

	<h2>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER</h2>
<p style="text-align: right;">Title</p>	<p>Stonegrove Regeneration – Phases 7&8 A. Appropriation of Phases 7&8 to Planning purposes B. Transfer of the land for Phases 7&8 to Barratt Evolution LLP</p>
<p style="text-align: right;">Report of</p>	<p>Cath Shaw Commissioning Director Growth and Development</p>
<p style="text-align: right;">Wards</p>	<p>Edgware</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Plan 4429_14001_10</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Arshad Ahmed Extension 6013 arshad.ahmed@barnet.gov.uk</p>
<h3>Summary</h3>	
<p>The regeneration of the Stonegrove and Spur Road was approved by the Council in 2007. The chosen development partner is a joint venture between Barratts and Family Mosaic Housing association know as Barratt Evolution LLP (BMLLP).</p> <p>Under the terms of the development agreement, subject to meeting the conditions precedent, BMLLP can call for the Council to transfer its freehold interest in the land on a phase by phase basis. Prior to the transfer the Council must appropriate it from Housing to Planning.</p> <p>The Cabinet Committee on 18th June 2007 resolved, inter-alia, that the council will complete the necessary legal documentation (Resolution 3) and instructed the Chief Officers to appropriate the land from housing to planning (Resolution 6).</p> <p>This DPR seeks authority to appropriate the land to planning and to transfer these next phases to BMLLP</p>	

Decisions

1. That in accordance with the resolution of Cabinet 18th June 2007 and the provisions of Section 122 of the Local Government Act 1972, the land shown outlined red on the attached plan 4429_14001_10 is hereby appropriated to planning purposes.
2. That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to the transfer of the land shown outline red on the attached plan 4429_14001_10 to Barratt Evolution Limited.

1. WHY THIS REPORT IS NEEDED

- 1.1 The council entered into a Principal Development Agreement (PDA) with Barratt Evolution LLP (BMLLP) to deliver the Regeneration Scheme at Stonegrove.
- 1.2 Under the terms of the PDA the council agreed to appropriate the land to be transferred prior to the transfer and to transfer the land to BMLLP
- 1.3 Cabinet 18th June 2007 (Cab. Dec 18/07/2007 – 6) resolved:

Resolution 3.

That subject to the final terms of the Principal Development Agreement and legal arrangements being approved by the Cabinet Member for Regeneration and Development under Delegated Powers; that the necessary legal documentation be completed in order for the scheme to proceed.

Resolution 6.

That, subject to the Principal Development Agreement becoming unconditional, Chief Officers be instructed to appropriate the Council owned lands within the Stonegrove and Spur Road regeneration area from the existing uses to planning purposes pursuant to Section 122 of the

Local Government Act 1972.

- 1.4 Prior to the land drawdown the Council needs to appropriate the land to planning purposes to extinguish any private rights that may exist over the land using powers under section 237 of the Town and Country Planning Act 1990 (as amended), and to enable the implementation of the planning permission.
- 1.5 Following Appropriation the land will need to be transferred to BMPPL and this DPR requests authority to complete the transfer of the land as shown on the appended plan in accordance with the Terms of the PDA.
- 1.6 In line with the requirements of s25 of the Local Government Act 1980, and to support the application for approval of the Secretary of State to the disposal at less than best value, the Council appointed the District Valuer Service to undertake an independent valuation. In the DVS report for the Council (as supplied to the Secretary of State) dated 26th November 2013 the value of all remaining land in phases 4 to 8 at less than £1, confirming the Council decision to transfer the land at Nil consideration. A copy of the consent is appended.
- 1.7 This DPR is required to exercise the delegated authorities to complete the appropriation and transfer under the Cabinet resolution of 18th June 2007

2. REASONS FOR DECISIONS

- 2.1 The Council approved entering into the Principal Development Agreement for the Stonegrove Regeneration Scheme at its Cabinet Resources Committee on 25th March 2008. All conditions precedent of that legal agreement have been satisfied and the agreement, known as the Principal Development Agreement (PDA), which was signed on 24th September 2008 and is now in force between the Council and Barratt Evolution LLP, a joint venture between Barratt and Family Mosaic.
- 2.2 If the Council does not appropriate the land and complete the transfer it will be in breach of the terms of this Agreement and will delay delivery of the affordable home on the estate.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3.1 This decision implements earlier member decisions and delivers the

parties' obligations under the Development Agreement. There are no alternative options under the delegated authority.

4. POST DECISION IMPLEMENTATION

- 4.1 Following the decision the land will have been appropriated to Planning and the Council's Solicitors, HB Public Law will complete transfer of the land.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Stonegrove and Spur Road Regeneration Scheme support the Corporate Plan 2015-2020 priority 'To maintain the right environment for a strong diverse local economy' and the strategic objective under this priority is to sustain Barnet by 'promoting growth, development and success across the borough.

- 5.1.2 The scheme also supports the corporate priorities and the Sustainable Community Strategy 2010-2020 through the following core values: Sharing opportunities for success' and 'choice and responsibility' – the new development will provide good quality homes. The development will also offer more choice by providing a number of different housing options, such as shared equity, shared ownership and private homes for sale to residents and those in the wider community

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

- 5.2.1 All costs incurred in relation to the appropriation and transfer of the land will be recovered by the Council through the provisions of the Principal Development Agreement. There will need to be an accounting adjustment made to reduce the debt in the HRA and increase the general fund debt when the appropriation is completed.
- 5.2.2 The transfer of the land from the HRA to the general fund will need to be at a market value determined by a district valuer or a qualified valuer. There needs to be a sufficient capital budget to fund this market value transfer to the general fund.
- 5.2.3 The independent valuation of the Council's land indicated that, the restricted value (the value of the land subject to the obligations under the PDA) is a nominal £1, which is the value at which the land will be appropriated and transferred from the general fund to the developer.

5.3 Legal and Constitutional References

- 5.3.1 The Council's Constitution, Responsibility for Functions, Annex B states the powers delegated to Officers, including that the Chief Executive has lead responsibility to implement the Council's policies, ensuring that it delivers to its objectives and duties, within budget and according to strategic priorities and statutory requirements. Full Officer Delegated power reports are required for decisions delegated by Committee to officers.
- 5.3.2 The Council has the power to enter into the regeneration agreements and associated land disposals and charges of land in accordance with a number of statutory powers including s1 of the Localism Act 2011 and s123 of the Local Government Act 1972.
- 5.3.3 Section 122 of the Local Government Act 1972 empowers a local authority to appropriate land held by it from one statutory purpose to another if it considers that the land is no longer required for the purpose for which it is currently held.
- 5.3.4 The Council has carried out an internal consultation with respective 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 and should now be appropriated to planning purposes in order to continue the development the Stonegrove Estate in accordance with planning consents.
- 5.3.5 S237 of the Town and Country Planning Act 1990 provides for a development of land which has been appropriated to planning purposes to proceed in accordance with planning permission, even where it interferes with private rights over that land. Persons so affected may be entitled to compensation for the loss of their rights.
- 5.3.6 The approval of the Secretary of State is required under s 19 of the Housing Act 1985 to the appropriation of land held in the Housing Revenue Account to other uses. An application for consent to appropriate all of the remaining land in the regeneration estate was made in December 2013, subject to the land being appropriated in two phases, only when no longer required for housing. This consent was received on 10th January 2014 (a copy of the consent is appended hereto)
- 5.3.7 Within the phase 7 & 8 site area there are some paths where Stopping-up Orders may be needed to extinguish public rights. The Council will work with BEL to promote a Stopping-up Order to extinguish all public rights of way over Public Highway areas identified within the transfer

area.

- 5.3.8 The Secretary of State is required to approve of financial assistance under section 25 of the Local Government Act 1980. Consent to the disposal of all of the remaining land need to complete the regeneration scheme (phases 4 to 8) was received on 19th December 2013 (a copy of the consent is appended hereto)

5.4 Risk Management

- 5.4.1 Acquisition of the land in this and all remaining phases is underwritten by an approved CPO. Transfer of the land followed the making and implementation of a General Vesting Declaration (GDV) and any claims for compensation are underwritten by BMLLP under the terms of a CPO Indemnity Agreement. The CPO Indemnity Agreement provides for full reimbursement of Council costs in promoting and implementing the CPO, including professional fees incurred to date
- 5.4.2 All interests in this area have been acquired and there are no tenants on the land other than a short term Aerial mast lease which will be terminated by the Council prior to transfer and an agreement with an adjoining owner for emergency access which will remain in force and be transferred with the land. The CPO Indemnity Agreement provides for full reimbursement of Council costs in promoting and implementing the CPO, including professional fees incurred to date.

5.5 Equalities and Diversity

- 5.5.1 The Council is committed to improving the quality of life and wider participation for all in the economic, educational, cultural, social and community life of the borough. The Stonegrove and Spur Road Regeneration Scheme will provide a mix of affordable and private sale properties. The new mixed tenure housing will improve the community cohesion in an area with a highly diverse population. It will provide increased choice and opportunity for Barnet residents. This supports the overall aim of the Council's Equalities Policy and the Council's duties under the Equality Act 2010.
- 5.5.2 The Stonegrove and Spur Road (SGSR) regeneration will deliver 937 new homes, 389 affordable and 548 private for sale which should assist in fostering community cohesion. The delivery of the regeneration scheme is being conducted in consultation with the SGSR Partnership Board which represents the interests of the residents on the Estates

5.6 Consultation and Engagement

- 5.6.1 In 2003 a ballot of residents on the Estates demonstrated their support for the regeneration scheme and in February 2004 a planning

application (the Greengrove application) was submitted by Family Mosaic and Unitary Ltd for the demolition of all existing buildings and the provision of 1,355 residential units together with community facilities.

- 5.6.2 Since entering into the PDA with Barratts and Family Mosaic the council and its development partners have undertaken consultation and engagement with local residents and community groups throughout the whole process.
- 5.6.3 The initial grant of planning consent and subsequent consents required public consultation and the concerns and comments raised were considered by the council as part of the process and have led to the signed s106 agreement and the conditions attached to the consent.
- 5.6.4 The council set up a Community Trust and a Partnership Board to represent the concerns of the residents and stakeholders throughout the development.

6. BACKGROUND PAPERS

- 6.1 Cabinet, 18 June 2007 (Cab. Dec 18/07/2007 – 6) - resolutions 3 and 6 approving delegated authority for these decisions:

<https://barnet.moderngov.co.uk/Data/Cabinet/200706181900/Agenda/Document%201.pdf>

- 6.2 Consent from Secretary of State to Appropriate from Housing dated 10th January 2014

<S:\Regeneration\Stonegrove 10862\Property Issues\SGSR Secretary of State s19 approval phases 4 to 8 10Jan14\SGSR Secretary of State s19 approval phases 4 to 8 Dated 10Jan14.pdf>

- 6.3 Consent from Secretary of State under s25 of the LGA (Financial assistance and less than best transfer) dated 19th December 2013

<S:\Regeneration\Stonegrove 10862\Property Issues\S25 Secretary of State Approval\Stonegrove DCLG Consent s25 LGA 1980 to phases 4a - 8 dated 19 December 2013.pdf>

7. DECISION TAKER'S STATEMENT

7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

8. OFFICER'S DECISION

I authorise the following action

- 8.1 **That in accordance with the resolution of Cabinet on 18th June 2007 and the provisions of Section 122 of the Local Government Act 1972, the land shown outlined red on the attached plan 4429_14001_10 is hereby appropriated to planning purposes.**
- 8.2 **That in accordance with the resolution of the Cabinet Decision of 18th June 2007 and the terms of the Principal Development Agreement dated 24th September 2008 between the Council and Barratt Evolution LLP, the Council consents to the transfer of the land shown outline red on the attached plan 4429_14001_10 to Barratt Evolution Limited.**

Signed



Cath Shaw
Commissioning Director, Growth & Development
Interim Deputy Chief Executive

Date

16th January 2017
