (funded by section 106 health monies currently being held by the Council) to meet the costs incurred so far (£145,480) and estimated costs up to RIBA stage 3a submission (£479,520 plus £15k contingency).
- 5.2.3 Should this scheme not proceed, any abortive costs would need to be charged to revenue.

¹ See NHS Five Year Forward View (October 2014): <https://www.england.nhs.uk/wp-content/uploads/2014/10/5yfv-web.pdf>

5.2.4 As referred to in para 5.4., the council will need to agree, going forward, the business management model it wishes to adopt, to ensure effective financial management.

5.3 Social Value

5.3.1 The Grahame Park Community Hub is an opportunity to encourage complementary health, children and community services to co-locate within a Council asset.

5.3.2 Furthermore the Hub is an opportunity for Council to make more efficient use of its estate by maximising the times during which its assets are being used by different services.

5.3.3 The Hub is also an opportunity for health, children and community services to work together and deliver better, more joined up services.

5.3.4 The Grahame Park Community Hub will result in a number of benefits² to this co-location approach:

- Residents are more easily able to access a number of different services if these are provided in a single location – which can facilitate a more holistic approach to residents' needs.
- Community groups gain opportunities to work together, by networking, cooperating with and supporting one another.
- Services can be grouped together to meet the needs of a local area and share infrastructure, which enables community groups to operate in a more sustainable way.

5.3.5 The Grahame Park Community Hub has been designed with a view to:

- Maximising the benefits of co-location and enabling as wide a range of groups as possible to benefit from the use of Council assets.
- Reflect the needs of local communities and the Council's commissioning priorities for the local area.

5.4 Legal and Constitutional References

5.4.1 The Council will need to agree carve out (removal of the community hub land from the plot 10 land transfer) with development partner Genesis so to enable Council to retain Freehold of Grahame Park Community Hub, because under the present terms of Principal Development Agreement, the land automatically transfers to Genesis. The groundwork for this process is underway as part of the PDA variation.

The council will need to agree, going forward the business management

² See Community Asset Strategy (June 2015):

<https://barnet.moderngov.co.uk/documents/s23454/Community%20Assets%20Strategy%20%20June%202015%20-%20Appendix.pdf>

See Assets, Regeneration and Growth Committee Report (June 2015):

<https://barnet.moderngov.co.uk/documents/s23455/Community%20Assets%20Strategy.pdf>

model it wishes to adopt to ensure the effective financial management and running of the building. It is assumed that this building will be run along similar lines to other 'hub' type developments in Barnet eg Tarling rd. The adopted CBAT process for calculating annual rent will be adopted for the hub and has already been presented to the board of the Colindale Community trust

5.5 Risks and Issues

5.5.1 Risk

5.5.2 Early detailed design work is abortive as the hub fails to be delivered in part or full

5.5.3 Mitigation

5.5.4 LBB agree to underwrite design fees in the event of work being abortive. Full business case submission, post planning , close collaboration with health partners in delivery of health business case, consultation /liaison with community users.

5.5.5 Risk

5.5.6 Securing tenants for Hub. Ensuring long-term commitment from major users and appropriately priced access for community orgs

5.5.7 Mitigation

5.5.8 Full business case submission , post planning , close collaboration with health partners in delivery of health business case, consultation /liaison with community users

5.5.9 Risk

5.5.10 Ineffective management of building

5.5.11 Mitigation

5.5.12 Procuring an effective management organisation

5.5.13 Risk

5.5.14 Disruption to health and other services in the area

5.5.15 Mitigation

5.5.16 Pre -planning to ensure the seamless transition of health and other services into the new building

5.5.17 Risk

5.5.18 Ensuring long term viability of the hub

5.5.19 Mitigation

5.5.20 Effective long-term business planning

5.6 Equalities and Diversity

5.6.1 Equality and Diversity issues are a mandatory consideration in decision making in the Council pursuant to the Equality Act 2010. This means the

Council and all other organisations acting on its behalf must fulfil its equality duty when exercising a public function. The broad purpose of this duty is to integrate considerations of equality and good relations into day to day business, requiring equality considerations to be reflected into the design of policies and the delivery of services and for these to be kept under review.

- 5.6.2 The specific duty set out in s149 of the Equality Act is to have due regard to need to:

Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are – age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation. Health partners as relevant public bodies must similarly discharge their duties under the Equality Act 2010 and consideration of equalities issues should therefore form part of their reports.

5.7 Consultation and Engagement

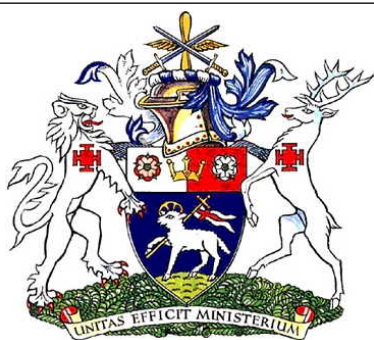
- 5.7.1 Public Consultation: Proposed Changes to health services and facilities in Colindale and West Hendon ran from November 2015 to Jan 2016. Findings Report (March 2017) can be found at: https://engage.barnet.gov.uk/commissioning-group/colindale-health/supporting_documents/Colindale%20health%20consultation%20report%20FINAL.pdf
- 5.7.2 Supplementary Planning Document Grahame Park (SPD) Public Consultation was held in February 2015 and February 2016. SPD Grahame Park was adopted in July 2016 and can be found at: <https://www.barnet.gov.uk/citizen-home/planning-conservation-and-building-control/planning-policies-and-further-information/supplementary-planning-documents/Grahame-Park-SPD.html>
- 5.7.3 (Public) Design Consultation for Stage B Grahame Park was held in June and July 2016 and was followed by Review Design Consultation in November and December 2016.
- 5.7.4 (Private) Design Workshops with prospective tenants and their respective commissioning bodies ran from February 2016 to August 2017. These workshops informed the Employer's Requirements and RIBA Stage 0-1 and Stage 2 Report for Grahame Park Community Hub. Design Workshops with prospective tenants will continue throughout RIBA Design Stages 3-7 so that tenant's requirements are met, and the building is fit-for-purpose.

- 5.7.5 (Private) Design Review Panel Grahame Park Stage B held on 16th January 2017.
- 5.7.6 Going forward, the hub will form a central part of the (Public) Statutory Planning Consultation for Stage B Grahame Park which will take place in April/May 2017. This will be supplemented by public events such as the Grahame Park fun day in July 2017 and updates to the Colindale Community trust. Information /drawings etc are permanently on display at the community office, 15 the Concourse.
- 5.7.7 In the development of outline and full business cases the council and partners will liaise with potential and current service users to assist in the design of facilities.

6. BACKGROUND PAPERS

- 6.1 Supplementary Planning Document Grahame Park was adopted by Full Council on 26 July 2016. Can be found at: <https://www.barnet.gov.uk/citizen-home/planning-conservation-and-building-control/planning-policies-and-further-information/supplementary-planning-documents/Grahame-Park-SPD.html>
- 6.2 Options Appraisal Study on Health Facilities in Colindale and West Hendon was completed in May 2015. Can be found at: https://engage.barnet.gov.uk/commissioning-group/colindale-health/supporting_documents/Colindale%20and%20West%20Hendon%20Options%20Appraisal.pdf

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ASSETS, REGENERATION & GROWTH COMMITTEE

24TH APRIL 2017

Title	Phoenix Canoe Club – Additional land take to facilitate the development of a new facility
Report of	Director of Resources
Wards	West Hendon
Status	Public
Urgent	No
Key	No
Enclosures	Appendix 1 – Site plan with additional land take
Officer Contact Details	Judith Ellis, Associate Director Strategic Property judith.ellis@barnet.gov.uk; 0208 359 7364 Emily Morris, Regeneration Officer emily.morris@barnet.gov.uk; 0208 358 4473

Summary

This report seeks authority to include an area of Public Open Space in the proposed lease to the Phoenix Canoe Club and Outdoor Centre, of their current site in Woodfield Park, which fronts the Welsh Harp.

The Club are seeking a new 25 year lease under the Community Asset strategy and have requested the inclusion of a small area of Public Open space in the lease as detailed on the attached plan to ensure their ambitious proposals for the redevelopment of the building can be fully realised.

Recommendations

That the Asset, Regeneration & Growth Committee approves:

- 1. The intention to dispose of the Public Open Land Space (hatched red in**

Appendix 1) by way of its inclusion in the demise of a new lease granted for a term of 25 years to the Phoenix Canoe Club and Outdoor Centre, subject to compliance with the statutory requirements of Section 123 (2A) of the Local Government Act 1972, planning consent and the Club receiving the required funding to carry out the redevelopment;

- 2. The delegation to the Commissioning Director, Growth and Development, to advertise the disposal of the land hatched red in Appendix 1 as required by Section 123 (2A) of the Local Government Act 1972, to consider any objections received and where appropriate to decide to make the disposal of the Public Open Space land.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Phoenix Canoe Club and Outdoor Centre is based on a Council owned site at the Welsh Harp Reservoir in West Hendon (shown within the hatched red area in Appendix 1). Following the rapid growth of the centre and the poor state of its current accommodation, the Trustees of the Club have commenced plans to redevelop the facility and grounds to provide a modern, purpose-built and fully equipped outdoor centre to enable the club to grow, sustain and excel.
- 1.2 The Phoenix Outdoor Centre operates an extensive programme of training and recreational activities and is licensed by the Adventurous Activities Licensing Authority for Kayaking, Open Canoeing, Sailing, Windsurfing, etc. The Outdoor Centre has seen a dramatic increase in visitors, with the vast majority of centre users from the London Borough of Barnet and Brent. The centre works with its educational and youth group users to provide skill learning in the outdoors which can be linked to the National Curriculum (Key Stages 2-4), the Duke of Edinburgh award and recognised youth group awards and training programmes.
- 1.3 The club is a short walk from Barnet's West Hendon regeneration scheme and Barratt Metropolitan LLP (the developer) have agreed to support the Phoenix Canoe Club in preparing and submitting a planning application for a new 'landmark' canoe and sailing club. If the planning application is approved, the Phoenix will be in a position to embark on a fundraising programme in order to finance their ambitious redevelopment plans.
- 1.4 In order to facilitate the development of the new club and provide sufficient storage for their equipment, an additional area of land, shown hatched red on the plan appended at Appendix 1 and currently part of the Public Open Space is required. Any disposal will require advertising under section 123 (2)(a) of the Local Government Act 1972. The inclusion of this underutilised area of open space does not impact on the usability of the surrounding football pitches, or the amenity value of the surrounding area.
- 1.5 If approval and funding is granted, the existing centre will be demolished and a new 'landmark' club will be built with an estimated build cost of £2 million.

The new centre will offer level access and includes four changing rooms plus accessible toilets and shower room, as well as a club room, training room, rooftop terrace and offices. It is anticipated that the new centre building, when operating at full capacity, will be able to achieve in excess of 15,000 session visits per annum. A planning application for the redevelopment has been submitted and further information can be found under reference 17/2076/FUL.

- 1.6 It is also proposed that the new centre will include a café operated as a training project for young people with learning difficulties. Following advice from the Council's Green Spaces team, the café will grow as much of its own produce as possible in a small vegetable plot included in the additional land take.
- 1.7 The Phoenix Canoe Club currently occupy the site by virtue of a lease from the Council for a term of 7 years (less one day) from 22nd October 2012 at a current rent of £2750 per annum exclusive. The Council has informed the Club that it would be willing to a new lease of a term of up to 25 years, subject to the Club being able to provide evidence of sufficient grant funding to deliver the proposed building project. Such evidence will need to be provided to the Council prior to the grant of the new lease. It is proposed the new lease will reserve a rent that will have been calculated through the CBAT tool and reviewed on a 5 yearly basis.. The existing lease will need to be terminated in accordance with statutory requirements.
- 1.8 The Council's Green Spaces and Planning departments have been consulted on the proposals. The departments have both provided support to the proposal. Green Spaces are positive on the additional land take subject to parking, traffic control and the separation of pedestrians and vehicular traffic along the access way to the boat club being addressed. These issues have been all been incorporated in the scheme design, which will be subject to further consultation through the planning process.
- 1.9 The new facility will make a significant contribution to the wider regeneration of West Hendon and will provide existing and new residents with access to additional amenity resources. The Centre will act as a landmark for the area, attract new visitors and offer a community facility to both the local and wider community, while fully exploiting the benefits of the Welsh Harp as a valuable asset for water sports and recreational purposes.
- 1.10 Through Section 106 monies, a new pedestrian bridge will be built alongside the Cool Oak Lane bridge, which will link the West Hendon estate to West Hendon Playing Fields, Woodfield Park and the Welsh Harp Open Space. This will make Phoenix Canoe Club and Outdoor Centre more accessible to residents, which will in turn enable them to take advantage of the Welsh Harp and the fully-equipped recreational space. The West Hendon Partnership Board has been consulted on the plans and is very supportive of the redevelopment plans.
- 1.11 The Phoenix Canoe Club and Outdoor Centre anticipate that the redevelopment will cost approximately £2 million to build. The club intend to

make applications to various organisations for financial contributions to the scheme, including Sport England, London Marathon Trust and City Bridge Trust. Fundraising will commence on receipt of a planning approval for the redevelopment and it is hoped that full funding will be received within 18 months. Should full funding not be received, the Club will revise their redevelopment plans and the requirement for the additional land will be reviewed.

- 1.12 The advertising of the Council's intention to dispose of the Public Open Space will commence if funding is achieved to deliver the redevelopment of the facility.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The recommendations in this report provide an opportunity for a Local Community Group to seek funding and complete the development of a significant community building in the West Hendon Area.
- 2.2 The Local Government Act 1972 Sec 123 (2A) requires the disposal of Public Open Space to be advertised in the local press for 2 consecutive weeks. Any objections received are to be considered in making the decision to dispose. A disposal includes leases granted for a term in excess of 7 years.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Do nothing – if the renewal of the lease and additional land take is not agreed the Phoenix will not be able to progress its planning application and subsequent fundraising programme.
- 3.2 As the land is Public Open Space, there is no opportunity for other forms of development.

4. POST DECISION IMPLEMENTATION

- 4.1 If the recommendation in this report is approved and planning consent is granted, the Phoenix Canoe Club and Outdoor Centre will embark on a fundraising programme.

- 4.2 Once full funding has been received, advertising of the Council's intention to dispose of Public Open Space will commence and the new Community lease will be completed.
- 4.3 Following the public advertising consideration of any representations will be delegated to the Commissioning Director Growth and Development.
- 4.4 The lease will be renewed and the area under the lease extended, subject to the successful conclusion of the fundraising exercise. If the fundraising is not forthcoming, the leased area will remain as in the existing lease.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Council's Corporate plan commits to;
- 5.1.2 Responsible growth and regeneration – revitalising communities and providing new homes and jobs whilst protecting what residents love about the borough, such as its green spaces, and generating local revenue as Government funding reduces to zero.
- 5.1.3 This proposal provides an opportunity to support the Regeneration of West Hendon, and for a Community Organisation to seek funding to deliver a valuable community resource. The development will enhance the facilities while preserving the open space.

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

- 5.2.1 By way of background, all community groups are able to secure 25 year leases without committee approval, with the rent being assessed through the Community Benefit Assessment Tool (CBAT). The current agreement is that the Club have a lease for 7 years from 22nd October 2012, at a below market rate of £2,750 pa. The proposal, subject to the Club securing external funds sufficient to redevelop the site, to a standard as agreed by the Commissioning Director, Growth & Development, is to offer a 25 year lease at a market rent, with the new lease to include additional land that is hatched red in Appendix 1. The rent will be assessed through CBAT to assess the actual rent payable, and will be reviewed every five years. Capital funding is being sought from external funders and if successful the development will increase the value and sustainability of a community asset, and of the Council's reversion.

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.

- 5.3.2 Section 123 (2A) states that a principal council may not dispose of any land consisting or forming part of an open space unless before disposing of the land they cause notice of their intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed disposal.

5.4 Risk Management

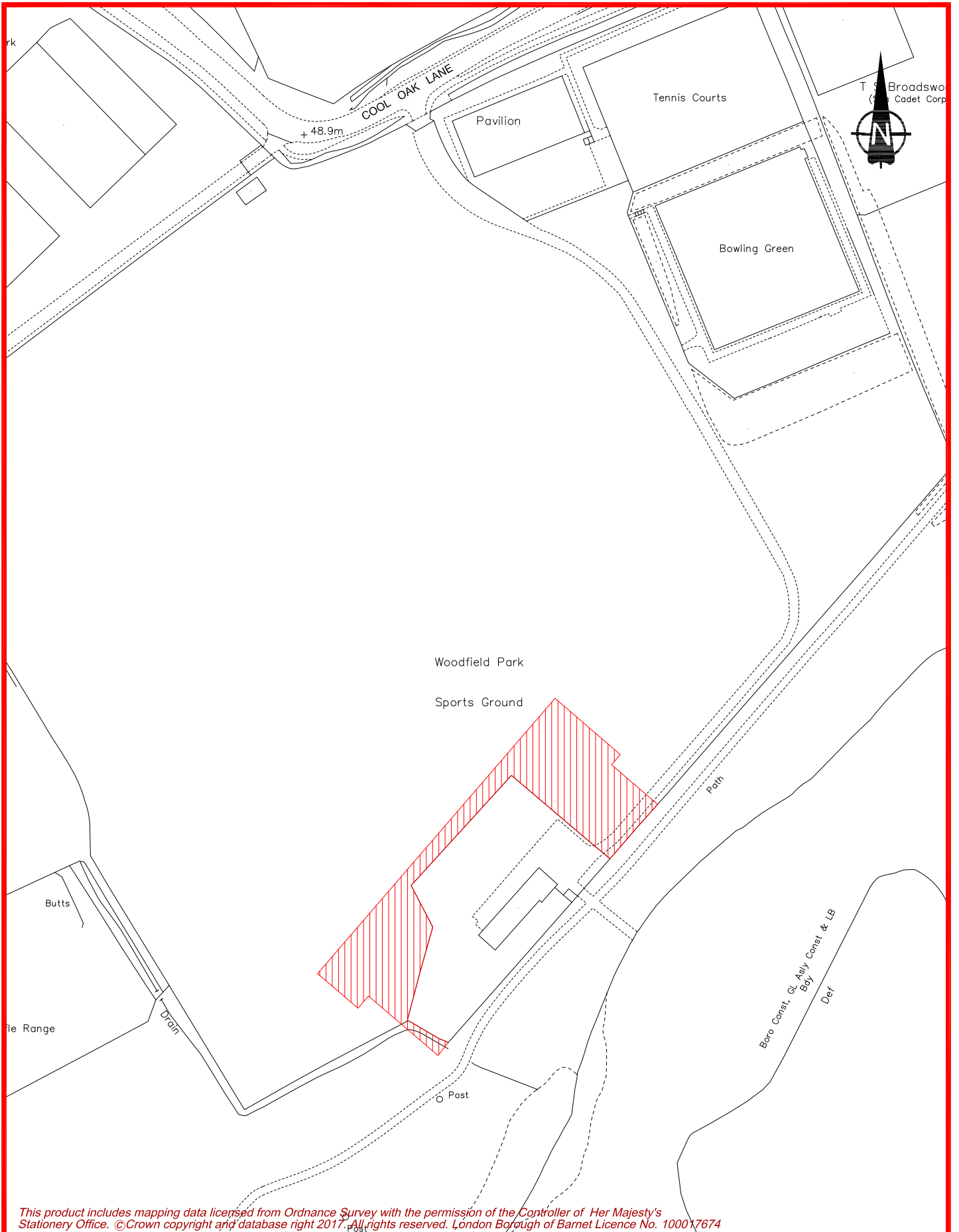
- 5.4.1 There is a risk that the funding required to complete the redevelopment of the centre will not be forthcoming. If this is the case, the Club will revise their redevelopment plans and the requirement for the additional land will be reviewed.

5.5 Equalities and Diversity

- 5.5.1 It is not considered that the proposal in this report raises any equalities issues.

6. BACKGROUND PAPERS

- 6.1 Cabinet Resources Committee, 16 December 2013, West Hendon Regeneration Project
<https://barnet.moderngov.co.uk/documents/s12100/West%20Hendon%20Regeneration%20Project.pdf>



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Initiated by	SCHEME: PHOENIX CANOE CLUB, COOL OAK LANE, NW9	Steve Dunevein, Director of Estates.		
Checked by		London Borough of Barnet, Barnet House, 1255 High Road, Whetstone, London, N20 0EJ Tel. 020 8359 2000		
Date 29/03/17	Scales 1:1250			

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	<p>Assets, Regeneration and Growth Committee</p> <p>24th April 2017</p>
<p>Title</p>	<p>Release of restrictive covenant for United Reformed Church, Chesterfield Road, Barnet</p>
<p>Report of</p>	<p>Director of Resources</p>
<p>Wards</p>	<p>Underhill</p>
<p>Status</p>	<p>Public</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>No</p>
<p>Enclosures</p>	<p>Plan –</p>
<p>Officer Contact Details</p>	<p>Anisa Darr Director of Resources Anisa.darr@barnet.gov.uk</p>

<p>Summary</p>
<p>This report seeks in principle agreement to release the restrictive covenant (shown 'shaded grey' on the attached plan titled 'Covenant Analysis'). This is located over the rear part of the land, which is owned by the United Reformed Church. The effect of the covenant is to limit development to a Church, community hall or caretaker's house, the beneficiary being the Council. The Church obtained planning consent in July 2014, to replace the existing aged buildings with modern worship and community facilities, together with a development of five houses. As the beneficiary of the covenant, following the planning consent affecting the development of two houses, the Council is entitled to be compensated in exchange for the release of this restriction. The payment is based on the residual land value for residential development; allowing for a right of access to the houses across the Church's frontage land.</p>
<p>The report seeks delegated authority for the Director of Resources to agree the release of</p>

the restrictive covenant in return for a payment of £176,000 to the Council. There is also an overage clause in the agreement, based on the net sales prices of the houses.

Recommendations

- 1. That the Assets, Regeneration and Growth Committee agree in-principle, to the Council releasing the restrictive covenant in lieu of a payment of £176,000.**
- 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 release of the restrictive covenant and complete the deed of release.**

1. WHY THIS REPORT IS NEEDED

The United Reformed Church were endeavouring until 2014 to obtain Planning Permission to replace their existing aged buildings with modern worship and community facilities. Having prepared a detailed development brief and securing a development partner, to whom they could transfer the land, with the benefit of planning permission to build five houses, the church would be able to exchange this for a new worship and community facility at no cost.

The effect of the Planning Permission granted on 7th July 2014, was to reverse the location of the Church (the application proposed the Church at the rear and residential at the front of the site) meant that two houses became the subject of the restrictive covenant. The feasibility for the replacement of the Church could not be justified without the total of five houses planned for development. The Church had no option, without appealing the Planning Permission, than to approach the Council to secure the release of the restrictive covenant.

Initially the Church claimed that the provision of community space, should be sufficient for the Council to forgo any financial compensation for the release of the restrictive covenant. However as the space would not be deemed a Council asset and without sufficient evidence this would serve the community at large, it would not be possible for the Council to comply with S123 of the Local Government Finance Act 1972. After several months negotiating a settlement, a figure of £176,000 has been agreed subject to the Council's and Church's respective approvals.

2. REASONS FOR RECOMMENDATIONS

- 2.1** The recommendation in this report enables the Council to release the United Reformed Church from the restrictive covenant, to the extent that the Council is able to do so, to allow the Church to secure the funding for the provision of with modern worship and community facilities.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 This is the only option available to the United Reformed Church since the Planning Permission stipulates that the new Church and community space must be located on the existing footprint. The residential development at the rear, upon which the covenant exists, will be transferred to their development partner. This provides the enabling finance to pay for the new Church and community space.

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 release of the restrictive covenant, to the extent that the Council is entitled to do so and complete it; following the signing of a DPR approval.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

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

- 5.2.1 The release of the restrictive covenant provides the Council with a capital sum, based on the development value of the land with planning permission for residential use. An appraisal obtained from the Valuation Office provides the basis for a negotiated settlement figure of £176,000. It is considered this represents 'best value' for money under Section 123 of the Local Government Finance Act 1972.

- 5.2.2 Each party will bear their own surveyor and legal costs. For Barnet, the capital receipts net of costs, will be available to support the Council's Capital Programme. Additionally there is a clause in the proposed deed agreement where an overage payment is triggered, should the sales price of the residential units exceed a certain threshold.

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 of an interest for sums exceeding £100,000.

- 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. Section 123 of the Local Government Act 1972 requires the Council to obtain the best consideration reasonably obtainable in return for a disposal of the property interest.

5.4 Risk Management

5.4.1 The development will not proceed unless the restrictive covenant is lifted, which would result in the loss of a capital receipt of £176,000 and would prevent the Church from carrying out the new development.

5.4.2 In relation to this decision, the Council can only deal with the owner of the land, which is subject to the covenant in question.

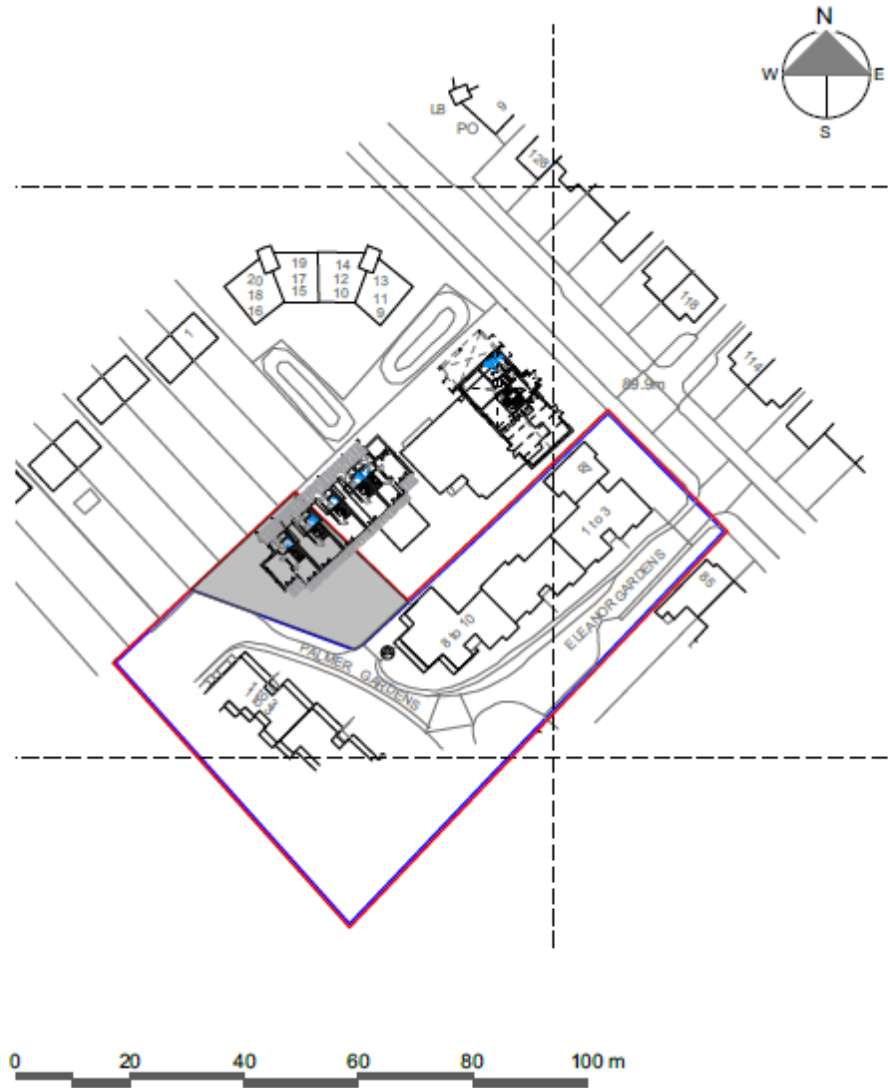
5.5 Equalities and Diversity

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 and to 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 Consultation and Engagement

6. BACKGROUND PAPERS



URC : Chesterfield Rd Barnet
 SITE LOCATION PLAN WITH COVENANT ANALYSIS
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	<p>Assets Regeneration and Growth Committee 24 April 2017</p>
<p>Title</p>	<p>Brent Cross Cricklewood Update Report</p>
<p>Report of</p>	<p>Commissioning Director, Growth and Development</p>
<p>Wards</p>	<p>Childs Hill, Golders Green and West Hendon</p>
<p>Status</p>	<p>Public with separate exempt report - Not for publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 as amended (as this relates to the financial affairs of the authority and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).</p>
<p>Urgent</p>	<p>No</p>
<p>Key</p>	<p>Yes</p>
<p>Enclosures</p>	<p>Appendix 1 (Exempt) Brent Cross South Business Plan – Strategy and Implementation Chapters. Appendix 2 Thameslink Procurement Strategy</p>
<p>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 12 December 2016 on key areas of activity across the Brent Cross Cricklewood programme. In particular it details the progress made on Brent Cross North (BXN), namely the submission of the reserved matters application for the shopping centre (Phase1b) and also the progress of BXS in respect of the updating of the Brent Cross South (BXS) Business Plan and submission of the first phase proposal in June. The Strategy and Implementation chapters of the Business Plan are attached to the Exempt report for approval. The Committee is also asked to agree to the extension of CBRE's appointment to advise on best value consideration of the Council's land in respect of the first phase proposal. The report also provides a progress update on Thameslink, and requests that the Committee approve the

procurement strategy in line with the recommendation of this report to enable the Council to undertake market testing to inform the procurement strategies for the individual Thameslink work packages.

Recommendations

That the Committee

- 1) Note the content of this report and progress made on the BXC workstreams across the programme.**
- 2) Approve the Strategy and Implementation Chapters of the Brent Cross South (BXS) Business Plan as attached to the Exempt report.**
- 3) Note that the financial model attached to the Project Agreement has been updated and assured by the Council's Advisors GL Hearn.**
- 4) Authorise the Chief Executive in consultation with the Chairman of the Committee to update and make any consequential changes to the BXS Project Agreement in light of the Business Plan and updated Financial Model.**
- 5) Note progress on the detailed design of the station and associated work packages within the station phase of Brent Cross South; and delegate to the Chief Executive in consultation with the Chairman of the Committee permission to agree terms and enter into the Implementation Agreement with Network Rail to deliver the railway works elements of the GRIP process.**
- 6) To approve the Station Works Procurement Strategy attached to this report and delegate authority to the Chief Executive in consultation with the Chairman of the Committee to finalise the procurement strategy for each work package and authorise commencement of the procurement.**
- 7) Delegate to the Chief Executive in consultation with the Chairman of the Committee permission to agree terms to vary the option granted to Hammerson and Standard Life in accordance with the legal documentation signed in July 2015 in order to restructure the corporate ownership for Brent Cross North to enable those developers to attract third party investment.**
- 8) Agree that CBRE continue to provide strategic property advice on BXC as detailed in this report, including extending their remit to advise the Council on fulfilling its statutory duty to secure best consideration in relation to Council land that is to be invested in Brent Cross South.**

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 12 December 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 (the Brent Cross North Partners/HSL) intends to 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 12 December is set out below and Members are referred to earlier reports for further context.

Project Update

Brent Cross North

- 1.5 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.
- 1.6 The Brent Cross North Partners are now finalising the detailed design of the shopping centre and a reserved matters application is anticipated to be formally submitted to the Local Planning Authority in May 2017. The Brent Cross North Partners are planning to offer face to face briefings with Ward Councillors and local politicians and GLA members in addition to participating in the All Member briefing being arranged for 26 April 2017. Council Members will have an opportunity to see the proposed designs at the All Members briefing.
- 1.7 The Committee will recall that the Brent Cross North Partners 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) it 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. These applications were approved by the Planning Committee on 22 February 2017.

- 1.8 Running parallel are the highway and infrastructure workstreams, which include progressing the approval in principle infrastructure designs for approval by the Highways Authorities (LBB, TfL and Highways 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.
- 1.9 In this regard, the Brent Cross North Partners together with the Council and Argent Related (through the BXC Integrated Programme Management office) are continuing 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. As previously reported, the Transport Advisory Group comprising the Development Partners, TfL, LB Brent, LB Camden as well as LB Barnet has been re-established and Construction and Enabling Works Communications Group set up 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.
- 1.10 In respect of the relocation of the residents within the CPO1 area of the Whitefield Estate, the Brent Cross North Partners are in final contractual negotiations with Catalyst (the selected preferred Registered Provider). Both parties intend to enter into a conditional contract by the end of April, three months later than originally reported to the ARG meeting in December. However this does not impact upon the programme to deliver the replacement units.
- 1.11 The Committee will be aware that the BXN Development Partners are seeking third party investment into the scheme. This is not surprising given the scale of the shopping centre extension. This investment is anticipated to be confirmed in the Summer. In advance of this, and in line with the provisions of the Property Development Agreement, the BXN Development Partners are now restructuring the joint venture and putting the necessary legal arrangements in place.
- 1.12 In relation to programme, and as previously reported to ARG in December, the Brent Cross North Partners continue to anticipate undertaking early construction work in Autumn 2017, 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.

Brent Cross South

Business Plan

- 1.13 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 (BXS) Joint Venture Limited Partnership (JVLP) formally created. The report to the Committee dated 17 March 2016 summarises the joint venture structure and legal arrangements.
- 1.14 As previously reported, the BXS JVLP has been updating the BXS Business Plan as approved by the Committee in March 2016. As part of this review, JVLP has consulted the Council's Commissioning teams and undertaken workshops with the local community, specialised groups and key stakeholders, which included holding a series of targeted focus groups on topics such as sports, leisure, youth, older people and later living as well as further due diligence on the first phases of BXS. The updated Strategy and Implementation chapters of the Business Plan are now attached at Appendix 1 of the Exempt report for approval.
- 1.15 The Business Plan describes the actions required to meet the vision shared by the parties, and through this route the JVLP will guide the activity, roles, responsibilities and obligations. The Business Plan is a live document capable of being reviewed as required. The financial model underpinning BXS has also been updated since the completion of the BXS legal documentation. This model has been reviewed by the Council's BXS property advisor's GL Hearn who have confirmed that it is operationally working and fit for purpose. The development content and the financial chapters of the Business Plan detailing the delivery of a phased development including the content of the Phases, projections of their financial viability and a programme for implementation of the phase and project are currently being worked up and will be reported to Committee on 4 June 2017.
- 1.16 The Committee should note that any changes to the Business Plan will need to be approved by the Council acting as shareholder in the General Partner.

First Phase Proposal

- 1.17 As previously indicated, BXS JVLP are also progressing the first Phase Proposal which will be put to the Council in its role as shareholder in the joint venture. It should be noted that the first phase referred to here is a subset of the first phase referred to in the s73 planning consent. This Proposal will follow the principles established by the updated Business Plan and will contain details of the proposed development with the Phase, the timetable for development, and also a calculation of the Council's potential entitlement to land value. It is anticipated that this will be reported to the Committee for approval in July 2017.

- 1.18 The Phase Proposal will include details of Drawdown Packages (being packages of Development Plots and related infrastructure that will be delivered in a Phase). Once the Phase Proposal has been approved by the Committee (known as the Phase Definition Date), the Council's ability to withhold consent as landowner is very limited, for example to cases where it does not believe the consent from the Secretary of State will be forthcoming.
- 1.19 Viability of a phase, and the Council's potential land value, are calculated using the financial model. The Council is able to review the inputs and assumptions used in that model prior to the Phase Proposal being presented. The Council is also able to indicate how it wishes to receive its land value. In this regard, it is intended that CBRE's appointment is extended to undertake the review of the financial model inputs and assumptions (a role referred to as the "PP Valuer") within their remit as strategic property advisor to the Council on BXC. GL Hearn will continue to advise the Council directly on all other BXS property matters. The appointment of CBRE as PP Valuer will be kept under review.
- 1.20 In addition to the arrangements for payment of the Council's land value, the Council will also be entitled to a share of surplus in JVLP.
- 1.21 Once approved, the Phase Proposal will then form the basis of the reserved matters planning application submission in line with the S73 planning application, with development commencing in late 2018.
- 1.22 Based on the above mechanism and overage provisions, the Council's best consideration sign off is achieved at the Phase Definition Date at which time the Council will be formally committing to disposal of the land to Argent Related as approved by the Committee in March 2016.

Appointment of Registered Provider for Whitefield Estate residents within CPO2

- 1.23 In respect of the preferred Registered Provider (RP) for those residents falling within the CPO2 area (Part 2 Whitefield Estate), JVLP has now appointed L&Q as the preferred RP. The Shared Equity Offer has been finalised and circulated to residents, and the Council, JVLP and L&Q are providing regular updates through open meetings with the residents, and L&Q have arranged one to one sessions directly with each resident leaseholder. This is in keeping with prior communications to the residents and CPO2 Residents Steering Group members.
- 1.24 Argent Related have also commenced contractual negotiations with L&Q. The head of terms agreed between the parties will be ratified by the BXS GP Board and reviewed by the Council in due course, with both parties aiming to finalise the contract in September 2017.

BXS Governance

- 1.25 In respect of the governance arrangements for Brent Cross South, the Shareholder Working Group has now been established and is meeting monthly following the Committee's approval in December 2016.

Thameslink Station

- 1.26 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. The Grant Agreement and Funding Letter between the Council, DCLG and the GLA has now been signed and the first tranche of the grant funding drawn down.
- 1.27 In order to meet the Thameslink Station delivery timetable as explained in previous reports, further Design Services/Implementation Agreements with Network Rail are required to commence the GRIP4 design development and allow intrusive ground investigation works, detailed planning applications to be submitted and engineering approval in principle designs (AIP) to be completed, enabling design freeze and cost certainty and mitigating the risk of any redesign as well as informing the GRIP5 process.
- 1.28 The GRIP4 design has been separated out into three phases. The phase A cost estimate has now been agreed with Network Rail at £4.5m which includes, prioritised ground investigation works, engagement of the GRIP4 Rail Systems designer, Network Rail Programme Management and Sponsorship until June 2017. This was signed on 10 March 2017. The revised cost estimate for the entire GRIP4 package is currently being negotiated alongside a further Design Services Agreement for the remaining phases for agreement in June 2017.
- 1.29 The station design is progressing. The original scheme for the new Brent Cross Thameslink railway station, as per the section 73 planning permission, was for a 5 platform station with a dedicated station footbridge and a separate public right of way pedestrian footbridge. Design development since the S73 permission (2013) has combined the two proposed footbridges into one – which will be a public right of way – and removed one of the proposed station platforms for a total of four platforms.
- 1.30 The proposed station form consists of the following components:
- Western entrance building located in the existing cinema car park on Geron Way which includes vertical circulation to the station footbridge
 - Eastern entrance building which will be delivered by the Brent Cross South development
 - A footbridge across the railway lines from the western entrance building to the eastern entrance building which is a 24 hour public right of way
 - Station concourse which is at footbridge level above the railway lines and which is accessed by the footbridge

- Two island platforms with two platforms faces each, one servicing the up and down slow lines and one servicing the up and down fast lines
- 1.31 Work is also progressing on the proposed waste facility and rail freight facility alongside the vehicular road bridge from the A5 into the Brent Cross South scheme (known as the MML Bridge).
- 1.32 A series of planning applications are currently being prepared to support the delivery of the new station and associated infrastructure works. It is envisaged that these applications will be submitted from April onwards, beginning with the Re-Phasing application to bring forward the new Thameslink Station and critical infrastructure to Phase 2 of the BXC Programme, followed by applications for the rail freight facility, the new Thameslink Station, sidings, Midland Mainline Bridge and Waste Transfer Station in Summer.
- 1.33 The Council recently provided residents in the area with a Project Update, notifying them of the plans to re-phase the BXT scheme and asking for their views. This feedback will be included in the upcoming Re-Phasing application, but was broadly supportive.
- 1.34 The Council is also undertaking early public consultation, holding public exhibitions as well as stakeholders sessions to present more information about the various elements of the Brent Cross Thameslink project; consultation on the emerging proposals for the Rail Freight Facility and Waste Transfer Station will be held in April/May, and for the Station, Sidings and Midland Mainline Bridge in early Summer. This will be an opportunity for the public to provide feedback on these elements before applications are progressed and further ensure enquiries can be addressed.
- 1.35 The first of the public exhibitions will be held in late April in the form of 'roadshow' exhibitions in three different locations to allow focussed discussions (the public will be free to attend any event they wish).
- 1.36 The team is also holding two stakeholders sessions; both sessions are divided into two presentation/ discussion slots to discuss the proposals for the Waste Transfer Station and Rail Freight Facility in more detail:

Station Naming Process

- 1.37 As previously reported, Argent Related are undertaking a detailed research into the history of the area, which has included consulting with local residents and a wide range of stakeholders, with a view to establishing a shortlist of names. It is anticipated that this list will be reported to the Committee to select a preferred name later this year. 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

- 1.38 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 Stabling/Sidings. This process is referred to as 'Network Change'.
- 1.39 The Network Rail Sponsor has completed part 1 of the three part regulatory process and is currently preparing part 2, the 'Notice of Intended Scope' regulatory submission for issue to the railway stakeholders. Consultation continues with the Train and Freight Operators to update them on the process. The next formal meeting is scheduled for 26 April to discuss the draft part 2 of the Network Change Notice.

Procurement

- 1.42 The Thameslink programme is divided into a number of different work packages. There are a number of suitable procurement options available for the different work packages. These are set out in Procurement Strategy attached at appendix 2. The Committee is asked to approve this strategy to allow engagement with the market and delegate to the Chief Executive in consultation with the Chairman of the Committee to confirm the procurement process for each work package and approve commencement thereof. For transparency the Procurement Strategy will also be reported to Policy & Resources Committee for noting at its next meeting in May 2017.

BXC Assurance

- 1.40 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 four 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, and discussions are taking place with HM Government's Infrastructure Projects Authority team to commission a Gateway Audit in early Summer 2017. All public sector partners have signed up to IPA-led assurance reviews to minimise the burden on the project team from multiple audits. The Council's audit team are considering how best to play into the IPA audit. IPA reports are not public documents, but it is anticipated that the report will be shared with the Audit Committee as a confidential item.

BXC Land Assembly

CPO1 AND CPO2

- 1.41 In respect of CPO1 and CPO2, the Committee will recall that the CPO Inquiry formally closed in July 2016 and the Council is awaiting the Secretary of State decision. This is anticipated in Autumn this year. The Council's advisors, GL

Hearn are continuing to negotiate with landowners within the CPO areas to acquire the necessary land and rights needed for the Brent Cross North and South schemes.

CPO3

- 1.45 The CPO Order to assemble the land required to develop the station and associated infrastructure work packages was approved by the Committee on 5 September 2016 (known as CPO3). The CPO Order was subsequently made on 7 September and the 28 day objection period expired on 13 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 Planning Inspectorate has now confirmed a CPO Inquiry Date of 5 September 2017. A Pre Inquiry Meeting is scheduled for 7 June 2017.

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. The details of the scheme are set out in previous update reports to this Committee, most recently the report to December meeting, which can be accessed on this link:
<http://barnet.moderngov.co.uk/documents/s36613/121216%20-%20Final%20Draft%20BXC%20Update%20ARG%20Report%20v3.pdf>

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

- 5.2.1 Previous reports describe in detail the ways in which the regeneration of Brent Cross Cricklewood supports the Council's Corporate Plan 2015-20 as updated.

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

Approved Capital Budget – Land Acquisitions

- 5.2.2 The current approvals for land acquisition are £44.169m, which covers Brent Cross North, South and some of the Thameslink development.

Brent Cross North

- 5.2.3 The Brent Cross Principal Development Agreement confirms that the Brent Cross North Partners (HSL) are obliged to pay the Council's (and their consultants) costs in connection with this project – this covers a range of costs, including land acquisitions, fees, highways works.
- 5.2.4 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 (including land acquisition) through the CPO Indemnity Agreement (CPOIA).
- 5.2.5 The Council's 2017/18 draft revenue budget estimate for recoverable costs from the Brent Cross North elements, totalling £1.64m, is being finalised with the BXN Partners.

Brent Cross South and Thameslink

- 5.2.6 In relation to the land required to deliver the BXS first phase south side development, there is approved capital funding (see 5.2.1.). This funding will be later recouped from the anticipated capital receipts of the south side scheme. The BXS Project Agreement provides the framework for agreeing the Council's land value, and in this regard CBRE will undertake the necessary valuation work in respect of the signing off the inputs and assumptions to the financial model in respect of the BXS Phase Proposal. The CBRE appointment is to be authorised under Contract Procedure Rules single tender action up to £164,176, to support alignment with Brent Cross projects already in progress and to integrate existing valuation exercises; this will be subject to review in accordance with regulations. CBRE are continuing to provide similar advice in respect of Brent Cross North. This option represents value for money given that CBRE are already well briefed given their role in advising on the funding strategy last year.
- 5.2.7 The BXS 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 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.

- 5.2.8 The current total approved Capital Budget for Thameslink is £16.65m. The delivery of the Station, Midland Mainline Bridge and waste and freight facilities, including land acquisitions, will be funded by Barnet Council initially from the existing Council capital budgets, further borrowing and also £97m DCLG grant funding, which is specifically for Thameslink. The DCLG Grant Agreement and GLA Funding Letter (agreeing to the ring-fencing of business rates) have now been signed. The first DCLG grant payment of £6,092,000 has now been received.
- 5.2.9 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. Ultimately, the CPO3 acquisition costs will be financed from either Argent Related, if appropriate, or the £97m grant referred to above.

Overall Budget Position

- 5.2.10 In addition to the approved capital budgets above, Policy & Resources Committee, on 17th May 2016, agreed to an increase in the capital financing requirement, to enable borrowing to provide initial finance for the project. There are a number of recommendations in this report; officers will ensure no commitments are entered into until there is appropriate budget provision. A full budget update will be reported to the next Committee.

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 range of powers to enter into the legal agreements envisaged by this report, including the general power of competence under Section 1 of Chapter 1 of the Localism Act 2011 to do anything that individuals can do subject to any specific restrictions contained in legislation and Section 111 of the Local Government Act 1972 which 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.
- 5.4.2 Additionally 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 observe 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 Procurement of public works and services contracts over the relevant value thresholds must observe the requirements of the Public Contracts Regulations 2015, to include the placing of OJEU notices where such contracts are not drawn down from a compliant framework. 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.

5.5 Risk Management

- 5.5.1 The key risks and mitigations are summarised in the 11th July 2016 report, please see link here - <http://barnet.moderngov.co.uk/documents/s33190/Brent%20Cross%20Cricklewood%20Compulsory%20Purchase%20Order%20No.%203%20and%20Project%20Update%20Report.pdf>

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. 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 each scheme is doing.
- 5.7.3 A programme wide communications, engagement and consultation forward plan is being developed as a tool to assist all partners to 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 Council and Brent Cross North Development Partners are due to distribute letters to the residents on the Whitefield Estate to provide a further update on the procurement of Catalyst as the selected Registered Provider for this part of the scheme.
- 5.7.6 The Brent Cross North partners plan to carry out further communications press work when the application is registered in May.
- 5.7.7 The scheme has received some coverage through associated opportunities such as Hammerson's announcement of end of year results.

Brent Cross South

- 5.7.8 Argent Related and Soundings held a series of Service provider workshops and experts panels between November 2016 and January 2017 in order to explore provision for older and younger people in the area and the provision of sports and active lifestyle activities.
- 5.7.9 Argent Related and Soundings produced a hard copy newsletter update to residents in January 2017 and plan to provide another update in April to update residents on upcoming activity.
- 5.7.10 They plan to hold an Open spaces workshop in May/ June 2017, and Community Liaison Group meetings and public exhibitions about the 1BS Draft Designs in June/July before the submission of Reserved Matters Applications.
- 5.7.11 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.

5.7.12 Argent Related and L&Q are also planning to hold a series of design workshops with the Whitefield residents in this part of the scheme. The first session is scheduled for the 27th April.

Thameslink

5.7.13 As indicated above, the Council undertaking early public consultation on the Thameslink Proposals.

6 BACKGROUND PAPERS

6.1 Assets, Regeneration and Growth Committee, 12 December 2016

<http://barnet.moderngov.co.uk/documents/s36613/121216%20-%20Final%20Draft%20BXC%20Update%20ARG%20Report%20v3.pdf>

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Procurement Strategy – Brent Cross Thameslink

28 March 2017

Contents

1	Executive Summary	3
2	Introduction	5
3	The Scope of the Brent Cross Thameslink Programme to be Procured	7
4	Exploring Market Capability	90
5	Social Value Criteria	134
6	Work Packages Procurement Processes	1617
7	Procurement Timeframes	2324

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1 Executive Summary

1.1 Introduction

This paper will explore, compare and evaluate the various available pathways to effectively procure the above packages and to ensure the end client London Borough of Barnet (LBB) and their respective stakeholders attain best value for money from the recommended route.

The paper will seek to identify procurement routes for the packages of work that can be delivered by Network Rail, LBB's Strategic Construction supplier and their supply chains as well as those that will be directly procured by London Borough of Barnet to optimise value and reduce delivery programme.

The overall purpose of this strategy is to:

- To approve the Brent Cross Thameslink Procurement Strategy attached to the ARG report and delegate authority to the Chief Executive in consultation with the Leader to finalise the procurement strategy for each work package and authorise commencement of the procurement.

1.2 Options

The strategy identifies the procurement options available to LBB to procure the various packages of works.

1.3 Recommendations

As such a procurement strategy needs to be defined and approved. The purpose of this paper is to set out and evaluate the potential delivery model / procurement strategies for the detailed design and construction of the new infrastructure taking into account the operational requirements for the new Thameslink Station at Brent Cross. It will also outline the various procurement approaches to achieve the best value and outcomes for LBB.

Therefore, we require the ARG committee to approve the Procurement Strategy so that we can issue PIN notice as appropriate to enable market engagement and the initiation of enabling works.

Given the nature of the programme, approval for this procurement strategy should be presented to both committees, ARG 24 April 2017, P&R 16 May 2017 for the totality of the programme. Procurement and delivery updates including any issues and escalations required will go through ARG.

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2 Introduction

2.1 Background

The Brent Cross – Thameslink Station Programme is £215m capital investment programme for new transport infrastructure to be delivered by 2022 to support the wider Brent Cross Cricklewood Regeneration Programme. The Thameslink Programme element of the wider regeneration programme is being developed and delivered by the London Borough of Barnet (LBB) and the programme consists a number of distinct but interrelated assets and work packages.

This includes the construction of the new Thameslink Station, relocated Sidings, the Midland Main Line Bridge, a new Waste Transfer Station, a new Freight Facility and the necessary Highways improvements works.

2.2 The Timeframe

The procurement timeline during which the main works need to be tendered and awarded is constrained by interrelated delivery of the various packages of works which are required to be tightly managed so that the programme stays on time and within budget. LBB will need to ensure that the various partners delivering the work packages are engaged and working collaboratively.

3 The Scope of the Brent Cross Thameslink Programme to be Procured

3.1 Work Packages

The programme will be disaggregated into a number of separate packages for each of the main deliverables. The document will confirm the recommended packaging structure setting out the rationale and routes to market for these arrangements. Further details of the scope of each work package are noted below:

Work Package O – Enabling Work

The enabling works are required to prepare site for further work packages and these are scheduled to commence January 2018 through to May 2019. The enabling works include demolition, land clearance, and geo technical surveys.

Work Package A – New Thameslink Station

Delivery of a new train station situated between Cricklewood and Hendon stations on the Midland Main Line, to serve the Brent Cross Cricklewood Development. The station will serve stopping trains operated by the Thameslink and Great Northern Franchise, currently operated by Govia Thameslink Railway. The Station will meet the following requirements:

- Be served by trains operating on the slow lines at a frequency of up to 8 trains per hour in the peak and 4 trains in the off peak.
- The platforms shall be of sufficient length to accommodate 12 car Thameslink trains. Four platforms shall be provided (2 on the slow lines and 2 on the fast lines to allow for slow line maintenance and service perturbation).
- A pedestrian footbridge shall be provided providing a through route from the east and west station entrances as well as passenger access/egress to the platforms.

Work Package B – Relocated Sidings and Rail Systems

To enable the development of the station area, the existing North sidings have to be relocated. The main requirement for the proposed sidings is a like for like facility, with the new arrangement meeting the existing operational requirements:

- Track works, overhead line equipment and rail systems for both the sidings and the station will be included in this package
- From a track alignment aspect, five sidings are required that are all capable of stabling 5 x 24 cars (2x12car sets), of Class 700. Standard S&C units have been proposed.
- The existing fuel road is to remain unaltered by the proposed alignment and the access road servicing this is also to remain in-situ. This has driven the positioning of the sidings.
- As these are new sidings the civils infrastructure, Overhead Line equipment and signalling will be developed to normal design standards with cognisance of the new track alignment. The existing sidings are to remain in operational use until the new sidings are constructed and commissioned.

Work Package C – Midland Mainline Bridge (MML)

A new highway crossing is to be provided to the south of the new station, known as the Midland Mainline Bridge. The MML Bridge will provide vehicle connectivity between the new housing development and existing highway network, without putting additional traffic through the existing residential streets. Two bus lanes are to be incorporated into the bridge, along with 2 carriageway lanes, cycle lanes and pedestrian footpaths.

Work Package D – Freight Facility

The provision of a new rail freight facility located to the south west of the site for aggregate storage and transfer. The new freight site will enable vehicular access from the A5, an internal access road, 2 rail freight sidings fed from the Hendon Freight lines on the Midland Main line route, car parking for up to 30 vehicles and a gatehouse.

Work Package E – Relocated Waste Transfer Site

To allow the relocation and improvement of other rail assets within Brent Cross Thameslink area, the existing North London Waste Authority's (NLWA) Hendon road to rail Waste Transfer Site (WTS) needs to be relocated within the Brent Cross area.

The work package allows for a planning level design of a fully enclosed, road to road WTS to take waste material from the London Boroughs of Barnet & Camden, where the waste material will be bulked and sent onto other sites for processing and disposal.

The Waste Transfer Site design is to provide up to a capacity of 175k per annum of household and recyclable waste.

Work Package G - Highways Improvement

Due to the above packages of works the surrounding highways need to undergo improvements works. This provision of these works are to be undertaken at the following locations:

- A5 / Humber Road Junction
- A5 / Geron Way Junction
- A5 / Oxgate Gardens Junction
- Freight Facility Access improvements

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4 Exploring Market Capability

4.1 Review of Railway and Underground Railway Construction Marketplace

Key Statistics Snapshot

Revenue
£3bn

Annual Growth 12-17
1.3%

Annual Growth 17-21
1.5%

Profit
£307.7m

Wages
£623.8m

Businesses
441

Market Share

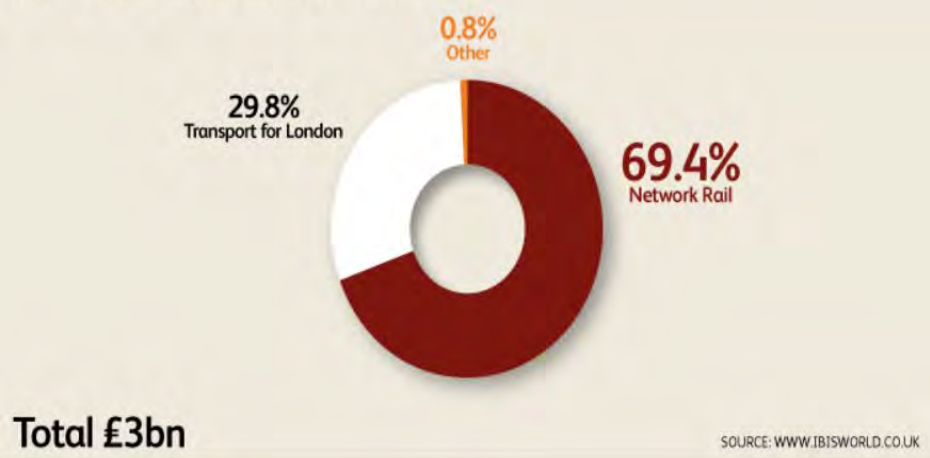
Balfour Beatty Group Limited
12.8%

Babcock Rail Limited
7.8%

Colas Rail Limited
6.5%

Carillion plc
5.3%

Major market segmentation (2016-17)



4.2 Performance

Operators in the Railway and Underground Railway Construction industry construct and maintain railway and tramway infrastructure. They are mainly employed by government bodies such as Network Rail, Transport for London and Northern Ireland Railways. These organisations are funded by the government's Department for Transport (DfT) and also generate income from private train operators and passenger fares. Rail infrastructure spending is organised in five-year cycles called control periods, which can result in uneven spending distribution. However, industry revenue has grown solidly for most of the period due to the commencement of construction of major projects like Crossrail and Thameslink and an increased government focus on rail infrastructure.

An increase in passenger numbers and improved demand from freight rail services has also boosted industry performance in the rail maintenance and upgrades segments. National Rail has continued to invest heavily in improving and expanding services, particularly in populous

areas like London. Revenue did fall in 2014-15 as payments for Control Period 5 (CP5) contracts were completed in the previous year. This decline, as well as a projected slowdown in growth in the final year of the period has limited industry growth to a compound annual rate of 1.3% over the five years through 2016-17. Revenue is anticipated to grow by just 1.1% to reach £2.9 billion in the current year as general uncertainty caused by the EU referendum outcome weighs on demand from freight transport.

Growth is forecast to continue over the next five years, as the overhaul of the UK's rail infrastructure continues. Economic uncertainty is expected to boost demand for rail services as commuters seek to reduce travel costs. Work to update tracks in southern England and improve connections between cities in the north of the country should boost growth. Major planned projects include Crossrail 2 and HS2. However, uncertainty regarding government expenditure and rail regulations may challenge growth to some extent. This has already been evidenced by National Rail's struggles with the Great Western electrification project. Ongoing labour shortages and a potential loss of EU funding for transport infrastructure represent further long-term threats. As a result growth is expected to be much more muted over the five years through 2021-22, rising at a compound annual rate of 1.5% to reach £3.2 billion.

4.3 Industry Issues

4.3.1 Threats

Investment in railway infrastructure is conducted by Network Rail, Transport for London and other organisations, but their budgets largely reflect the levels of government funding allocated through the DfT. The government has proposed to invest heavily in rail infrastructure over the next five years but some plans have already been shelved, posing possible threats to growth. In 2016-17, the level of government capital expenditure is forecast to increase.

4.3.2 Opportunity

Transport between the major cities of the United Kingdom is provided by private train operators, which pay Network Rail to use the tracks it manages. Higher demand for intercity passenger rail transport not only necessitates frequent track maintenance and prompts route expansions, but also directly increases Network Rail's revenue, much of which goes to industry contractors through large contracts. Demand from intercity

passenger rail transport is expected to rise in 2016-17, providing an opportunity for industry operators.

4.4 Market Dynamics

4.4.1 Brexit

Following the outcome of the EU referendum on 23 June 2016, with the UK electorate voting to leave the European Union, uncertainty surrounds many industries. In addition to greater long-term uncertainty, UK industries are likely to face a series of short-term effects that are anticipated to have an immediate influence on their performance.

- Demand for public transport such as railway commuting is expected to be altered by trends in disposable incomes
- Investment from the European Investment Bank could be threatened by widespread uncertainty in the short term and subdued economic conditions in the coming years, constraining opportunity for railway contractors.
- Demand from rail freight could also be threatened by falling discretionary spending as consumer confidence and business confidence are weighed down by economic uncertainty.

Construction industries such as the Railway and Underground Railway Construction industry are expected to be affected in several ways. In the short term, the prevailing uncertainty caused by the UK's decision to exit the European Union will have an immediate effect on the competitiveness of the industry.

4.4.1.1 Investment and demand

The Railway and Underground Railway Construction industry is heavily affected by trends in government expenditure, as well as demand for intercity passenger travel. Government investment into the UK's transport infrastructure is expected to remain a key driver of industry growth, despite government capital expenditure levels being threatened by rising uncertainty. Nevertheless, industry growth has been somewhat constrained recently due to a lack of skilled construction workers, and this may be compounded by any potential travel restrictions on migrant workers from EU countries in the long run. This remains a relatively distant threat, and will depend on the terms of the UK's exit from the European Union, but it could considerably limit the scope of industry

activity in the coming years, particularly for major projects like HS2. Such a restriction on the free movement of labour could also push up labour costs, constraining profitability.

Demand for public transport, such as railway commuting, is expected to be altered by trends in disposable incomes. Demand from rail freight could be threatened by falling discretionary spending as consumer confidence and business confidence are weighed down by economic uncertainty. This could have a knock-on effect on demand for the industry's services. In the short term, a depreciating pound may push up fuel prices for drivers and support a shift towards public transport, such as rail travel. This trend is expected to be compounded by falling consumer confidence, and may stimulate demand for industry contractors.

In addition, investment from the European Investment Bank and schemes like the European Regional Development Fund could be threatened by widespread uncertainty in the short term and subdued economic conditions in the coming years, constraining opportunity for railway contractors. Moreover, nearly 90% of the projects supported by the European Investment Bank are located in EU member states, and the UK's exit from the European Union could therefore limit operators' access to this source of funding. Upon the UK's exit from the European Union, UK projects would no longer be eligible for further funding through the European Regional Development fund, which could affect the industry in the longer term.

4.4.1.2 Regulation

The proposed adoption of the Fourth Railway Package, which aims to standardise European rail operations and create a single rail system, may be restricted by the UK's exit from the European Union. If the scheme is adopted by EU countries without the UK's inclusion, some industry operators, many of which have widespread international operations, may find it more beneficial to focus more heavily on projects outside the United Kingdom, limiting industry performance. Similarly, emissions regulations may change once the United Kingdom exits the European Union. Lower emissions targets could discourage investment in rail projects because the increased use of rail freight over road freight services to meet targets would not be as necessary.

5 Social Value Criteria

5.1 Employment and Skills

Outline planning permission for Brent Cross North and Brent Cross South phased deliveries defines requirements for Skills Development Method Statement element of the plans will build up over the lifetime of the scheme starting with measures to improve job opportunities associated with demolition and construction phases and then employment opportunities in each subsequent Phase or Sub-Phase of the development including the operation of any plot development after occupation. Permission context references the 'Employment and Skills Action Plan' (ESAP) and includes the statement "As well as targeting those people already in the labour market, there is also a need to ensure that young people (as the labour market of the future) are made aware of the career progression opportunities available in the local area, particularly in relation to the construction sector and retail sector."

The BXC Development Partners are committed by Condition 10.1 of the Outline Planning Permission to producing Employment and Skills Action Plans as part of the reserved matters application for each phase of development. These Action Plans will include specific targets in relation to (inter alia):

- Traineeships /Apprenticeships / Internships / Graduate programmes
- Work experience placements and volunteering
- Pre-employment support
- A minimum target of 20% local residents represented in the workforce
- Meet-the-buyer events
- Supply chain needs met locally
- Community site visits
- Engagement with local schools, colleges and universities to promote awareness of career opportunities
- Early notification of, and periods of exclusivity for, vacancies on-site to local training providers/job brokerage schemes

The Council is preparing an overarching strategy for Brent Cross and BX Thameslink will be required to develop their own Employment and Skills Action Plan (ESAP) to comply with Condition 10.1 as highlighted in 6.1.2 above.

The actions identified in 6.1.3 will be subject to review with regard to Entrepreneurial Barnet strategy delivery and will be defined for Summer 2017 in advance of BX Thameslink procurements.

5.2 SME and local inclusion

Procurement evaluation weighting criteria will be developed to support Entrepreneurial Barnet delivery including working with SMEs and supply chain local inclusion.

5.3 Recycling and reuse

Review is to be undertaken to ensure that RAMS, onsite remediation opportunities and use of rail to takeaway construction spill are considered and inform the finalisation of specification requirements for BX Thameslink procurements.

5.4 Sustainable environmental considerations

Review is to be undertaken to address Environmental Impact Assessment, S73 and S106 obligations with regard to BX Thameslink delivery requirements.

The outcome of this review will inform the finalisation of specification requirements for BX Thameslink procurements

5.5 Commission Equality Impact assessment

Equality Impact Assessment requirements are ongoing with regard to CPOs for Brent Cross regeneration and will be reviewed with regard to BX Thameslink procurement requirements as these are finalised.

5.6 Commission Health and Safety

All procurement activity is to include terms and conditions which cover contract delivery requirement in accordance with:

- Considerate Contractor Scheme
- Work Related Road Risk Terms – Non-Construction Contracts
- Work Related Road Risk Terms – Construction
- Fleet Operator Recognition Scheme (FORS) Accreditation
- Safety Equipment on Vehicles
- Driver Licence Checks

- Driver Training
- Collision Reporting
- Traffic Routing
- Requirements for Contractors with Site Management Responsibility
- CLOCS Associate

5.7 Commission geotechnical surveys to de-risk future procurement

Where enabling works package delivery does not cover geotechnical surveys these will be commissioned to cover rail Systems in GRIP4

Geotechnical surveys to de-risk future procurement exercises will be commissioned through existing frameworks to support options for BXS

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6 Work Packages Procurement Processes

The options for the procurement strategy for each of the work packages are detailed below. For each package, the various routes to market are compared and the advantages and disadvantages of each option are discussed including a recommended option. If the strategy is required to be changed during the course of the programme for any reason, then approval from ARG will have to be obtained.

6.1 Work Pack O – Enabling

6.1.1 Option

1. **Grahams Construction Ltd**

Grahams Construction (GC) have recently been appointed the Strategic Construction Partner for LBB following a competitive tendering exercise. Within the scope of this contract, GC would be permitted to complete this package of works without LBB going to the open market and GC having to participate in the procurement process. This will enable the Council to start the enabling works in January 2018 to prepare the site for further work packages and in order to meet the Thameslink programme. If a supplier is not appointed swiftly, it may delay the programme and have an impact on the timings of the other work packages going forward.

Estimated timeframe 2 – 3 months

6.2 Work Package A – New Thameslink Station

6.2.1 Options

The high value and complexity of this work means that this procurement has to be conducted under an Official Journal European Union (OJEU) or appoint utilising an existing LBB contract.

1. OJEU Competitive Dialogue

Due to the complexity of the procurement and the design and innovation requirements an option would be to undergo a Competitive Dialogue process to ensure that LBB achieve the best possible outcome within their budget in terms of cost and quality. Even though there are high bidding costs associated with a CD process this shouldn't deter the market for this opportunity because of the high value of the works and the expectation that large organisations would bid.

Estimated timeframe 6 – 8 months from OJEU advert

2. Network Rail

An option would be, the Council appoint Network Rail to manage the programme on behalf on the Council and would therefore be responsible for negotiating and appointing the contractor via their frameworks for the design and build of the station. The Station building has a large interface with the operational railway and rail systems package, where the risks and cost of delay escalate if not managed properly, this package would benefit by being delivered by a competent contractor with experience of working on the railway. The advantages and disadvantages of appointing Network Rail are summarised below:

Estimated timeframe 2 – 3 months to appoint

3. Grahams Construction Ltd

Similar to the enabling works, Grahams Construction (GC) have recently been appointed the Strategic Construction Partner for LBB following a competitive tendering exercise. Within the scope of this contract, GC would be permitted to complete this

package of works without LBB going to the open market and GC having to participate in the procurement process. Grahams do have rail related experience and have constructed Tennyson Bridge, Croydon and are an approved contractor with Network Rail.

Estimated timeframe 2 – 3 months to appoint

6.3 Work Package B – Relocated Sidings and Rail Systems

Due to the stakeholder involvement of Network Rail and their role in the design of the sidings and rail systems, a sensible approach would be to procure a rail systems contractor, with experience and competence in this area. The scheduled commencement of the sidings and rail systems works is July 2018. The AIP design for this package is due for completion in December 2017, which is the earliest date the works would be competitively tendered via OJEU would delay the commencement of detailed design until August 2018 giving a start date of March 2019 on site, which reinforces the approach to negotiate a design and build contract with Network Rail and their supply chain for the sidings and rail systems packages.

6.4 Work Package C – New Midland Mainline Bridge

The innovation required and complexity of this work means that this procurement will be conducted under an Official Journal European Union (OJEU). There is also the option of running a competitive tender through the NR and TfL frameworks

6.4.1 Options

1. TfL Major Works Framework

Transport for London have recently awarded a Major Infrastructure Works framework which includes bridge construction within the scope. The framework includes multidisciplinary suppliers and runs for 4 years with the option to extend for a further 2 years. The Council could procure based on a two-stage open book design and build delivery model which focuses on savings through determination of the optimum construction methodology and design rather than an emphasis on price at the point of award.

The challenges the Council could face if they were to procure from the framework are you are constrained to the named suppliers. In a market where there are relatively few

suppliers to meet the demand, there is the possibility that 1 or more of the suppliers may not bid for the work because of timings and / or capacity. Due to the limited competition, this in turn may have a negative effect on the bid prices when running a mini competition compared with tendering to the open market to potentially more suppliers.

Estimated timeframe 3 – 4 months from start of competition

2. OJEU Competitive Dialogue

Similar to the Station procurement, there are design and innovation complexities that could suit a Competitive Dialogue process to ensure that LBB achieve the best possible outcome within their budget in terms of cost and quality. Also, due to timings, this CD process could be run alongside the Station process to ensure best value is achieved. Even though there are high bidding costs associated with a CD process this shouldn't deter the market for this opportunity because of the high value of the works and the expectation that large organisations would bid.

Estimated timeframe 6 – 8 months from OJEU advert

3. Graham Construction Ltd

Similar to the enabling works and Station build, Grahams Construction (GC) have recently been appointed the Strategic Construction Partner for LBB following a competitive tendering exercise. Within the scope of this contract, GC could be permitted to complete this package of works without LBB going to the open market and GC having to participate in the procurement process.

Estimated timeframe 2 – 3 months to appoint

4. Network Rail

The Council have the option to appoint Network Rail to manage the programme on behalf on the Council and could therefore be responsible for negotiating and appointing the contractor via their frameworks for the design and build of the station. This package would benefit by being delivered by a competent contractor with experience of working on the railway. The advantages and disadvantages of appointing Network Rail are summarised below:

Estimated timeframe 2 – 3 months to appoint**6.5 Work Package D – Relocated Freight Facility****1. D.B. Cargo Ltd**

Due to it being owned and managed by the contractor, D.B. Cargo Ltd could take forward the relocation and improvement of freight facility.

Estimated timeframe 3 – 4 months**2. OJEU procedure**

The requirements of this site could suit an OJEU procedure to ensure that LBB achieve the best possible outcome within their budget in terms of cost and quality.

Estimated timeframe 6 – 8 months from OJEU advert**3. Graham Construction Ltd**

Similar to the enabling works and Station build, Grahams Construction (GC) have recently been appointed the Strategic Construction Partner for LBB following a competitive tendering exercise. Within the scope of this contract, GC could be permitted to complete this package of works without LBB going to the open market and GC having to participate in the procurement process.

Estimated timeframe 2 – 3 months to appoint**4. Network Rail**

The Council have the option to appoint Network Rail to manage the programme on behalf on the Council and could therefore be responsible for negotiating and appointing the contractor via their frameworks for the relocation of the freight facility. This package would benefit by being delivered by a competent contractor with experience of working in proximity of the railway. The advantages and disadvantages of appointing Network Rail are summarised below:

Estimated timeframe 2 – 3 months to appoint

6.6 Work Package E – Relocated North London Authority Waste Facility

This package has the potential for the works to be awarded directly and delivered by LBB strategic construction partner, Grahams Construction Ltd. Subject to negotiation with the contractor. This requirement would become a Strategic Construction Contract project delivery. Or, there is the option to go through an OJEU Procurement, either under one package of works or, split the package in to lots for demolition, build and fit out.

6.6.1 Options

1. OJEU Open Procurement Process – One Package

There is the option under an Open procedure to procure the whole package, demolition, build and fit out and award to a single supplier.

Estimated timeframe 6 – 8 months from OJEU advert

2. OJEU Open Procurement Process – Lots

Another option would be to go to market under an Open procedure but split the package in to three separate lots; demolition, build and fit out.

Estimated timeframe 6 – 8 months from OJEU advert

3. Grahams Construction Ltd

Again, within the scope of this contract, GC would be permitted to complete this package of works without LBB going to the open market and GC having to participate in the procurement process.

Estimated timeframe 2 – 3 months to appoint

6.7 Work Package F – Highways Improvement

6.7.1 Options

1. LoHAC Direct Call Off

LBB have an existing contract for highways term maintenance and works with London Highways Alliance Contract (LoHAC). This is a framework contract let by TfL.

Therefore, the incumbent contractor, Conway Aecom could be directly appointed to deliver the highway improvements package of works. The contract would need to be benchmark to understand if the contract demonstrates best value to the Council, if not, then LBB would have to undertake an OJEU procurement process.

Estimated timeframe 2- 3 months

2. TfL Framework

LBB could review additional TfL Framework options should direct call off from LoHAC contractor not prove an option to undertake. If not, then LBB would have to undertake an OJEU procurement process.

7 Procurement Timeframes

7.1 Time Frames

The below tables are a summary of the current commencement and completion dates for each package of works based on current timeframes and identified procurement routes.

Key: S = Start End, E = End Date

7.2 Work Package O – Enabling Works

The enabling works are required to prepare site for further work packages and these are scheduled to commence January 2018 through to May 2019

7.3 Work Package A – Station

No	Project Name	Jan 2017	Aug 2017	Oct 2017	Nov 2017	May 2018	Jun 2018	July 2018	Dec 2018	Jan 2019	May 2019	May 2021	May 2022
A	BX Thameslink Station Procurement				S	E							
	GRIP 5 Design							S	E				
	Commence on site									S			
	Complete on Site												E

7.4 Work Package C – MML Bridge

No	Project Name	Jan 2017	Aug 2017	Oct 2017	Nov 2017	May 2018	Jun 2018	July 2018	Dec 2018	Jan 2019	May 2019	May 2021	May 2022
C	MML Bridge GRIP 3 & 4	S	E										
	Procurement			S		E							
	GRIP 5						S		E				
	Commence on Site								S	—	S		
	Complete on Site											E	

7.5 Work Package E – Relocate Waste Transfer Site

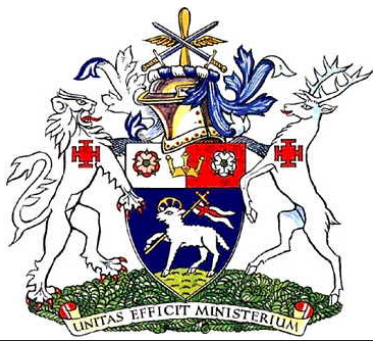
No	Project Name	Jan 2017	June 2017	Aug 2017	April 2018	Jun 2018	Dec 2018	Jan 2019	May 2019	Dec 2019	May 2021	May 2022
E	NLWA Waste Feasibility Design to AIP	S	E									
	Procurement		S		E							
	Commence on site							S				
	Complete on site										E	

7.6 Work Package F – Highways

No	Project Name	Jan 2017	July 2017	Aug 2017	Nov 2017	May 2018	Jun 2018	July 2018	Sept 2018	Jan 2019	May 2019	May 2021	May 2022
F	Highways												
	AIP Design	S	E										
	Procurement			S		E							
	Commence on site								S				
	Complete on site										E		

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ASSETS, REGENERATION & GROWTH COMMITTEE

24th April 2017

Title	WEST HENDON COMPULSORY PURCHASE ORDER 2 & 2a (CPO2 and CPO2a) COMMUNICATIONS UPDATE
Report of	Cath Shaw - 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 simon.bailey@barnet.gov.uk, 0208 359 7671 Emily Morris, Regeneration Officer emily.morris@barnet.gov.uk, 0208 359 4473

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 2016ARG.

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%20-%202a%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>

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Appendix 1 – CPO2 & CPO2a Communications Update – April 2017

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	07/12/2016 04/01/2017 01/02/2017 01/03/2017 19/04/2017	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 also discussed in detail.
Open Partnership Board	The Partnership Board holds an open meeting to discuss regeneration matters with the wider community	London Borough of Barnet, Re, Barratt Metropolitan LLP, Barnet Homes, Resident Representatives, ITA, Wider Community	09/01/2017	Quarterly	Development Partners provide relevant information to the wider community, subject to data protection and commercial sensitivities. The architect delivered a presentation on the Phase 4 RMA and Barratt London presented the plans for the Cool Oak Lane pedestrian and cycle bridge.
Construction Working Group	A forum for residents to discuss construction activities and programme with the Barratt's construction team	Barratt London, Wider Community	16/02/2017 16/03/2017 21/04/2017	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		March 2017	Quarterly	A Regeneration Newsletter, created by the Development Partners, is sent to all residents on the West Hendon estate. The newsletter provides relevant information to the wider community. The latest newsletter advertised the CPO2/CPO2a Inquiry and the process.
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. 9 leasehold properties have been acquired. An additional 16 Heads of Terms have been agreed.
CPO Inquiry	CPO Public	Inspector,	28/03/2017-	As	A Public Inquiry was held for CPO2185

	Inquiry with Inspector sent by the Secretary of State	Development Partners, West Hendon residents	30/03/2017	required	CPO2a at the RAF Museum in Colindale. The Inquiry was scheduled to be held over a two week period but was concluded within 3 days. A decision is expected in Summer/Autumn 2017.
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**London Borough of Barnet
Assets Regeneration and
Growth Forward Plan
May 2017 - December 2017**

Contact: Sheri Odoffin 020 8359 3014 sheri.odoffin@barnet.gov.uk

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
5th June 2017			
Brent Cross Cricklewood - Quarterly Update	<p>To receive a quarterly update on the Brent Cross Cricklewood Programme, and take such decisions as are required.</p> <p>To note any decisions of the Brent Cross South Shareholder Board and provide an update on community engagement.</p>	Commissioning Director, Growth and Development	Key
West Hendon Compulsory Purchase Orders - Quarterly Community Engagement Update	Update on community engagement in relation to West Hendon Compulsory Purchase Orders.	Commissioning Director, Growth and Development	Non-key
Development Pipeline Tranche 1, Housing Full Business Case	Approval of full business case.	Commissioning Director, Growth and Development	Non-key
Final Commissioning Plans	To Approve ARG's Final Commissioning Plan.	Commissioning Director, Growth and Development and Director of Resources	Non-key
Youth Zone - Lease Agreement	Approval of the lease and consideration of any planning objections.	Director of Resources (Deputy Section 151 Officer)	Non-key

Title of Report	Overview of decision	Report Of (officer)	Issue Type (Non key/Key/Urgent)
The Graham Park Community Hub	Permission to underwrite design costs from approved budget	Commissioning Director, Growth and Development	Non-key
Chandos Community Centre London N20	Recommendation of tenants for Chandos Community Centre.	Director of Resources (Deputy Section 151 Officer)	Non-key
CPO of a long term Empty Property	Seeking approval to CPO the property	Commissioning Director, Growth and Development	Non-key
Annual Performance Report -	Reflecting on Commissioning Plan 2016/17	Commissioning Director, Growth and Development	Non-key
Estates - Strategy and Funding	Approval of negotiating strategy and funding approval.	Director of Resources (Deputy Section 151 Officer)	Non-key
Institutional Investment	Approvals required (Details to follow)	Commissioning Director, Growth and Development	Non-key
Extra Care pipeline	Approvals required (Details to follow)	Commissioning Director, Growth and Development	Non-key
Opendoor Homes Affordable Housing Programme (Tranche 3 of Development Pipeline) Update	The paper will seek approval of any site substitutions and changes to the programme since the full business case was agreed on 12th December 2016	Commissioning Director, Growth and Development	Non-key
Tranche 3 Housing Development Pipeline	Approvals required (Details to follow)	Commissioning Director, Growth and Development	Non-key

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
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
Assets, Land and Property Transactions for Approval	Assets, Land and Property Transactions for Approval.	Director of Resources (Deputy Section 151 Officer)	Non-key
July 2017 Date TBC			
Special ARG)	Brent Cross South first phase proposal		
4th September 2017			
Brent Cross Cricklewood - Quarterly Update	<p>To receive a quarterly update on the Brent Cross Cricklewood Programme, and take such decisions as are required.</p> <p>To note any decisions of the Brent Cross South Shareholder Board and provide an update on community engagement.</p>	Commissioning Director, Growth and Development	Key

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
West Hendon Compulsory Purchase Orders - Quarterly Community Engagement Update	Update on community engagement in relation to West Hendon Compulsory Purchase Orders.	Commissioning Director, Growth and Development Commissioning Director, Growth and Development	Non-key
Assets, Land and Property Transactions for Approval	For approval	Commissioning Director, Growth and Development	Non-key
27th November 2017			
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	Key
West Hendon Compulsory Purchase Orders - Quarterly Community Engagement Update	Update on community engagement in relation to West Hendon Compulsory Purchase Orders.	Commissioning Director, Growth and Development	Key

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Issue Type (Non key/Key/Urgent)
Donoghue - Exploring options to re-locate - Update Report	Committee to consider the Business Case.	Commissioning Director, Growth and Development	Non-key
Referral from Chipping Barnet Area Committee for a Decision on Options for dealing with 56 Bedford Avenue A Long Term Empty Property	Approve For CPO If 'Sufficient Progress is not Made in renovating the property'	Commissioning Director, Growth and Development	Non-key
12th March 2018			

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

AGENDA ITEM 23

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of the Local Government Act 1972.

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