

	<h2>Assets, Regeneration and Growth Committee</h2> <h3>7 September 2015</h3>
<p style="text-align: right;">Title</p>	<h2>Assets, Regeneration and Growth Annual Performance Report</h2>
<p style="text-align: right;">Report of</p>	Chief Operating Officer Commissioning Director, Growth and Development
<p style="text-align: right;">Wards</p>	All
<p style="text-align: right;">Status</p>	Public
<p style="text-align: right;">Key</p>	No
<p style="text-align: right;">Urgent</p>	No
<p style="text-align: right;">Enclosures</p>	None
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<h2>Summary</h2>
<p>Each Theme Committee is to receive an annual report against progress made in 2014/15. These reports are to provide theme committees with an annual update of the work that has been undertaken to meet the committee’s commissioning intentions, as outlined in the agreed commissioning plan for each committee.</p> <p>Performance of the council is monitored each quarter by the Performance and Contract Management Committee. Any in-year concerns will be raised through a referral to the relevant theme committee.</p> <p>This report reviews the performance between April 2014 to March 2015 for the areas relevant to the Assets, Regeneration and Growth Committee. This report highlights progress made against the Corporate Plan and the Assets, Regeneration and Growth Committee’s work in assisting in the achievement of meeting the fiscal challenge up to 2020.</p>

Following a review of 2014/15, priorities and areas of potential challenge 2015/20 have been considered and are outlined in this report in line with the Assets, Regeneration and Growth Committee Commissioning plan 2015 – 2020 approved by this committee on 15 December 2015.

Recommendations

- 1. That the Committee note the progress made during 2014/15 and agree to use the information provided to help in future decision making.**

1. WHY THIS REPORT IS NEEDED

- 1.1 Each Theme Committee is to receive an annual report against progress made in 2014/15. These reports are to provide theme committees with an annual refresh of the work that has been undertaken.

2. REVIEW OF 2014/15

Corporate Plan priorities

- 2.1 Assets, Regeneration and Growth committee is responsible for creating the right environment for economic growth to ensure Barnet is a successful place; for ensuring that the Council's asset strategy is aligned effectively to the development of the borough; and ensuring housing supply and provision that meets the Borough's needs. Included within this are particular responsibilities for the Council's regeneration programme, and for the health of town centre.
- 2.2 The performance outturn for 2014/15 (table 1 below) shows the borough's progress against one of the three Corporate Plan objectives which the Assets, Regeneration and Growth Committee contribute to. The most recent outturn for the seven relevant corporate plan indicators (CPIs) performance is summarised as:
- 75% (3 out of 4) were Green
 - 25% (1 out of 4) were not reported in the last year – the survey was piloted for the year and will be carried out fully in 2015/16.
- 2.3 During the year, 398 affordable homes were delivered and 130 vacant properties brought back into use to address some of the housing pressures within Barnet

Table 1: Progress against relevant areas of the Corporate Plan 2013/16

Objective	Indicator	Year-end Outturn	Previous Outturn
Create the right environment to promote responsible growth, development	Completed new affordable homes	398 (target 308)	344
	Bring empty properties back into	130 (target 100)	624

and success across the borough	use		
	Increasing business satisfaction with Barnet as a place to do business	Survey baselined in 2014/15, reporting to begin in 2015/16	
	Support business survival in the borough with an increase in new businesses and decrease of net loss over 2-year period	72.13% (4.29%pts better than 2011 baseline)	N/A

Re Contract KPIs

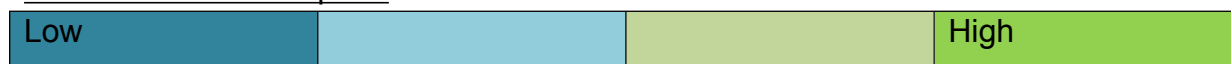
The full table of KPIs that are dealt with by the Re contract is outlined with the theme committee that oversees at the bottom of this report. Below are relevant KPIs to Assets Regeneration and Growth Committee:

	Re Key Performance Indicators	Year-end Outturn (quarter 4)
Environmental Health	Provide comprehensive support for businesses to meet the relevant EH standards (EH01A)	97%
	Business license applications processed in a timely manner (EH02K)	94.9%
Regeneration	Regeneration budgetary and financial controls (% of invoices sent within timescales) (REGENKPI02)	60%
	Delivery of Regeneration projects' deliverables and milestones to meet outcomes and achieve benefits (REGENKPI03)	90%
	Improving Employment opportunities – Achieving agreed deliverables and milestones (KPI REG050)	Green
	Number of new affordable homes completed (REGENKPI05)	398
	Implementation of Section 106 obligations for employment & training activities (percentage of milestones achieved) (REGENKPI06)	100%
Super KPI	Percentage of Community Infrastructure Levy (CIL) cases cleared annually -- payment of overall CIL obligations by developers to the Authority (SPKPI03i)	100%
	Increase business survival rate (compared against other boroughs) (SK1)	4.29%pts

	Re Key Performance Indicators	Year-end Outturn (quarter 4)
	Reduction in Youth Unemployment (including graduates and school leavers) - 16-24 year olds (SK2)	11.90%
	Reduction of vacant high street properties (compared against other boroughs) (SK3)	4.64%
	Increase Central Government funding success (SK4)	97%

Table 2: Benchmarked indicators

Unitised estimated Spend



	Barnet	London Average
Estimated budget net expenditure – Planning and Economic Development per head (£) (2013-2014)	28.76	42.67

Performance



<u>New Homes and affordable homes</u>	Barnet	London Average	England Average
Number of affordable homes delivered (gross)(Latest) (Count) (2013-2014)	390	288	136
Housing affordability ratio - ratio of lower quartile house price to lower quartile earnings (Ratio) (2013)	11.27	11.39	7.70
Additional affordable homes provided as a percentage of all net additional homes (Percentage) (2013-2014)	26	57 [^]	46
Average House price (March 2014) (£)	451,152	414,490	-

[^] excluding Kensington and Chelsea

<u>Business and employment</u>	Barnet	London Average	England Average
Economic Active (proportion of 16-64 year olds, Apr 2014 – March 2015)	72.6	77.0	77.6
Population- proportion of people of working age who are unemployed (Apr 2014 – March 2015)	6.1	6.9	6.0
JSA total claimants: rate (resident population aged 16-64) (June 2015) (Percentage)	1.4	1.9	1.4

<u>Business and employment</u>	Barnet	London Average	England Average
JSA number claiming over 12 months (June 2015) (Count)	800	925	489
Access to employment by public transport (and other specified modes) (working age population) (% of economically active) (2013)	87	87	83
Working age people on out of work benefits (Raw value) (Oct-Dec 2014) (Percentage)	7.2	9.0	8.5
All persons employed in private sector as percentage of all persons in employment (2015 Q1 rolling) (Percentage)	77.8	80.7	78.6
All persons employed in public sector as percentage of all persons in employment (Raw value) (2015 Q1 rolling) (Percentage)	22.2	19.3	21.6
New business registration rate per 10,000 resident population aged 16 and above (2013) (Per 1000 population)	128.3	122.8	77.7
Number of active enterprises (2013) (Count)	23,135	14,011	6,567
Count of birth of new enterprises (2013) (Count)	3,735	2,541	947
Count of deaths of enterprises (2013) (Count)	2,845	1,501	643
Median gross weekly pay of employees working in the area (work base) (2014) (£Per week)	581.9	593.2	501.6
Median gross weekly pay of employees by residence (residence base) (2014) (£Per week)	623.4	625.8	525.8

<u>Assets</u>	Barnet	London Average	England Average
Long-term borrowing: Long term assets ratio (2012-2013) (Ratio)	0.29	0.23	0.24

2.4 A number of major programmes were implemented in 2014/15, key achievements include:

Entrepreneurial Barnet

- Entrepreneurial Barnet outlines the council's vision to make Barnet 'the best place in London to be a small business' and support for the economy to grow.
- Job Seekers Allowance and youth unemployment (18-24 year olds) claims are now at pre-recession levels. Only 2.3% of 16-18 year olds in Barnet are not in education employment or training (NEET).
- Achievements to date have included
 - securing nearly £300,000 from the Mayors High Street Fund to support Burnt Oak town centre,
 - achieving the highest take up of the governments high speed Broadband Connection Voucher scheme of any outer-London borough,
 - successfully bidding for external funding to support the employment and skills agenda,

- launching the BOOST team in Burnt Oak which will tackle long term unemployment,
- preparing for a West London Alliance approach to supporting people at risk of becoming *not in education, employment or training* (NEET), and
- Council approval to participate in the new West London Economic Prosperity Board.

Growth and Regeneration

- Barnet's seven major regeneration schemes will create more than 20,000 new homes and provide up to 30,000 jobs over the next 20 years, the most new homes in any outer London borough. Existing regeneration programme will generate more than £11m in recurrent income by 2025 and £50m in one-off income by 2020 – to be invested in infrastructure. So far in 2015/16 major achievements include:

Brent Cross Cricklewood

- Developer Argent Related, for the redevelopment of Kings Cross, was selected as preferred development partner for the Brent Cross South scheme, with negotiations to establish a Joint Venture well underway.
- £97m grant secured towards the development of a new train station at Brent Cross, along with ringfencing of business rate growth to fund the remaining cost.
- Reserve Matters Applications (RMA) have been approved for Clitterhouse Playing fields and Claremont Open space, and replacement homes for the first group of residents moving from the Whitefields estate.
- Compulsory Purchase Orders (CPO) 1 and 2, relating to both the North and South projects, have been made, with a Public Inquiry scheduled for May 2016.

Colindale

- Following the moving of Lanacre Avenue ahead of Schedule, the Building of the New Barnet and Southgate College in Colindale has commenced.
- Planning permission for the Peel Centre a site comprising over 2,900 new homes, 10,000m² non- residential uses, and a three form school, has been approved.
- The RAF Museum has been successful in obtaining a Heritage Lottery Grant with support from London Borough of Barnet.

Grahame Park

- The first phase of consultation for the Grahame Park Supplementary Planning Document (SPD) has taken place with a first draft expected in October 2015. The SPD will set out an approach for the next stage of development at Grahame Park (Stage B).
- Site 3 has been completed comprising 143 homes (55 affordable) and a Sainsbury's supermarket.
- Site 5 has been commenced with an expected completion date of January 2017.

Stonegrove Spur Road

- All properties on the estate to be demolished are now vacant, progress on completing this regeneration scheme can now progress with a forecast completion of this scheme in 2018.

Dollis Valley

- The processes of moving secure tenants into their new homes within the Dollis Valley scheme has commenced, the first 11 secure tenants move into Block 13 during week commencing 24th August 2015.

West Hendon

- 69 of the 71 affordable units at newly built Gadwell & Bullfinch House have been let.
- The newly build private homes are now being sold.
- The developer has had their planning Reserve Matters Application for the next phase of development, 3B and 3C, approved by Barnet Council.

Development Pipeline

- Barnet Homes have begun construction of 40 new council homes
- An outline business case has been prepared, a construction partner identified, and planning applications submitted, for the first tranche of mixed use housing developments on Council land. The schemes are currently being reviewed in light of the response to consultation, and are expected to be considered by Planning Committee in the autumn.

Asset Management

- The period has continued to see a high level of collaborative working between CSG Estates and the council to interpret contract requirements, develop standards and a vision of what good service delivery should look like.
- The rent and lease renewals backlog completed were identified which will all generate an income for the Authority in excess of £100,000.
- The planning needed to take the Council through to occupation of the proposed consolidated estate (ie NLBP Unit2 and Barnet House) by October 2015 (now called the Accommodation Implementation Programme (AIP)) was completed.
- Implementation of the Strategic Assets Management Plan (SAMP) began and the Community Asset Strategy (CAS) public consultation was undertaken.
- Implementation of new Capital projects (Circa £11m) began and existing Capital projects worth circa £30m were completed. The Schools Capital Programme delivered number of significant school expansions. Overall, capital projects performed well against the programme of work that was agreed with the Council.
- The Energy staff awareness campaign was launched and baseline volumetric and consumption figures for gas, electricity and water agreed so the council can track any future savings. Engagement with the RE:FIT energy conservation programme also began, with three council assets potentially found suitable for inclusion in the scheme.

- CSG Estates initiated the development of a programme of work for repairs and maintenance which is now more planned and less reactive.

3. PRIORITIES 2015 – 2020

3.1 The Corporate Plan 2015 – 2020 states our vision for health and social to be personalised and integrated, with more people supported to live longer in their own home.

3.2 Meeting Corporate Plan principles -

Fairness	<ul style="list-style-type: none"> • More effective use of community assets, with discounts on full market rent and development of a “community hub” approach for community assets with community groups identified to run these • Increasing prospect of better paid employment by creating new jobs and providing residents and businesses with the tools and support to prosper and grow
Responsibility	<ul style="list-style-type: none"> • Streamlining planning, regulation and customer access for business • Identifying major, district and local town centres and develop a tailored offer to support each • Reducing council office accommodation costs, through relocation and selling vacant sites, using the public sector estate in a more efficient and joined up way
Opportunity	<ul style="list-style-type: none"> • Successful delivery of the existing regeneration programme, including Brent Cross and Colindale, and identification of future development opportunities across the borough, particularly on public sector land. • Develop stronger relationships with local business, through training and mentoring and by improving access to council contracts

3.3 The Assets, Regeneration and Growth Commissioning plan (2015 – 2020), approved by the Committee 15 December 2014, set out the priorities, outcomes and commissioning intentions across three areas; Growth and Regeneration; Entrepreneurial Barnet; and, Asset Management.

Growth and Regeneration

The London Borough of Barnet’s growth and regeneration programme combines a programme of physical regeneration schemes and economic development initiatives. Moving forward some key achievements The Regeneration Team are looking to deliver in the remainder of 2015/16, include:

Programme

The delivery of 419 private homes and 248 affordable homes.

Brent Cross Cricklewood

- Joint Venture Company fully established with Brent Cross South Development partner, Argent Related.
- Thameslink Train Station: delivery strategy, full business case, and funding finalised.
- Reserve Matters Application for the Brent Cross Shopping Centre design submitted.

Colindale

- Completion of detail design for and Montrose and Silkstream Parks, and submission of a full planning application.

Grahame Park

- £56 million loan received by Genesis Housing Association, from central government to progress Phase B.
- Adoption of Grahame Park Stage B Supplementary Planning Document by Barnet Council.
- Commencement of CPO process for Grahame Park Stage B.

Stonegrove Spur Road

- Completion of Joint Community Centre & Church.

West Hendon

- Commence demolition and construction works for Phase 3.

Dollis Valley

- The construction of the accelerated phase 2 has will commence.
- A new nursery will be completed and open.

Development Pipeline & Colindale HQ

- Construction works for the office at Colindale will start on site.
- Barnet Council to approve the delivery of 5 mixed tenure housing sites.

Entrepreneurial Barnet

- 3.4 Entrepreneurial Barnet (EB) is Barnet's approach to making the borough the best place in London to be a small business. It reflects a partnership ethos to growth, with engagement from Middlesex University, Barnet and Southgate Colleague, and the Department for Work and Pensions. It was approved by Assets, Regeneration and Growth Committee December 2015.
- 3.5 Over the coming year the following will be achieved and delivered through Entrepreneurial Barnet:
- Working with developers and builders to increase the number of apprenticeships and vocational career pathways for young people in the borough.
 - Creating a business support social enterprise that will identify and support entrepreneurs in the borough to turn their ideas into successful, growing businesses.
 - Launching a "town centre offer" to make it easier for town teams to influence their local area for the better.

- Developing and delivering town centre strategies for at least two of the boroughs' main town centres using a combination of external grant funding and capital expenditure following.
- Monitoring the outcomes of the Working People, Working Places programme and consider other locations for a place based approach.
- Launching the preventative and rescue support service for those at risk of becoming NEET.
- Launching a Mental Health and Employment Trailblazer to support people with anxiety and depression into work.
- Launching a Skills Escalator service for working people on low incomes who will increase their salaries once they have secured appropriate training.
- Supporting the first year of operation of the West London Economic Prosperity Board, to achieve improved jobs, skills and business growth across West London.

Asset Management

3.6 Effective asset management planning provides a framework within which the Council can deliver operational and financial benefits of an estate which aspires to standards of best practice. Priorities up to 2020 are to:

- Strengthen and develop CSG Estates' management structures to respond better to the demand of boards, committees and member queries.
- Provide building custodians with a clear understanding of asbestos management and condition issues.
- Develop an improved Capital Projects PMO structure, including resourcing, processes and reporting.
- Develop and implement an aggregated procurement strategy that delivers tighter cost control, better pipeline tracking, more efficient delivery and is based on a partnership ethos.
- Engage comprehensively with and utilise fully, the One Public Estate programme.
- Improve report, submission and committee paper writing, and adhere to timelines that ensure the council is provided with the time and information required to make properly considered decisions.
- Complete the NLBP consolidation project (AIP) and subsequent construction of and move to a new civic office block in Colindale.
- Construct two replacement leisure centres.
- Construct / develop a number of community hubs as part of the community asset strategy implementation plan.
- Re-locate the boroughs waste transfer facility.
- Implement a corporate landlord function that centrally manages the council's entire building portfolio.
- Develop and implement a locality strategy in order to identify sufficient & correctly located facilities to accommodate those service areas that must be dislocated from Colindale in order to support the Council's aspirations.

Performance monitoring

3.7 Performance across the Council is monitored by the Performance and Contract Management Committee. This committee receive quarterly reports

on progress and spend for each 3 month period of the year. Where performance is considered a concern and relevant to the work of a thematic committee a referral will be made.

- 3.8 This committee will receive annual reports to ensure members are informed on performance as part of their decision making.

Financial performance

- 3.9 The Re Delivery Unit is the main Delivery Unit for the services commissioned by the Assets, Regeneration and Growth Committee. During 2014-15 the Delivery Unit overspent by £0.218m, a variation of 21% of budget. The variation from budget is due to a higher than budgeted number of TUPE officers being funded from RE's management fee, partly addressed by mitigation identified by Re as part of a recovery plan.

- 3.10 There will be some significant challenges in delivering within budget in 2015-16. The underlying demand pressures described above will be sustained along with further pressures.

4. REASONS FOR RECOMMENDATIONS

- 4.1 The Commissioning Plan was developed following consultation and agreed in March 2015. This report highlights performance and priorities which should be noted and taken forward where appropriate.

5. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 5.1 None

6. POST DECISION IMPLEMENTATION

- 6.1 Commissioning plans will be reviewed in Autumn 2015 to contribute to business planning for the council for 2016/20.

7. IMPLICATIONS OF DECISION

7.1 Corporate Priorities and Performance

- 7.1..1 As outlined in section 1 of this report, the work of this committee directly impacts on the previous 2013/16 Corporate Plan and the new 2015/20 Corporate Plan.

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

- 7.2..1 The Assets, Regeneration and Growth Committee accounted for 3% of the Council's budget in 2014-15, this will increase to 3.3% in 2015-16.

Table 5: Overview of budget

	2014-15 net (£000s)	2015-16 net (£000s)	% difference
Assets, Regeneration and Growth	8,659	9,063	+4.7%
	(3% of council	(3.3% of council	

	budget)	budget)	
Total Council Expenditure	286,412	276,465	-3.5%

7.2..2 The below table sets out the Medium Term Financial Strategy for the Assets, Regeneration and Growth Budget up to 2020.

Table 6: Overview of the Assets, Regeneration and Growth related budget and savings

Net budget	2014-15 (£000s)	2015-16 (£000s)	2016-17 (£000s)	2017-18 (£000s)	2018-19 (£000s)	2019-20 (£000s)
Assets, Regeneration and Growth Budget	8,659	9,063	6,863	4,863	4,863	4,863
Planned savings	(1,355)	(300)	(2,200)	(2,000)	-	-
Unidentified savings	-	-	(1,931)	(2,059)	(734)	(44)
Actual	8,877					

N.B. These budgets were correct at the end of Quarter 1 however, a review will be completed in lead up to the Business Planning process.

7.3 Legal and Constitutional Reference

7.3..1 The Council's Constitution, in Part 15 Annex A, Responsibility for Functions, states in Annex A the functions of the Assets, Regeneration and Growth Committee including:

- Specific responsibilities include:
 - Develop and oversee a regeneration strategy
 - Develop strategies which maximise the financial opportunities of growth
 - Promote skills and enterprise and approve a Skills Enterprise and Employment Strategy
 - Engagement with the business community and measures to support local business
 - Oversee major regeneration schemes
 - Town Centre regeneration programmes
 - Asset Management
- To make recommendations to Policy and Resources Committee on issues relating to the budget for the Committee, including fees and charges proposals and virements of underspends and overspends on the budget. No decision which results in the amendments to the agreed budget may be made by the Committee unless and until the amendment has been agreed by Policy and Resources Committee.

7.4 Risk Management

7.4..1 Risks are managed on a continual basis and reported as part of the Council Quarterly Performance regime and considered as part of the Performance and Contract Management Committee quarterly monitoring report.

7.5 Equalities and Diversity

7.5..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 from different groups
- foster good relations between people from different groups

7.5..2 Relevant protected characteristics are – age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

7.6 **Consultation and Engagement**

7.6..1 A large consultation and engagement exercise took place to develop the commissioning plan. Specific consultation and engagement programmes will take place for each programme as necessary.

8. **BACKGROUND PAPERS**

8.1 London Borough of Barnet's Corporate Plan 2015 – 2020:
<https://www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance.html>