



AGENDA

MAYOR AND CABINET

Date: WEDNESDAY, 11 JANUARY 2017 at 6.00 pm

**Committee Rooms 1 & 2
Civic Suite
Lewisham Town Hall
London SE6 4RU**

**Enquiries to: Kevin Flaherty 0208 3149327
Telephone: 0208 314 9327 (direct line)
Email: kevin.flaherty@lewisham.gov.uk**

MEMBERS

Sir Steve Bullock	Mayor	L
Councillor Alan Smith	Deputy Mayor - Growth & Regeneration	L
Councillor Chris Best	Health, Well-Being & Older People	L
Councillor Kevin Bonavia	Resources	L
Councillor Janet Daby	Community Safety	L
Councillor Joe Dromey	Policy and Performance	L
Councillor Damien Egan	Housing	L
Councillor Paul Maslin	Children & Young People	L
Councillor Joan Millbank	Third Sector and Community	L
Councillor Rachel Onikosi	Public Realm	L

Members are summoned to attend this meeting

**Barry Quirk
Chief Executive
Lewisham Town Hall
Catford
London SE6 4RU
Date: Wednesday, 04 January 2017**



INVESTOR IN PEOPLE

The public are welcome to attend our committee meetings, however occasionally committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.

ORDER OF BUSINESS – PART 1 AGENDA

Item No		Page No.s
1.	Declaration of Interests	1 - 4
2.	Consideration of call-in of decisions on New Bermondsey CPO	5 - 244
3.	New Bermondsey Housing Zone	245 - 274



The public are welcome to attend our Committee meetings, however, occasionally, committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.

RECORDING AND USE OF SOCIAL MEDIA

You are welcome to record any part of any Council meeting that is open to the public.

The Council cannot guarantee that anyone present at a meeting will not be filmed or recorded by anyone who may then use your image or sound recording.

If you are intending to audio record or film this meeting, you must:

- tell the clerk to the meeting before the meeting starts;
- only focus cameras/recordings on councillors, Council officers, and those members of the public who are participating in the conduct of the meeting and avoid other areas of the room, particularly where non-participating members of the public may be sitting; and
- ensure that you never leave your recording equipment unattended in the meeting room.

If recording causes a disturbance or undermines the proper conduct of the meeting, then the Chair of the meeting may decide to stop the recording. In such circumstances, the decision of the Chair shall be final.

MAYOR & CABINET		
Report Title	Declarations of Interests	
Key Decision	No	Item No. 1
Ward	n/a	
Contributors	Chief Executive	
Class	Part 1	Date: January 11 2017

Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

1 Personal interests

There are three types of personal interest referred to in the Council's Member Code of Conduct :-

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests

2 Disclosable pecuniary interests are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.

- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member’s knowledge, the Council is landlord and the tenant is a firm in which the relevant person* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:-
 - (a) that body to the member’s knowledge has a place of business or land in the borough; and
 - (b) either
 - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

(3) Other registerable interests

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes , or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25

(4) Non registerable interests

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members’ Interests (for example a matter concerning the closure of a school at which a Member’s child attends).

(5) Declaration and Impact of interest on members' participation

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph (c) below applies.
- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

(6) Sensitive information

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

(7) Exempt categories

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

Chief Officer Confirmation of Report Submission	
Cabinet Member Confirmation of Briefing	
Report for: Mayor	<input type="checkbox"/>
Mayor and Cabinet	<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>
Information <input type="checkbox"/> Part 1 <input checked="" type="checkbox"/> Part 2 <input type="checkbox"/> Key Decision <input type="checkbox"/>	

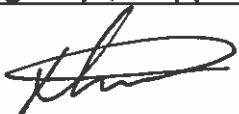
Date of Meeting	11 January 2017
------------------------	-----------------

Title of Report	Response to Call-in of Mayor and Cabinet Decision – New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order
------------------------	--

Originator of Report	Janet Senior, Executive Director for Resources & Regeneration	X48013
-----------------------------	---	--------

At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications	X	
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)	N/A	
Reason for Urgency (as appropriate)	N/A	

Signed:  Executive Member

Date: 3 January 2017

Signed:  Director/Head of Service

Date: 2 / 01 / 2017

Control Record by Committee Support	
Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

MAYOR AND CABINET		
Report Title	Response to Call-in of Mayor and Cabinet Decision – New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director for Resources and Regeneration, Head of Planning, Head of Law	
Class	Part 1	Date: 11 January 2017

1. Summary

1.1 This report reports on matters which led to the reconsideration of the decision by the Cabinet on 15 December 2016 being deferred. It also responds to the comments made by the Overview and Scrutiny Business Panel on 13 December 2016.

1.2 The report which was due to be considered by the Cabinet at the meeting on 15 December 2016 and which:

1.2.1 informed the Cabinet of the response to the call-in and associated comments agreed by the Overview and Scrutiny Business Panel on 20 September 2016 in accordance with Paragraph 14 of the Overview and Scrutiny Procedure Rules and asked the Cabinet to confirm the decision made on “New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” on 7 September 2016; and

1.2.2 reported back to the Cabinet on the matters which led to a deferral of the reconsideration of the decision on 28 September 2016

is attached to this report as Appendix 1 and should be considered by the Cabinet along with this report.

2. Purpose of the Report

2.1 To inform the Cabinet of the response of Officers to the call-in agreed by the Overview and Scrutiny Business Panel on 20 September 2016 and the subsequent comments made by the Overview and Scrutiny Business Panel on 13 December 2016 and to ask the Cabinet to confirm the decision made on “New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” on 7 September 2016.

- 2.2 To report back to the Cabinet on the matters which led to the deferrals of the re-consideration of the decision on 28 September 2016 and 15 December 2016 respectively.

3. Recommendation

The Cabinet is requested to confirm the decision made on “New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” on 7 September 2016.

4. Background

- 4.1 At a meeting of Mayor and Cabinet held on 7 September 2016, the Cabinet considered a report entitled “New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” and their decision was to agree the recommendations in that report. In accordance with the Constitution, this decision was notified to all members of the Business Panel within 2 days of being made.
- 4.2 The decision was considered at a meeting of the Overview and Scrutiny Business Panel on 20 September 2016 and their decision was to refer the matter back to Mayor and Cabinet for reconsideration.
- 4.3 The decision was due to be reconsidered at the meeting of Mayor and Cabinet on 28 September 2016, but the matter was deferred for the reasons set out in paragraph 7.1 of the report attached at Appendix 1.
- 4.4 The decision was then due to be reconsidered at the meeting of Mayor and Cabinet on 15 December 2016. On 13 December 2016 the Overview and Scrutiny Business Panel were given the opportunity to make comments on the report to the Mayor and Cabinet for consideration by the Mayor and Cabinet when it met to reconsider its decision. Overview and Scrutiny Business Panel’s comments following consideration of the report are set out at paragraph 5.1 below.
- 4.5 At the meeting of Mayor and Cabinet on 15 December 2016, Cabinet deferred re-consideration of the decision. Councillor Alan Smith, Chair of Cabinet, made the following statement:

“In all of its deliberations about the proposed compulsory purchase order at New Bermondsey, the Council has been, and remains, firmly committed to the continued operation of the Millwall Football Club. We recognise that its continued operation must be at the heart of any proposed redevelopment. To achieve this, the Council has throughout put in place measures to protect the Club and the Millwall Community Scheme, including through the imposition of planning obligations to secure the use of the new improved sporting facilities that would be provided if the redevelopment proceeds.

For the first time, despite years of contact between the Council and the Club, on 13 December 2016, the Chief Executive of Millwall Football Club in his spoken

submission to the Council raised an issue which the Club has never before brought to our attention. The issue which is clearly important to the Club concerns the Category 2 status of the Millwall Football Club Youth Academy. The Club's Chief Executive told the Council on 13 December that such status may be put in jeopardy by the current proposals for the use of the new sporting facilities to replace the Lions Centre, should the redevelopment proceed. We do not believe this to be the case.

However, this is clearly a significant issue for the Club and, despite the fact that it has only been brought to the attention of the Council at this very late stage, it is an issue which the Council takes seriously. Since the issue was first raised, Council officers have been gathering information about the current arrangements between the Academy and the Millwall Community Scheme for use of the facilities at the Lions Centre. We need to get to the bottom of the existing arrangements so that we can understand what future protection would be needed.

We believe that sufficient protections are in place already, but we want to be confident that if the compulsory purchase order proceeds, appropriate protections are in place to protect the Category 2 status. For this reason we are making further enquiries, including writing to the Club and the Millwall Community Scheme to set out for us in writing details of their current arrangements and to let us have information concerning the Category 2 status of the Academy.

To allow members to consider the new information and its impact, I am proposing that the reconsideration of the decision made by the Cabinet on 7 September 2016 to make a compulsory purchase order in respect of the New Bermondsey site be deferred to our next meeting on 11 January 2017. That will allow us to give this particular matter further consideration."

4.6 Accordingly, on 16 December 2016 the Chief Executive wrote to Steven Kavanagh, Chief Executive of Millwall Football Club and to Peter Walsh, Chair of Millwall Community Scheme. Responses were received and further letters have been sent out. Copies of the correspondence and the responses received to date are attached as Appendix 3 to this report.

4.7 The officer response to the further comments made by the Overview and Scrutiny Business Panel on 13 December 2016 is set out at Section 5 of this report.

5. Overview and Scrutiny Business Panel – Further Comments made on 13 December 2016

5.1 On 13 December 2016 the Overview and Scrutiny Business Panel considered the report due to be considered by the Cabinet on 15 December 2016. Following discussion at the Overview and Scrutiny Business Panel, Members agreed to make the following additional comments and requests to the Cabinet in support of their existing Call-in:

- i. Correspondence received from Eversheds and Shoosmiths be referred to the Cabinet and officers be asked to prepare a response.
- ii. the Cabinet be requested to ask officers to ensure that all Housing Action Zone bid documents are made available to Scrutiny Members, and a redacted copy made available to the public.
- iii. the Memorandum of Understanding should be signed before a CPO is approved.
- iv. the Cabinet be requested to ask PwC to give their professional advice to members on assurances made by Renewal in respect of the Bermondsey CPO arrangements.
- v. the Cabinet be requested to ask officers to ensure that the Section 106 agreement is reviewed by the Strategic Planning Committee.
- vi. the Cabinet be requested to ask officers to resolve issues raised on the Academy and the Community Trust before the CPO is approved.
- vii. Business Panel raised concerns about Renewal's CPO signage. The Cabinet is requested to consider whether they would want to do business with a company, which despite an apology, had taken such a heavy handed approach with local residents and businesses.
- viii. the Lambeth Smith Hampton narrative seemed to be incomplete, and the Cabinet is requested to ensure that documents and correspondence relating to the CPO be made available in a timely manner

6. Officer Response to Comments:

6.1 Point i.

- 6.1.1 On 13 December 2016, Eversheds acting on behalf of their client Millwall Football Club Limited wrote to Councillor Alan Hall. A copy of that letter is attached to this report at Appendix 4. Officers' response to the issues raised in that letter are as follows, using the same headings used in the letter:

Appointment of Renewal as Developer

Taking each bullet point under this heading in turn:

Bullet point 1

It is acknowledged that Renewal does not have a track record in schemes of this scale and nature. However, as confirmed by PwC, the Master Delivery Strategy and the use of specialist sub-developers and the attendant transfer of construction and residential market risks helps address concerns about Renewal's lack of track record.

On a point of accuracy, it is not correct to say that the Council has 'appointed' Renewal. Renewal are bringing the scheme forward of their own accord and have assembled the majority of the land interests in the site and secured planning permission for the Scheme. Members are being asked to consider whether to support completion of the land assembly required for the Scheme through the use of CPO powers.

Bullet point 2

This appears to be a statement of fact and it is not clear what is being suggested. The former leader is assumed to be a reference to David Sullivan, the former Mayor of Lewisham. He left the Council in 2002 before Renewal commenced its land assembly exercise in the area and long before any decisions relating to the scheme came to be made by the Council. Renewal have provided information to show that David Sullivan had sold all his shares in the UK registered companies by 19 June 2006 and that he ceased to be a Director of the UK registered companies on 31 August 2007.

Information provided to the Council's external lawyers Bond Dickinson confirms David Sullivan has not at any time had any involvement in the IoM companies.

The former senior officer is a reference to Mushtaq Malik. He left the Council in 1995 before the Renewal companies were established and before the project began.

Bullet point 3

It is made clear in the Mayor and Cabinet report of 7 September 2016 that the shareholders in Renewal are incorporated overseas. In relation to the comment about 'tax havens', as is made clear in the Mayor and Cabinet report of 15 December 2016 (paragraph 6.2.1) the profits from the scheme will be liable to UK tax. This is provided for in the Finance Act 2016.

The beneficial owners are not anonymous. This information is contained in the PwC report and was therefore known to Council officers and available to Members. The ultimate owners of Renewal are:

- (1) Independent Advisors Incorporated (IAI), which is ultimately owned and controlled by the Malik family trust established solely for the benefit of Mushtaq Malik and his dependents.
- (2) Incorporated Holdings Limited (IHL), which is ultimately owned and controlled by a charitable trust, for which the principal beneficiary is the Jack Petchey Foundation, a UK registered charity.

A letter from IHL confirming their ownership is attached to this report at Appendix 6. The documentation relating to the Malik family trust has been reviewed and verified by the Council's external lawyers Bond Dickinson, who have also confirmed that the documentation they have seen shows that all of the shares in IAI are held on trust for the benefit of the Malik family and are not held on trust for any other third party or entity.

Bullet point 4

The due diligence carried out has been extensive. The issues regarding deliverability of the Scheme are addressed at length in the Mayor and Cabinet report of 7 September 2016 (paragraphs 7.47 – 7.74) which in turn set out the conclusions of the PwC and GL Hearn Reports.

Bullet point 5

Renewal are bringing the Scheme forward of their own accord and have assembled the majority of the land interests in the site and secured planning permission for the Scheme. As is acknowledged in the Mayor and Cabinet report of 7 September 2016 (paragraph 7.60), the Council does not have a directly enforceable obligation from Renewal to deliver the whole of the scheme, but any such obligation would not in any event guarantee delivery. Officers remain of the opinion that the necessary resources will be available and that the Scheme will provide a sufficient return to Renewal (or another developer/developers), such that the Council can be confident that if the CPO is confirmed, Renewal will wish to proceed with the Scheme (for the reasons given above), and the Scheme will be delivered.

Bullet point 6

Viability information was in fact provided through the planning application process which commenced in 2011 and long before the Mayor and Cabinet meeting of 13 September 2013. That aside, the report to Mayor and Cabinet on 13 September 2013 was not considering the viability of the Scheme. As is made clear in Part 2 of the report to Mayor and Cabinet on 13 September 2013, a redacted copy of which has been provided to MFC: "The Mayor will not be asked to consider using compulsory purchase powers unless and until full financial due diligence has been undertaken and officers are satisfied that Renewal Group Limited has a viable

business plan and funding strategy to deliver the scheme.” The GL Hearn viability report referred to was commissioned as part of this exercise and the information provided has been further updated and additional information provided since that time.

In all the circumstances, the suggestion that the matter should be treated with “deep scepticism” or that this is somehow a “wholly extraordinary approach” is not accepted.

LSH Brochure

We do not know how the LSH Brochure found its way to the Guardian newspaper journalist (Barney Ronay) and no evidence has been provided to demonstrate how it came to be in his possession.

In response to specific questions, the CEO of LSH has stated “LSH were not instructed to produce the document by IHL or any member of the Renewal Group. As I have indicated, a copy of this document was not seen or approved by IHL or Renewal.”

This accords with Renewal and IHL’s statements that they had not instructed, seen or approved the LSH Brochure.

The claim it is highly improbable the LSH Brochure was prepared without the client’s knowledge or approval does not accord with the statements received from those involved. We have not received any evidence to suggest those statements are not correct.

The Council has verified the terms of LSH’s engagement. The correspondence passing between IHL and LSH remains confidential, but it has been made available for inspection by Members under the relevant provisions of the Local Government Act 1972.

It is important to note that it is not disputed that LSH were engaged by IHL and that information would have been provided to LSH by IHL. However, LSH have confirmed that they were not instructed to produce the LSH Brochure.

The position on the LSH Brochure is set out in detail in section 7 of the Mayor and Cabinet report of 15 December 2016.

The inability of the Club to bid for the freehold of the land they leased

This issue has already been fully addressed in the Mayor and Cabinet report of 15 December 2016 (paragraph 6.4.2 (a) Point 1). It is simply not accepted that ‘it was impossible for CBRE to advise the Club to make a bid’. It was always open to MFC to make a bid, but they chose not to.

Threat to future of MCT and Youth Academy

This is dealt with at paragraph 6.6 (point iv) below.

Misleading statements about extent of land owned or controlled by Renewal

The position on the land and rights to be included in the CPO is set out correctly and in full at section 6 of the Mayor and Cabinet report of 7 September 2016. The land owned/controlled by Renewal is shown on the plan attached as Appendix 5 to that report and the position has therefore been accurately and correctly presented to Members. The freehold and leasehold interests proposed to be included in the CPO are set out in full in the Table attached as Appendix 6 to that report. The position regarding the conditional Land Sale Agreement is also clearly set out in that report.

- 6.1.2 On 9 December 2016, Shoosmiths also wrote to the Mayor and Members of the Cabinet on behalf of certain occupiers within the Site. A copy of Shoosmiths' letter is also included at Appendix 4. A number of the points made by Shoosmiths have been made before in previous correspondence and have been addressed in the previous reports (see paragraphs 7.38 to 7.44, 7.75//7.76, Sections 11 and 12 of the Mayor and Cabinet Report of 7 September 2016 and relevant Appendices).

With regard to engagement with the owner/occupiers, it is common in CPO cases for negotiations to be progressed by the developer, as is the case here. As is explained at paragraph 6.7 below, the CPO Indemnity Agreement includes provisions regarding negotiations with landowners, including the Council's involvement in negotiations generally and where any conflict arises if GL Hearn continue to act in a given case. As has been made clear in previous reports, the Council has been in contact with owners and occupiers on a number of occasions and has made it quite clear that it remains willing and available to negotiate with owners/occupiers in the event they do not wish to deal with Renewal.

The position as at 7 September 2016 regarding negotiations with the parties represented by Shoosmiths was set out in the Mayor and Cabinet report of that date (paragraph 7.10). Since then, in October a Council officer met with Mr Sylvanus Onipede of Sylvanus Woodcraft (Unit 35 Bolina Industrial Estate) and Mr Van Nguyen (who owns Units 31/32 Bolina Industrial Estate together with Van Thi Ngoc Huynh). Following the meeting, both Mr Onipede and Mr Nguyen have jointly appointed a local agent (Hindwoods) to act on their behalf in the search for an alternative location and in progressing negotiations. GL Hearn and Hindwoods are actively engaged in discussions and the search for suitable alternative locations for both Units 35 and 31/32 Bolina Industrial Estate. Officers are monitoring the situation and will become involved in those negotiations if appropriate.

With regard to Ms Winston, as Members are aware she is an artist/sculptor with premises at Unit 17 Excelsior Works. The position regarding engagement remains as stated in the Mayor and Cabinet report of 7 September 2016. Ms Winston has complained of stress caused by the situation and has also stated that she does not want to be disturbed whilst preparing for an important show this year. Whilst Renewal and officers remain available and keen to progress matters with Ms Winston, they are conscious of her circumstances.

6.2 Point ii.

The Housing Action Zone bid documents are available for inspection by all Members in the offices of Legal Services. A redacted copy of the bid documents will be appended to the Mayor and Cabinet report and will therefore be available for public inspection.

6.3 Point iii.

It is not necessary for the Memorandum of Understanding (MoU) to be signed before the CPO is approved. The GLA has stated that it will enter into the MoU with the Council once Mayor and Cabinet have approved it and following the CPO resolution becoming effective. The Memorandum of Understanding is the subject of a separate report which appears elsewhere on the Agenda of the meeting at which this report is due to be considered.

6.4 Point iv.

The assurances made by Mushtaq Malik, Chief Executive on behalf of Renewal on 12 December 2016 are attached to this report as Appendix 6.

The position regarding verification of the comments on Ownership is dealt with at paragraph 6.1 above.

The comments on Millwall Community Trust can only be taken at face value at this point. However, they provide reassurance regarding the relocation package to be offered and the way in which the relocation will work. It is also important to note that the Section 106 Agreement protects the Trust in the following ways:

- there is no obligation upon MCS to vacate the Lions Centre until the new facilities at Energize are completed;
- the replacement facility is to be provided to a detailed specification approved by the Council which must be at least of the same quality and nature as the existing facilities offered by the MCS;
- a Lions Centre Relocation Strategy will be agreed which sets out the future needs of MCS; how the accommodation needs of MCS will be met; how the

MCS will be accommodated and operational prior to demolition of the Lions Centre; a detailed specification for the replacement facility and programme of works; and a detailed statement of how the replacement facility will be occupied by MFS including written confirmation that MFS approve of the proposals.

- the Lions Centre Relocation Strategy will be based on liaison between the trustees of MCS, Millwall, the FA and Sports England with evidence of the liaison and agreement with MCS forming part of the strategy.
- the developer is to submit the Lions Centre Relocation Strategy to the Council for approval prior to the commencement of phase 2 or any D2 use (whichever is the earlier). No commencement of phase 2 and/or D2 space (whichever is the earlier) can take place until that strategy is approved.
- the Replacement Facility must be open for use by the public in accordance with the approved strategy prior to the demolition of the existing facility;
- no material operation can take place that would prevent the Lions Centre remaining operational in its current facility until the replacement facility is finished and open to the public;
- Phases 2, 3, 4, 5 and 5A cannot be occupied unless in accordance with the approved Lions Centre Relocation Strategy.

It will be noted that in his e-mail of 12 December 2016, Mr Malik also includes comments (under the heading 'Relationship with the Council') about the previous involvement of Dave Sullivan in Renewal. Additional information on this point is also included above under the heading *Bullet point 2*. So far as member and officer interests are concerned, the Chief Executive has confirmed that no current member or Council officer has declared any involvement, financial or otherwise, with Renewal or either of its shareholders. The position of the Mayor is as stated.

PwC have been asked to comment on the assurances and their response is awaited.

6.5 **Point v.**

The Council Scheme of Delegation sets out the delegation to officers in relation to non-executive planning matters and those matters that are reserved to Strategic Planning Committee. Whilst the comment of the Overview and Scrutiny Business Panel is noted, as these are non-executive functions, it is not appropriate for the Cabinet to determine how decisions relating to those functions are made or to make any request in this respect.

6.6 **Point vi.**

The current position is as set out at paragraph 4.6 of this report and copies of the correspondence are attached at Appendix 3. At the time of publishing this report, responses were still awaited from the Club and the Millwall Community Scheme and officers will therefore confirm the position regarding these issues at the meeting where this report is considered.

6.7 Point vii.

As stated, Renewal have apologised for the signage referred to and this was an error of judgement on their part. The negotiations with landowners are being carried out by GL Hearn under a joint appointment with the Council and Renewal. This means that GL Hearn owe an equal duty of care to the Council and Renewal. Council officers are involved in these negotiations and, as has been made clear on a number of occasions, are available and willing to engage directly with landowners where landowners request this. Under the terms of the CPO Indemnity Agreement, if at any point the Council considers it should take over the negotiations, then there is a process for that to happen. Further, if the Council considers that there is a conflict of interest if GL Hearn continues to act under the joint appointment, it may following discussion with Renewal request the appointment of its own surveyor in place of GL Hearn to undertake the handling of all further negotiations. The Council's decision on this is final. As such, Members should be reassured as to how negotiations with the remaining landowners will be undertaken, the Council's role in overseeing this process and the protections that are in place under the CPO Indemnity Agreement.

6.8 Point viii.

The position on Lambert Smith Hampton is set out in detail in section 7 of the Mayor and Cabinet report of 15 December 2016. Further comments are contained at paragraph 6.1 above under the heading 'LSH Brochure'. As already stated, the correspondence passing between IHL and LSH remains confidential, but it has been made available for inspection by Members under the relevant provisions of the Local Government Act 1972. This also applies and will continue to apply to all documents and correspondence relating to the CPO where these are not publicly available due to their containing exempt information.

7. Financial Implications:

7.1 There are no direct financial implications arising from this report.

8. Legal Implications:

8.1 Members' attention is drawn to the legal implications in the Report attached at Appendix 1 (and the Report attached at Appendix 1 to that Report) and should also note that the Constitutional position is referred to in the body of that report.

9. Crime and Disorder Implications:

9.1 There are no direct crime and disorder implications arising from this response.

10. Equalities Implications:

10.1 There are no direct equalities implications arising from this response.

11. Environmental Implications:

11.1 There are no environmental implications arising from this response.

12. Conclusion

12.1 In all the circumstances, having regard to the matters raised by Overview and Scrutiny Business Panel and the other matters addressed in this report, Officers remain of the view that there is a compelling case in the public interest for the compulsory acquisition of the remaining land interests to enable the scheme to proceed. Officers therefore recommend that the Cabinet agrees the recommendation in this report.

List of Appendices

Appendix 1: Mayor & Cabinet Report dated 15 December 2016 “Response to Call-in of Mayor and Cabinet Decision – New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” and all Appendices to that report

Appendix 2: Overview & Scrutiny Business Panel report dated 13 December 2016 “New Bermondsey (formerly Surrey Canal Triangle) proposed CPO”

Appendix 3: Correspondence with Millwall Football Club and Millwall Community Trust

Appendix 4: Eversheds letter dated 13 December 2016 and Shoosmiths letter dated 9 December 2016

Appendix 5: Correspondence received from Richard Slack and Shirley Kehoe

Appendix 6: Assurances given by the Chief Executive of Renewal on 12 December 2016

BACKGROUND PAPERS

None

If you have any queries on this report, please contact Kplom Lotsu, SGM Capital Programme Delivery 0208 3149283

**Chief Officer Confirmation of Report Submission
Cabinet Member Confirmation of Briefing**

Report for: Mayor

Mayor and Cabinet

Mayor and Cabinet (Contracts)

Executive Director

Information Part 1 Part 2 Key Decision

X

Date of Meeting 15 December 2016

Title of Report Response to Call-in of Mayor and Cabinet Decision – New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order

Originator of Report Janet Senior, Executive Director for Resources & Regeneration

At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications	X	
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)	NA	
Reason for Urgency (as appropriate)	NA	

Signed:  Executive Member

Date: 02/12/16

Signed:  Director/Head of Service

Date 2 | 12 | 16

Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

MAYOR AND CABINET		
Report Title	Response to Call-in of Mayor and Cabinet Decision – New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director for Resources and Regeneration, Head of Planning, Head of Law	
Class	Part 1	Date: 15 December 2016

1. Summary

This report responds to the call-in and associated comments agreed by the Overview and Scrutiny Business Panel on 20 September 2016 in accordance with Paragraph 14 of the Overview and Scrutiny Procedure Rules. It also reports on matters which led to the reconsideration of the decision on 28 September 2016 being deferred.

2. Purpose of the Report

2.1 To inform the Cabinet of the response of Officers to the call-in and to ask the Cabinet to confirm the decision made on “New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” on 7 September 2016.

2.2 To report back to the Cabinet on the matters which led to a deferral of the reconsideration of the decision on 28 September 2016.

3. Recommendation

The Cabinet is requested to confirm the decision made on “New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” on 7 September 2016.

4. Background

4.1 At a meeting of Mayor and Cabinet held on 7 September 2016, the Cabinet considered a report entitled “New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order” and their decision was to agree the recommendations in that report. In accordance with the Constitution, this decision was notified to all members of the Business Panel within 2 days of being made.

4.2 The decision was considered at a meeting of the Overview and Scrutiny Business Panel on 20 September 2016 and their decision was to refer the matter back to Mayor and Cabinet for reconsideration.

4.3 The decision was due to be reconsidered at the meeting of Mayor and Cabinet on 28 September 2016, but the matter was deferred for the reasons set out in paragraph 7.1 of this report.

5. Overview and Scrutiny Business Panel – Reasons for Call-in

5.1 On 20 September 2016 the Overview and Scrutiny Business Panel considered the Cabinet decision, and the original report.

5.2 Following the consideration of a letter from Millwall FC, and presentations from the Executive Director for Resources and Regeneration, Jordana Malik from the Renewal Group, Richard Pickering and Willow Winston, Business Owners, and Millwall FC Advisors David Prescott, Nigel Kennedy and Andrew Barrow, the Business Panel resolved to call in the Cabinet's decision asking them to consider the issues described below:

- I. Business Panel have specific concerns and were uncertain that the officer report and presentation demonstrated the viability of Renewal's delivery mechanism for the proposed development. It is accepted by all parties that Renewal has no track record.
- II. Business Panel was concerned that the Council's reputational risk has not been fully considered.
- III. Business Panel was not convinced that the proposed CPO was in the public interest. Panel members were concerned about the lack of clarity surrounding the provision of sports facilities and affordable and social housing.
- IV. On consideration of a letter from Millwall FC presenting fresh information and evidence, Business Panel believes there are sufficient grounds for the Cabinet to reconsider their decision.
- V. Business Panel had previously raised concerns about the lack of transparency within this project and had requested the Mayor to ask the Chief Executive to review the arrangements to ensure due diligence was in place. Business Panel is concerned that to date they had not received a response to their request from the Chief Executive, having made a request directly to him after the Cabinet had declined to intercede on their behalf.
- VI. In conclusion, the Business Panel agreed that there were insufficient grounds for a compelling case in the public interest to confirm a CPO.

6. Officer Response to Issues

6.1 **Issue I**

- 6.1.1 This issue is discussed at length in the Report to Mayor and Cabinet of 7 September 2016, attached to this Report as Appendix 1 – see paragraphs 7.47 – 7.74 of the Report.
- 6.1.2 Concern has been expressed about Renewal’s lack of a track record. Whilst Renewal have delivered a large number of projects, none have been on this scale, although it is fair to say that not that many developers will have a track record in projects of this size. The lack of a track record on major schemes does of course bring into sharp focus the ability of Renewal to deliver and the question of viability and deliverability and the likelihood of project delivery
- 6.1.3 GL Hearn have reported on behalf of Renewal on project viability and deliverability. This has been assessed by PwC who have advised on Renewal’s overall ability to deliver the scheme and in turn the proposed funding and delivery strategy. Their advice covers the funding needs of the scheme and the assets of the shareholders. In accordance with the Local Government Act 1972, the confidential documents referred to in those paragraphs and elsewhere in the Report were made available for inspection by Members prior to the Cabinet decision on 7 September 2016 and have remained available for inspection by Members since that date.

6.2 **Issue II**

- 6.2.1 It is perhaps natural to be cautious when dealing with projects which rely on investment from overseas companies. However, overseas investment in development projects is commonplace in the UK, especially in London. Thus in 2015, the UK ranked third, after the US and Germany, for investment in development by foreign investors from emerging markets. Further, non-UK resident companies that carry on a UK property development trade are liable for UK tax on profits of that trade, regardless of whether the trade is carried on through a permanent establishment in the UK.
- 6.2.2 Concern has been expressed about the lack of information about the trusts that sit behind the shareholders (Incorporated Holdings Limited and Independent Advisors Incorporated), and the ultimate beneficiaries of those trusts. The identity of those trusts has in fact been disclosed and details are contained in the PwC Report, but the names have not been made public because to do so would enable the individual beneficiaries of those trusts to be identified which in turn would result in a breach of Data Protection legislation.

6.2.3 Whilst the concern about reputational risk is understood, the identity of the ultimate beneficiaries of the trusts is of no real relevance to the question of whether the funding is likely to be available to enable the scheme to proceed, and thus to the question of deliverability. These matters are addressed above.

6.3 **Issue III**

6.3.1 The public benefits resulting from the Scheme generally and the wellbeing objectives to be achieved are set out in the Mayor and Cabinet Report and the draft Statement of Reasons: see in particular paragraphs 7.42 and 7.43 of the Report, and paragraphs 1.20, 3.6 to 3.20, 5.3 and Sections 9 and 11 of the draft Statement of Reasons (at Appendix 1 to the Report).

6.3.2 In relation to the sports component, the issue raised by Business Panel about the Sports Facilities appeared to relate to the change from the 'Sporting Village' concept with the sports facilities dispersed around the Site to the Sports Facilities being provided in one block – 'Energize'. As is explained in the Report to Mayor and Cabinet on 7 September and the draft Statement of Reasons, this change was approved by Strategic Planning Committee (SPC) in December 2013 and the rationale for the change can be seen in the Report to SPC. This followed discussions between Renewal and prospective occupiers of the Sports Facilities regarding their operational needs and governing bodies of various sports. From this work it was concluded that the majority of the new sports facilities should be consolidated in a single location rather than split across a number of buildings. As was noted in the Report to SPC, whilst the location of the proposed D2 sports uses has changed, the overall floor space for sports uses, format and range of potential occupiers on the Site remains the same.

6.3.3 In terms of public benefits, as is set out in the draft Statement of Reasons, the Energize Facility will comprise the largest indoor sports complex for community use to be built in London since Crystal Palace in 1964. It will house four floors of sports facilities as follows:

- A multi-purpose 3000 seat arena that can be used for regional and national competitions in sports such as Basketball, Netball, Table Tennis, Amateur Boxing and Handball.
- An indoor 3G Football pitch that will be made available to Millwall Community Scheme (negotiations with MCS regarding surrender of the lease on their existing premises and relocation to the new facility are currently on-going) and which will divide into 5-a-side pitches for hire to the local leisure market.

- A third arena will be sub divided into areas for table tennis, gymnastics and a multi-use sports area.
 - A fourth arena will house a 6-lane swimming pool and learner pool, a 150-station gym and a home for the London Amateur Boxing Association and two local boxing clubs.
 - A large climbing/bouldering area will be provided, together with changing and showering facilities, classrooms, offices, cafes and sports related retail space and 3020 square metres for Onside, a new 'Youth Zone'.
- 6.3.4 Alongside sports facilities, 'Energize' will provide a series of outreach programmes from clubs and tenants from the sports centre to encourage participation in sport and provide education on nutrition, fitness and a healthy lifestyle. The existing planning permissions specifically prevent the use of this space for other purposes within Class D2 i.e. cinema, concert hall, bingo hall or dance hall. Accordingly the sport-related focus of the development is safeguarded and any change to this would require a further application to the Council.
- 6.3.5 The Section 106 Agreement also includes provision relating to delivery of the Sports Facilities. The relevant Phase cannot commence until detailed confirmation of the capital and revenue funding projections for the construction, implementation and running of the Sports Facilities has been provided to the Council. An occupancy restriction is also imposed preventing occupation of the Phase unless the Sports Facilities are being managed by the Surrey Canal Sports Foundation. Further obligations require a 'Sports Facilities Strategy' to be submitted and approved providing for the provision and operation of the Sport Facilities and covering such matters as a business plan for the management of the facilities, proposed opening hours and uses, charging structure/entrance fees/membership subscription and operational costs, as well as details of the measures ensuring that the Sports Facilities are available to local people at discounted rates.
- 6.3.6 The position regarding affordable housing was explained at the Mayor and Cabinet meeting on 7 September. The Section 106 Agreement requires a minimum of 12% affordable housing (by habitable room) to be provided, of which at least 25% must be social rent or affordable rent (in the case of the latter the rent must be no greater than the lower of (and inclusive of service charge) 60% local market rent, the local housing allowance or the maximum housing cost element of the Universal Credit). The level of affordable housing is subject to financial review whereby if actual sales values for private units exceed target sales values as prescribed, 50% of any increase is to be applied to additional affordable housing within the scheme (unless

the sum is less than the cost of providing an additional unit, in which case such sum is to be paid the Council).

- 6.3.7 As is made clear in the Mayor and Cabinet Report and draft Statement of Reasons, the revised arrangements in relation to the Housing Zone funding which mean the new station works will be grant funded by the GLA, mean that the benefit received by Renewal will be applied to the delivery of additional affordable housing. The funding could directly deliver between approximately 40 (10 social rent or affordable rent and 30 shared ownership based on the current 75:25 tenure split) and 75 (based on 100% shared ownership) additional affordable units in the early phases depending on the tenure of those homes. The Council would also be seeking to ensure that any income from those affordable units would go back into the scheme to deliver additional affordable housing. Discussions with the GLA regarding tenure are continuing, but it is understood that they wish to ensure that best endeavours are made to maximise the number of affordable units, which will then influence the final tenure mix.

6.4 *Issue IV*

- 6.4.1 On 19 September, John Berylson, Chairman of Millwall FC wrote to Councillor Hall commenting on the Mayor and Cabinet meeting on 7 September and raising a number of points which he asked Members to take into account at the Business Panel meeting on 20 September. A copy of that letter is appended to this Report at Appendix 2.

- 6.4.2 Taking each of the points raised in that letter in turn:

(a) Point 1

MFC complain that the information provided to the Mayor and Cabinet meeting on 7 September omitted two key elements: (i) no mention was made of a possible tender exercise in relation to the Council's freehold interests which was discussed in 2012 but did not proceed and the Council had not explained why; and (ii) that the Council effectively denied MFC the opportunity to bid for the Council's freehold interest before proceeding to exchange contracts with Renewal. Correspondence between MFC and the Council from late 2012 through to late 2013 is relevant to both these issues and point 3 below, and a copy of that correspondence is attached to this Report at Appendix 3.

Regarding point (i), a tender exercise was discussed with MFC and MCS in 2012. The letters dated 3 December 2012, 29 January 2013 and 18 March 2013 relate to why it did not proceed. As can be seen, MCS indicated it did not wish to participate in any such tender exercise, Demos Kouvaris of MFC indicated misgivings about the process and requested that it be dropped, or

at the very least, delayed, and the Council came to the view that the tender exercise should not proceed in any event. This was because the Council had reservations about whether such an exercise would be conducive to ensuring comprehensive re-development of the wider site within a reasonable and certain timeframe. It is not therefore correct to say that no explanation was given for the tender process not proceeding.

In relation to point (ii), MFC were professionally advised throughout the relevant period, including by well-known property consultants, CBRE. CBRE wrote to the Council on 6 November 2013 (not 7 November 2013 as referred to in MFC's letter) asking for information about the material terms, including the price and any other material issues of the proposed sale to Renewal. This information included commercially sensitive material. The Director of Regeneration and Asset Management responded in his letter of 13 November, noting MFC's interest in bidding for the land and advising that whether it chose to do so was a matter for MFC.

The fact remains that MFC did not need to have details of the offer made by Renewal in order to formulate a bid for the Council's freehold interest in the land encompassed by the MCS and MFC leases, or the part they require to carry out their proposals. They had ample opportunity to submit a bid, but chose not to do so.

Further, in terms of best consideration, the Council was not legally obliged to invite MFC to bid for the freehold interest or otherwise to conduct a tender process in order to achieve best consideration. MFC threatened to bring a legal challenge to the Council's decision to enter into the land sale agreement on best consideration grounds but did not do so. It is reasonable to infer from this that MFC did not consider that such proceedings would be sustainable.

(b) Point 2

Freedom of Information request. There are ongoing FOI/EIR proceedings which were due to be heard at the end of November, but have now been adjourned to 14 and 15 February 2017. Those proceedings were commenced by a freelance journalist, but MFC have since confirmed that the request for information was made on their behalf. The proceedings include an appeal on behalf of MFC against the Information Commissioner's decision not to require disclosure of the consideration under the land sale agreement. In the proceedings, the Council has made clear its grounds of opposition to disclosure and it is not necessary or appropriate to make any further comment at this stage.

(c) Point 3

MFC question the role of Strutt & Parker and the scope of their instruction. Strutt & Parker were appointed in February 2016 and the Mayor and Cabinet Report of 7 September explains their role and the scope of their instruction, namely, (i) to act as intermediary with the aim of bringing the parties together to see if an agreed position could be reached which would ensure comprehensive regeneration of the Site (paragraph 7.16 of the Mayor and Cabinet Report) and (ii) 'to advise on the MFC Proposals in terms of their viability, deliverability and overall fit within the Council's Core Strategy and regeneration objectives for the area' (paragraph 7.23).

Pursuant to (ii), Strutt & Parker appraised the McKay Masterplan proposals (**MFC Proposals**) which had been provided to the Council by MFC in August 2013. So far as Officers are aware, the provision of these was not made subject to any constraint on the subsequent use or disclosure of the information by the Council. They were not provided by MFC as part of the exercise referred to at (i) above, and were therefore not covered by any agreement as to non-disclosure which applied to any information provided by MFC in the context of that exercise. Further and in any event, Strutt & Parker have advised that CBRE, MFC's agents, were fully aware that they (Strutt & Parker) were reviewing the MFC Proposals.

Strutt & Parker's e-mail of 18 July to CBRE referred to in MFC's letter is in the context of a separate point, namely the prospective exchange of information between MFC and Renewal following a meeting between them and Strutt & Parker in June. In that e-mail, Strutt & Parker advised that their role in relation to any information received during that exercise would be as a conduit, and they (Strutt & Parker) would not be reviewing it, engaging in discussions or disclosing the information to the Council. It was in response to this correspondence that CBRE first referred to the revised proposals. Given that Strutt & Parker had expressly said that any information received would not be passed on to the Council, Strutt & Parker sought confirmation from CBRE that this did not apply to the revised proposals and that the information on the revised proposals could be used to update Strutt & Parker's appraisal of the MFC Proposals. Strutt & Parker advise (as at the date of this Report) that no response has yet been received from CBRE.

With regard to the plans which MFC suggest are the subject of a potential planning application, at no stage have MFC sought to commence pre-application discussions on those plans. A representative from CBRE did contact the Head of Planning on 2 September 2016, which was before the Mayor and Cabinet meeting on 7 September 2016, and in a further conversation on 5 September 2016 suggested that MFC intended to initiate pre-application discussions. CBRE then advised on 4 October 2016 that further work was being undertaken and they would be in touch to discuss 'at an appropriate time'. Nothing further has been heard since then.

(d) Point 4

MFC state that *“Renewal has stated publicly it will not work with Millwall”*. The position is that, whilst Renewal has stated that it does not envisage any JV or collaboration with MFC over the development, it has stated a wish to work towards a financial settlement with MFC and has invited MFC to quantify what it requires. In this regard, MFC state *“We have repeatedly stated in public what we require”*. It is acknowledged that MFC have said they wish to redevelop the land around the Stadium themselves or in partnership with a developer, and they have also said they wish to secure an income producing asset; but Officers are not aware of any statement from MFC quantifying the consideration/income level MFC considers it requires. That is the point the Chief Executive was making at the Mayor and Cabinet meeting on 7 September.

(e) Point 5

MFC complain they have not seen Renewal’s viability information regarding the land around the Stadium/MCS land. This information however remains confidential and commercially sensitive. Further, there are a number of significant issues regarding deliverability of the wider scheme if the MFC and MCS land is omitted from the control of the developer of the wider scheme – these are explained in paragraph 7.25 of the Mayor and Cabinet Report and the GL Hearn paper ‘Review of Implications of Omission of MFC and MCS Land for Scheme Viability’ included in the Background Papers to that Report.

(f) Point 6

“The funds [for the MFC Proposals] are available and that point has been made in public several times.” A mere statement that funding is available is not evidence of actual availability for the purposes of delivering MFC’s Proposals, even assuming those proposals were viable and that any other deliverability constraints could be overcome.

“At no stage has the Council requested further information.” As is summarised at paragraph 7.15 of the Mayor and Cabinet Report of 7 September and can be seen from the attached bundle of correspondence, between December 2012 to November 2013 MFC were advised on several occasions that if the Council was to give any consideration to MFC’s plans, it would need, amongst other things, details of specific proposals, including not only drawings and timescales, a viable business plan, funding arrangements, and details of mechanics regarding delivery in conjunction with the wider site. That information has not been forthcoming.

Reference is made to a PWC Report of September 2013. As referred to above, there are ongoing FOI/EIR proceedings which are now due to be heard in February 2017. In the proceedings, the Council has made clear its grounds of opposition to disclosure and it is not necessary or appropriate to make any further comment at this stage.

(g) Point 7

MFC asserts that taxpayers' funds are being spent by the Council on legal advice in connection with the FOI/EIR proceedings. Such costs are in fact being reimbursed by Renewal. As stated in the response to Point 2 above, the proceedings include an appeal on behalf of MFC against the Information Commissioner's decision not to require disclosure of the consideration under the land sale agreement. This means that the Council is required to take part in these proceedings to deal with that aspect in any event.

(h) Point 8

The Chair of any meeting is responsible for the conduct of the meeting and for deciding who is permitted to speak at the meeting and for how long. Although requests to speak at a meeting can be made and considered by the Chair in advance of that meeting, there is nothing to prevent the Chair permitting or requesting any other person present to speak at the meeting where the Chair considers that this would be appropriate. On this basis the Director of Renewal who was present at the meeting was invited to address the meeting and to answer questions raised by Cabinet members.

6.5 **Issue V**

- 6.5.1 The Chief Executive was made aware of the Business Panel's concerns several months ago. It is the Chief Executive's role to ensure that the best and most cost effective professional advice is available to the Council's decision makers. This includes, where necessary, procuring expert external independent advice. In the case of this scheme, the Council has commissioned appropriate external professional and legal advice. Following the Business Panel's recommendations, the Chief Executive reviewed the approach with the key officers concerned and subsequently met with the Chair of the Business Panel. In this instance, the depth of due diligence undertaken by the external advisors is considered to be appropriate to protect the Council's position. Thus in a meeting with the Chair of the Business Panel and the Executive Director for Resources & Regeneration held several weeks ago, the Chief Executive gave assurances that the known business and financial arrangements of Renewal would be made available to all Members, and this has taken place.

6.6 **Issue VI**

6.6.1 This issue is dealt with in the conclusion at Section 13 of this report.

7. **Matters arising following deferral of re-consideration of the decision on 28 September 2016**

7.1 Members will recall that the decision was due to be reconsidered by Mayor and Cabinet at its meeting on 28 September 2016. However, Mayor and Cabinet were informed that shortly before the meeting Council Officers had received a copy of a document that was the subject of external investigation and that it was therefore not possible to complete the reconsideration of the decision made on 7 September 2016. Thus, consideration of the call-in was adjourned until further notice.

7.2 The document in question is a brochure prepared by Lambert Smith Hampton (**LSH**) on behalf of International Holdings Limited (**IHL**), one of the shareholders in Renewal (**LSH Brochure**). The LSH Brochure came to light as a result of an article in the Guardian newspaper on 27 September 2016. A copy of the LSH Brochure has been provided to the Council and is appended to this Report at Appendix 4.

7.3 Following the Mayor and Cabinet meeting on 28 September 2016, the Head of Law and Executive Director of Resources and Regeneration have investigated the circumstances around the LSH Brochure. So too have LSH. As a result, the following has been established:

- IHL engaged LSH in April/May 2015 to advise on the New Bermondsey scheme as an investment opportunity.
- LSH's original proposed terms of engagement to IHL covered a review of a range of investment scenarios with potential investors, including outright acquisition, acquisition of IHL's shareholding, JV structures, partial investment, and later stage option structures. LSH noted that at this stage their objective was to source "interest in principle" commitment from potential investors.
- The scope of LSH's mandate was amended in June 2015 so as to focus exclusively on introducing and brokering financial investors into a fundraising. LSH also noted at the time that IHL might decide to sell part or all of their stake in that process.
- It is evident from subsequent correspondence that IHL's objective was to attract investment into the project, not to achieve an outright sale of its interest in it, and that wished to remain involved in the project.
- In February 2016, IHL confirmed to LSH that it had decided to put a stop to the search for a funding partner until after the CPO process, and decided not to extend LSH's instruction.
- LSH have confirmed that during the course of the instruction, they produced the LSH Brochure, but that they had not been instructed by IHL or the Renewal Group or any individual in the Group to prepare it, nor was the LSH Brochure seen or approved by IHL or Renewal.

- LSH further advise that the LSH Brochure was not publicised or made available to others.
- IHL/Renewal have also confirmed that they had not seen the LSH brochure until a copy was provided by the Guardian newspaper.
- As part of the investigation into the LSH Brochure further documentation prepared by LSH (of unknown date), and described by LSH as 'marketing material', has also come to light. This sets out factual information about the project, and makes no reference at all to IHL's intentions in terms of project funding or whether it might wish to dispose of the whole or part of its interest in it.
- IHL/Renewal have confirmed that, as with the LSH Brochure, LSH were given no instructions to prepare this documentation, nor did IHL or Renewal see or approve it.
- Renewal have further confirmed that they were unaware until the LSH Brochure was produced in late September of the IHL instruction to LSH.

7.4 In the course of the investigation, IHL and Renewal have given their assurance they remain 100% committed to the project and its delivery in full and that there is no intention to sell.

7.5 PwC have indicated in their report that it is normal for developers at this stage of a development project not to have in place concluded arrangements for the funding of the project.

7.6 PwC have reviewed the documentation relating to the IHL instruction to LSH and stated that it is not unusual for investors or developers to dispose of their interests at any point in the development cycle or to seek indicative bids as a market testing exercise. They confirm that, having reviewed this material, the findings in their report remain unchanged.

8. Financial Implications:

8.1 There are no direct financial implications arising from this response.

9. Legal Implications:

9.1 Members' attention is drawn to the legal implications in the Report attached at Appendix 1 and should also note that the Constitutional position is referred to in the body of this report.

10. Crime and Disorder Implications:

10.1 There are no direct crime and disorder implications arising from this response.

11. Equalities Implications:

11.1 There are no direct equalities implications arising from this response.

12. Environmental Implications:

12.1 There are no environmental implications arising from this response.

13. Conclusion

13.1 In all the circumstances, having regard to the matters raised by Overview and Scrutiny Business Panel and the other matters addressed in this report, Officers remain of the view that there is a compelling case in the public interest for the compulsory acquisition of the remaining land interests to enable the scheme to proceed. Officers therefore recommend that the Cabinet agrees the recommendation in this report.

List of Appendices

Appendix 1: Mayor & Cabinet Report dated 7 September 2016 - "New Bermondsey (Formerly Surrey Canal Triangle) Proposed Compulsory Purchase Order"

Appendix 2: Chairman of Millwall FC Letter to Chair of Overview and Scrutiny Business Panel

Appendix 3: Correspondence between MFC and the Council from late 2012 through to late 2013

Appendix 4: LSH Brochure

BACKGROUND PAPERS

If you have any queries on this report, please contact Kplom Lotsu, SGM Capital Programme Delivery Ext: 49283

APPENDIX 1 December 15 2016

MAYOR & CABINET		
Report Title	New Bermondsey (Formerly Surrey Canal Triangle)- Proposed Compulsory Purchase Order	
Key Decision	Yes	Item No.
Ward	New Cross	
Contributors	Executive Director for Resources and Regeneration, Head of Planning and Head of Law	
Class	Part 1	Date: 7 September 2016

1.0. Introduction

- 1.1 This Report updates Mayor and Cabinet on the progress of the New Bermondsey (formerly Surrey Canal Triangle) regeneration project by the Council and the developer, Renewal Group Limited, and the current land assembly position and asks the Mayor to agree a number of recommendations relating to the acquisition of the land interests required to enable the New Bermondsey re-development to proceed. For the purposes of this report, the developer is referred to throughout as “Renewal”. References to the Site are to the New Bermondsey site which is shown edged red on the plan annexed to this report and marked ‘Site Plan’.
- 1.2 This Report concerns the prospective use of compulsory purchase powers to assist with completion of the land assembly and acquisition of rights required to deliver the New Bermondsey scheme. A Report recommending that a compulsory purchase order (**CPO**) be made was on the Agenda for the Mayor and Cabinet meeting on 17 February 2016, but that Report was withdrawn due to last minute representations regarding an owner/occupier within the Site and the nature of her occupation, a matter which Officers considered required investigation. Officers have had regard to the issues raised in those representations and other representations received prior to the meeting on 17 February 2016 and those issues are addressed in this Report
- 1.3 At the Mayor and Cabinet meeting on 17 February 2016, Councillor Best (Chair for the agenda item) expressed a wish for urgent discussions to take place between Renewal and Millwall Football Club to see if their differences over the proposals could be resolved. An update on those discussions is also included in this Report.

2.0. Purpose of this Report

- 2.1 In addition to updating Mayor and Cabinet on progress with the New Bermondsey scheme, this Report seeks the Mayor's approval for the Council to use its compulsory purchase powers under Section 226(1)(a) of the Town and Country Planning Act 1990 (1990 Act) and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to enable land assembly and acquisition of new rights so as to facilitate the comprehensive re-development of the New Bermondsey site (**the Scheme**) and in turn contribute to the wider regeneration of the Deptford/New Cross Area as supported by the Council's Core Strategy and other applicable policy. The land and rights proposed to be acquired are described in Section 6 of this Report.
- 2.2 This Report further seeks the Mayor's approval to the acquisition by the Council for planning purposes of Renewal's freehold interest (both its existing freehold and any freehold interest that Renewal may subsequently acquire by private treaty) in Phases 1A, 1B, 2 and 3 of the Site and the grant of a lease of that land to Renewal with an option for Renewal to then repurchase the freehold. The purpose of this arrangement is to facilitate the comprehensive re-development of the Site by ensuring that third party rights do not impede the carrying out of the development. Further details are provided in Section 8 of this Report. Consequential upon this proposed arrangement, a variation to the existing CPO Indemnity Agreement is proposed which is also addressed in Section 8 of this Report.
- 2.3 A draft Statement of Reasons ("draft SoR") for making the proposed CPO is attached to this Report at **Appendix 1**. Although the Statement of Reasons is non-statutory, it is an important document and if the CPO is made, it will be served on owners, lessees/tenants and occupiers with the relevant statutory notices of making of the CPO. The draft SoR has been prepared in accordance with the Government's Guidance on Compulsory Purchase process published in October 2015 (CPO Guidance) which replaces the previous advice in Circular 06/04. Should the Mayor resolve to proceed with the CPO, the draft SoR will be finalised to reflect matters as at the time the CPO is made and this is reflected in the delegation sought for the Executive Director of Resources and Regeneration.
- 2.4 This Report and the attached draft SoR describe the factors which are relevant to any decision on compulsory purchase, including the applicable planning policy framework for the Scheme, matters relevant to deliverability of the Scheme within a reasonable timeframe, its impact on affected land owners and occupiers and whether the proposals could be achieved by other means. It includes matters for the Mayor's consideration in relation to the Council's public sector equality duty and the implications for the Human Rights of third parties. It addresses the overall question of whether there is a compelling case in the public interest for compulsory acquisition.
- 2.5 References are made to the draft SoR throughout this Report, but Mayor and Cabinet are referred to the attached draft SoR generally and should read that alongside the content of this Report.

3.0. Policy Context

- 3.1 The applicable Planning Policy framework for the Scheme is set out in Section 4 of the draft SoR and is discussed further below. Also relevant are the Council's regeneration and community strategies, as well as its Corporate priorities and asset management policies.
- 3.2 'People, prosperity, place', Lewisham's regeneration strategy 2008-2020, sets out the Council's aspiration for a vibrant, dynamic Lewisham focussed around the themes of people - investing in the individuals and communities which are Lewisham's greatest asset - prosperity - fostering the skills and economic opportunities for Lewisham to flourish and thrive - and place - developing high quality public spaces, sustainable buildings and protecting the areas which are sensitive to change. The strategy identifies the Site as a strategic site with the Borough. The strategy is also placed within the framework of the key national and regional policies which affect the Council's work around regeneration of the Borough, including the Mayor of London's London Plan Consolidated with Alterations Since 2011(March 2016) (**London Plan**).
- 3.3 'Shaping our future', Lewisham's Sustainable Community Strategy 2008 - 2020, includes the 'Dynamic and Prosperous' theme, where people are part of vibrant communities and town centres, well connected to London and beyond. It details the Local Strategic Partnership's commitment to 'improving the quality and vitality of Lewisham's town centres and localities', and aspirations to 'support the growth and development of our town centres by working with commercial partners and developers', and 'maximise the use of our town centres as places to engage the local community'.
- 3.4 'Shaping our future' identifies 'Active healthy citizens as a key priority – where the Council are committed to ensuring that people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities'.
- 3.5 Strengthening the local economy is a corporate priority, emphasising the importance of 'gaining resources to regenerate key localities, strengthen employment skills and promote public transport'.
- 3.6 The Council's Asset Management Plan sets out the approach to using property effectively in order to achieve the Council's objective of making Lewisham the best place in London to live, work and learn. It acknowledges that the Council's assets have a key role to play in supporting the Borough's regeneration aims.
- 3.7 The Council's Local Development Framework sets the vision, objectives, strategy and policies that will guide development and regeneration in the Borough up to 2025. The Lewisham Core Strategy, the Lewisham Development Management Local Plan, the Lewisham Site Allocations Local Plan and the Lewisham Town Centre Local Plan, together with the London Plan form the statutory development plan for the Borough.

4.0. Recommendations

- 4.1 The Mayor is recommended to:

- (a) agree that, as set out in this Report at Section 7, the pre-conditions for compulsory purchase set by Mayor & Cabinet on 7th March 2012 have been met.
- (b) resolve to make a Compulsory Purchase Order pursuant to powers under Section 226(1)(a) of the Town and Country Planning Act 1990 and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 (in accordance with the procedures in the Acquisition of Land Act 1981) for:
- i) the acquisition of the land shown coloured pink on the plan attached to this Report at **Appendix 2**, save for the interests of the Council, Renewal and persons with the benefit of rights of light; and
 - ii) the acquisition of new rights over the land shown coloured blue on the plan attached to this Report at **Appendix 2**
- for the purpose of facilitating the comprehensive redevelopment, development and improvement of the Site to provide a mixed use residential-led scheme.
- (c) grant delegated authority to the Executive Director for Resources and Regeneration in consultation with the Head of Law:
- i) subject to a satisfactory Deposit or satisfactory alternative security being provided by Renewal pursuant to the CPO Indemnity Agreement dated 20 December 2013, to take all necessary and appropriate steps to secure the making, confirmation and implementation of the Compulsory Purchase Order (**CPO**) including the publication and service of all notices and promotion of the Council's case at any Public Inquiry, including but not limited to the steps described below;
 - ii) to carry out any further or additional land referencing as may be considered appropriate, including service of requisitions for information pursuant to Section 16 of the Local Government (Miscellaneous Provisions) Act 1976 or Section 330 of the Town and Country Planning Act 1990;
 - iii) to make any amendments, deletions, or additions to the draft Order Map and/or draft Schedules to the CPO so as to include and describe all interests in land and rights required to facilitate the carrying out of the Scheme;
 - iv) to make such changes as may be considered necessary or appropriate to the draft Statement of Reasons prior to publication;
 - v) to acquire interests and new rights in the Order Land either by agreement or compulsorily (including pursuant to any blight or purchase notices) and dispose of the same to Renewal;
 - vi) to negotiate, agree terms and enter into agreements with interested parties, including agreements for the withdrawal of blight or purchase notices and/or objections to the CPO and/or undertakings not to enforce the CPO on specified terms, including where appropriate seeking the exclusion of land or rights from the CPO;

- vii) in the event that the Secretary of State notifies the Council that it has been given the power to confirm the CPO to confirm the CPO if the Executive Director for Resources and Regeneration, in consultation with the Head of Law, is satisfied that it is appropriate to do so;
 - viii) in the event the CPO is confirmed by the Secretary of State (or by the Council if given the power to do so), to complete all necessary statutory procedures and to take steps to implement the CPO, including by way of General Vesting Declaration and/or Notice to Treat/Notice of Entry;
 - ix) to take all steps in relation to any legal proceedings relating to the CPO, including defending or settling claims referred to the Upper Tribunal (Lands Chamber) and/or applications made to the courts and any appeals;
 - x) to retain and/or appoint external professional advisers and consultants to assist in facilitating the promotion, confirmation and implementation of the CPO, the settlement of compensation and any other claims or disputes;
 - xi) to take all such other steps as may be considered necessary or appropriate to acquire all interests and rights required for the Scheme (whether by agreement or CPO) and to dispose of the same to Renewal.
- (d) agree the acquisition by the Council for planning purposes pursuant to Section 227 of the Town and Country Planning Act 1990 of Renewal's freehold interest (both its existing freehold and any freehold interest that Renewal may subsequently acquire by private treaty) in land within Phases 1A, 1B, 2 and 3 as shown shaded grey on the plan attached to this Report at **Appendix 3** and the grant of a lease of that land to Renewal (with an option for Renewal to repurchase the freehold interest) on the terms set out in the Heads of Terms attached to this Report at **Appendix 4**, including any variation thereto as the Executive Director for Resources and Regeneration, in consultation with the Head of Law, may consider appropriate;
- (e) agree the variation of the CPO Indemnity Agreement of 20th December 2013 to ensure the agreement provides for the Council to be indemnified by Renewal in respect of all compensation and other costs arising in respect of any interference with rights affecting the land acquired by the Council and leased back to Renewal as provided for in recommendation (d) above.

5.0. Background

- 5.1 Renewal has been assembling the Site since 2004 with a view to its re-development. Renewal promoted the Site through the development plan process leading to the adoption of the Council's Core Strategy in 2011.

- 5.2 In January 2011, Renewal (through its subsidiary, Renewal New Bermondsey Two Limited) submitted an application for planning permission for comprehensive mixed use residential led re-development of the Site.
- 5.3 In March 2012, a report was presented to Mayor and Cabinet regarding in principle support for the use of CPO powers to assist with land assembly for the Scheme. The Mayor resolved in principle to use such powers, subject to certain pre-conditions being satisfied which are addressed in this Report.
- 5.4 On 30 March 2012, the Council granted outline planning permission (Outline Planning Permission) for the comprehensive phased, mixed-use development of the Site. The Outline Planning Permission permits the development of the Site based upon a set of planning parameters that would enable detailed proposals to come forward for the following:

The comprehensive, phased, mixed use development of the site for up to 240,000 square metres (Gross External Area) of development comprising Class A1/A2 (Shops and Financial and Professional Services) up to 3,000 square metres, Class A3/A4 (Cafes/Restaurants and Drinking Establishments) up to 3,000 square metres, Class A5 (Hot Food Takeaways) up to 300 square metres, Class B1 (Business) between 10,000 -15,000 square metres, Class C1 (Hotels) up to 10,000 square metres, Class C3 (Dwelling Houses) between 150,000 - 190,000 square metres (up to 2,400 homes of different sizes and types), Class D1 (Non-residential Institutions) between 400 - 10,000 square metres, Class D2 (Leisure and Assembly) between 4,260 - 15,800 square metres, involving the demolition of all existing buildings on the site with the exception of the Millwall FC Stadium (which is to be retained and its façade upgraded and /or re-clad), Plot Excelsior 2 – Guild House (which is to be retained and extended), and Plot Excelsior 5 – Rollins House (which is to be retained, but not altered or extended as part of the planning application); the demolition and replacement of the existing Millwall FC grounds-person’s store of approximately 140 sqm; redevelopment to provide a series of new buildings (including roof top and basement plant); re-profiling of site levels; alterations to Surrey Canal road and the re-alignment of the Bolina Road; new streets and other means of access and circulation, including pedestrian/cycle paths, carriageways and servicing areas; areas for parking for emergency services vehicles and outside broadcast units; external areas of land and soft landscaping and publicly accessible open space; car and coach parking areas and accesses to them; cycle storage; and, supporting infrastructure works and facilities including sub-stations, energy centre(s), District Heating Network (DHN) connections to and between each plot, the proposed energy centre and the adjoining South East London Combined Heat and Power (SELCHP) plant (to the extent to which they lie within the Planning Application Boundary) and an ENVAC waste storage and handling system (including DNH and ENVAC connections to plots south of Surrey Canal Road under the carriageway of Surrey Canal Road, as altered). Further details of the March 2012 outline consent are contained within Section 4 of the draft SoR.

- 5.5 The parameter plans approved for the purpose of the Outline Planning Permission provide for an increase in the crowd capacity of The Den from 20,146 to 26,500 should MFC secure promotion to the Premier League and require a larger

Stadium. The Outline Planning Permission was also subject to a Section 106 Agreement entered into on the same date and making provision as follows:

- Re-cladding of the MFC Stadium
- Provision of car parking spaces to be used by MFC both on event and non-event days
- Relocation of Millwall FC memorial garden and grounds keeps store
- Relocation of Millwall Community Scheme to a replacement facility
- Re-provision of coach parking spaces to be used by MFC on event days
- An increase sustainable accessibility to the Stadium by providing the proposed pedestrian link to South Bermondsey Station,
- Facilitation of the provision of a new Surrey Canal Road Station
- Improved connectivity with the surrounding area for pedestrians and cyclists
- Provision of a new bus terminus
- Delivery of new sports facilities
- Delivery of a multi faith centre
- Provision of not less than 12% affordable housing (by habitable room)
- Entering into of a CPO Indemnity Agreement with the Council
- Contribution towards the provision of additional school places in the area
- Contribution to improvements to Bridge House Meadows
- Provision of a creative industries hub
- Installation of ENVAC waste system

5.6 In October 2013, Renewal submitted an application pursuant to Section 73 of the 1990 Act to vary conditions on the Outline Planning Permission to reconfigure some of the uses within the Scheme, but the overall quantum of floorspace across the Site as a whole remained the same and the Section 73 application did not fundamentally change the nature or scale of the previously consented development. The revised proposals include providing the bulk of the sports facilities in a single building on Timber Wharf (Phase 2).

5.7 On 18 December 2015, the Council granted permission pursuant to the Section 73 application (**S73 Permission**). The S73 Permission is subject to a Section 106 Agreement which was completed on the same date and which includes (with appropriate variations) similar obligations to those contained in the S106 Agreement of 2012 and applies those obligations to the development under the S73 Permission.

5.8 On 20 December 2013, the Council entered into a conditional land sale agreement with Renewal relating to the disposal of the Council's freehold interest in the land leased to Millwall Football Club (**MFC**) (excluding the Stadium itself) and in the Lion's Centre, the latter being leased to Millwall Community Scheme (**MCS**). Further details of the agreement are provided below. On the same date, the Council entered into a CPO Indemnity Agreement which addresses the land assembly required for the Scheme and provides for Renewal to cover the costs of the process (including by way of CPO, should the Council decide to exercise its powers – it is under no obligation to do so).

- 5.9 Within the boundary of the land encompassed by the Outline Planning Permission and the S73 Permission is a property known as Rollins House. 'Rollins House' includes Rollins House itself and Unit 12 Excelsior Works. Both planning permissions refer to Rollins House being retained unaltered. In July 2014, Renewal submitted an application to redevelop the Rollins House site as part of the wider Scheme. A decision on that application was deferred twice by Strategic Planning Committee (SPC). In the event, the application was withdrawn by Renewal in June this year and the land forming the Rollins House site does not form part of this Report.

Scheme progress since March 2012

- 5.10 Following the grant of the Outline Planning Permission, in addition to continuing its efforts to assemble the Site, Renewal has focused on securing occupiers for the commercial spaces in the first three phases of development - Phases 1A, 2 and 1B.

- (a) Phase 1A: Hillsong church is currently in detailed discussions with Renewal over the terms for delivery and occupation of the permanent faith building within this phase. As part of their commitment to being in the Scheme, in 2013 Hillsong created a 3,000 sq m temporary home in a warehouse on the Site at Stockholm Road and have established a 2,600 person monthly congregation amongst the local community. It is envisaged that detailed design work for the permanent faith building and the remainder of Phase 1A will commence in quarter 1 2017 and estimated that construction work will start in quarter 2 2018 and will be completed by quarter 1 2020. The Scheme will not be progressed unless the land assembly is complete and this timetable assumes a confirmed CPO is in place by the end of 2017.
- (b) Phase 2: The re-development proposals include a 15,000 sq m sports facility, called Energize, which will be the largest indoor community multi sports complex in London since Crystal Palace was built in the 1960s. The Surrey Canal Sports Foundation Ltd (SCSF) was established in 2010 as a charitable trust, independent of Renewal, to oversee the fund raising of the required £40m for delivery of Energize and to ensure its long-term availability to the community at local authority rates.

So far the SCSF has received a pledge of the land from Renewal, valued at £10 million (as at 2011), along with in principle pledges of £2 m from Sport England and £500,000 from the Council. In July 2014, the SCSF formed a partnership with OnSide, a charity which has created a network of youth centres primarily in northwest England at a cost of £5 - £6 million each. OnSide is seeking to open several Youth Zones in London and would like to incorporate a Youth Zone within the fabric of Energize. The SCSF is also in the early stages of similar discussions with Greenhouse Sports who provide sports coaching in deprived areas, with a view to them having a permanent home in Energize. Both of these organisations would make capital contributions to the building and whilst the amount of space they require is still being finalised, their involvement would bring the pledges for Energize up to the region of £23.5m. Once confirmed, this amount would be enough to trigger detailed designs for the building and a reserved

matters planning application, which in turn would aid the fundraising of the remaining capital.

In order to facilitate sport in the local community today, in 2013 the SCSF leased 2,200 sq m on-site at Stockholm Road to London Thunder Basketball Club (formerly known as Lewisham Thunder Basketball Club) and Fusion Table Tennis Clubs in which they have created a new home complete with two basketball courts, 16 table tennis tables, changing and classroom space and spectator seating. Renewal advise that this sports facility currently attracts c. 2,800 visits a month.

It is envisaged that detailed design work for Phase 2 will commence in quarter 1 2017 and estimated that construction work will start in quarter 2 2018 and that Phase 2 will be completed by 2020. Again, this timetable assumes a confirmed CPO is required in order to complete the land assembly and that this is achieved by the end of 2017.

- (c) Phase 1B: With its close proximity to the new Overground station which will allow quick travel times between the creative hubs around Old Street and Shoreditch, Phase 1B is proposed for a mix of creative industries centred around a significant public square. As with the other phases, Renewal is looking for an established occupier to operate this phase and preliminary discussions have commenced with a number of established creative organisations. Renewal remains confident of securing a significant creative business to this phase once New Bermondsey station is formally announced by Transport for London.
- 5.11 On 20th February 2015, the Mayor of London and the Chancellor of the Exchequer announced that the Site had been designated as one of the first of the Mayor of London's Housing Zones. Housing Zone status has been awarded to areas identified as key opportunity sites, to maximise development, fast track homes and deliver much-needed infrastructure to boost development. As one of the first Housing Zones, the Site is recognised as a key development in London and is one of the few regeneration projects that has the capacity to deliver homes for Londoners faster by accelerating the development programme.
- 5.12 Following the Housing Zone designation, the GLA has allocated in principle funding of £20 million towards delivery of key infrastructure associated with the Scheme, including the new Overground Station at Surrey Canal Road. The GLA initially proposed that the allocated sum would be advanced to Renewal as loan funding. In a revised approach, however, the GLA now proposes that a grant agreement (known as a Borough Intervention Agreement) is entered into between the Council and the GLA whereby the GLA will provide grant funding of c. £12 million which will be passed by the Council to TfL with a requirement that TfL deliver the new Overground Station at Surrey Canal Road and open it within a set period. The balance of the £20 million allocation will remain available for Renewal to take up through a second intervention, following due diligence and subject to contract (and therefore the current financial modelling does not take this into account at this stage). A clear benefit of this approach is that as the new station will now be grant funded, this enables the sum which would otherwise be paid by Renewal towards the new station to be applied to the provision of additional affordable housing within the Scheme. Thus, not only will the GLA's current funding approach allow early delivery of the station and development of the first

two phases of the Scheme (Phases 1A and 2) to proceed ahead of schedule delivering 532 new homes, it will also secure delivery of more additional affordable homes than were originally to be provided within the Scheme.

- 5.13 A programme of regular monitoring meetings will be agreed between the GLA, Renewal and the Council to focus on accelerated delivery and delivery of the new station and additional affordable housing.

6.0. Land and rights to be included in the Compulsory Purchase Order

- 6.1 The boundary of the proposed Order Land is shown outlined red on the plan attached to this Report at **Appendix 2 (CPO Resolution Plan)**, with the land to be acquired shaded pink and the land in respect of which new rights are to be acquired shaded blue.

- 6.2 It should be noted that whilst much of the Site is shaded pink on the CPO Resolution Plan, this area includes interests already held/controlled by Renewal and the Council and the CPO would not include those interests. It would also exclude any rights of light which it is proposed should be addressed in the manner set out in Section 8 of this Report.

- 6.3 The land already owned/controlled by Renewal is identified on the plan attached to this Report at **Appendix 5**. The Council owns the freehold interest in the Millwall FC Stadium which is leased to MFC and the Lion's Centre which is leased to MCS, together with other small surplus areas of land transferred back to the Council by Rail for London (**RfL**) following completion of the East London Line extension. The land around the Stadium, MCS's interest and the RfL surplus areas are subject to the conditional Land Sale Agreement entered into between the Council and Renewal in December 2013 providing for disposal to Renewal of the Council's freehold interest.

- 6.4 The freehold and leasehold interests proposed to be included in the CPO are listed in the Table attached to this Report at **Appendix 6**. Column 1 within the Table includes a plan reference and the relevant plans are included within Appendix 6. Also included within Appendix 6 is a plan identifying the third party interests to be acquired. As indicated in the Table at Appendix 6, as at the time of preparing this Report, 22 freehold and leasehold interests remain to be acquired as follows:

- **Phase 1A:** Four interests are outstanding comprising one freehold and three leasehold interests, all in respect of industrial units. Three of the four outstanding interests are minor interests where Renewal already owns a substantive long leasehold interest.
- **Phase 1B:** Five interests are outstanding, all of which are freehold interests. Three of the five interests are industrial units and two are live-work units, of which only one (Unit 17 Excelsior Works) is currently occupied; the other (Unit 18 Excelsior Works) is understood to be currently unoccupied.

- **Phase 4:** One leasehold interest is outstanding, comprising the Millwall Football Club car park and Stadium surrounds.
- **Phase 5:** Nine interests are outstanding comprising seven freehold and two leasehold interests, all in respect of industrial units.
- **Phase 5A:** Two leasehold interests are outstanding, comprising the Millwall Community Scheme sports complex, together with the apparatus of a telecommunications operator.

In addition to the above, freehold parcels of land are to be acquired from Network Rail in Phases 2, 3, 4 & 5. The above summary also excludes highways plots, interests of utility providers, interests of occupational tenants of Renewal where Renewal expects to gain possession without the need for CPO (e.g. by exercise of a break clause), land which is under contract with Renewal and any business tenancies of land not in the ownership of Renewal. The CPO will include these interests in land to ensure the Scheme can be delivered.

6.5 The following are also proposed to be included in the Order:

- (a) mines and minerals which have been reserved out of titles where the areas concerned are likely to be impacted by piling/foundations required for the Scheme;
- (b) highways plots (sub-soil interests);
- (c) four substations that are on land to be redeveloped, plus existing rights of statutory undertakers with service connections within the Site which are likely to require removal or relocation to facilitate the Scheme. The existing services are shown on the Utility Services plan attached to this Report at **Appendix 7**;
- (d) existing rights of way in favour of Network Rail providing access to railway embankments etc and which are likely to be interfered with as a result of the Scheme.

6.6 New rights are also required to fulfil certain requirements of the Section 106 Agreement. These affect land owned by Network Rail, London Underground Limited and MFC. The rights include in summary (and subject to detailed drafting):

- (a) The right to construct, use (in common with others) and maintain a pedestrian and cycle access route from the north west corner of the Site to South Bermondsey Railway Station;
- (b) The right to carry out works to upgrade railway arches and underpasses at South Bermondsey Station, Zampa Road, Stockholm Road, Rollins Street, Bolina Road and the route to Surrey Quays and thereafter maintain the works;
- (c) The right to carry out works to landscape and thereafter maintain railway embankments adjoining the Site and to carry out habitat creation works on the said land;

- (d) The right to install and maintain conducting media under the railway arch between the South East London Combined Heat and Power facility and the Site to the extent it is required for the installation of the proposed district heating network that is to provide heat and power to the Scheme;
 - (e) The right to carrying out and complete works to replace and improve the existing façade of the MFC Stadium, as required by the S106 Agreement.
- 6.7 The position regarding negotiations with landowners is considered in more detail in Section 7 of this Report. Renewal will continue, with the support of Officers, to seek to acquire the outstanding interests by agreement. Officers have also written a number of times to the remaining landowners encouraging them to engage with Renewal and offering to engage directly with the landowners, should they be unwilling for any reason to deal with Renewal. The most recent letter was sent to landowners by the Executive Director for Resources and Regeneration on 8 August 2016 notifying them of the intention to present this Report to Mayor and Cabinet. As at the date of publication of this Report, seven responses have been received to these letters. Renewal and G L Hearn are following up on each of these responses.
- 6.8 If the CPO is made, it will include a Schedule of the interests, including new rights, to be acquired, as well as those who have interests over the land to be acquired (e.g. rights of way etc) which may be affected by the development works. The Order Map required to accompany the CPO will identify the land and new rights to be acquired. Terraquest, experienced land-referencing agents, have been appointed by Renewal to carry out the necessary referencing and preparation of the CPO Map. Further requisitions for information relating to ownership will be served as necessary before the Order Map and Schedule are finalised. Final versions of the Map and Schedule will be published with the CPO when made.
- 6.9 If the CPO resolution is made, this will be recorded in the Local Land Charges Register and disclosed on searches so that any potential purchasers will be aware that the land is subject to compulsory purchase.

7.0. Pre-conditions to CPO Resolution

- 7.1 As already referred to, on the 7th March 2012, the Mayor resolved 'in principle' to use CPO powers to support the land assembly required for the Scheme, subject to the following pre-conditions:
- i) the Mayor being satisfied that Renewal has used its reasonable endeavours to complete the assembly of the Site by agreement/private treaty and that the redevelopment proposals cannot otherwise be delivered;
 - ii) the requirements of Section 122 of the Local Government Act 1972 and Sections 226, and 237 of the Town and Country Planning Act 1990 (now Section 203 of the Housing and Planning Act 2016) being met;
 - iii) the Mayor being satisfied that there is a compelling case in the public interest to make a Compulsory Purchase Order;

- iv) the Mayor being satisfied that there is a delivery mechanism with Renewal and/or others in place, which ensures that there is a comprehensive redevelopment of the whole Site and that the new development will be built and completed within a reasonable time period;
- v) the Mayor being satisfied that Renewal has a viable business plan and funding strategy to deliver a comprehensive regeneration scheme, together with a full and sufficient indemnity agreement(s) and appropriate financial bond covering the costs of making and confirming any such CPO/appropriation for the purposes of Section 237 (now Section 203 of the Housing and Planning Act 2016); and
- vi) consideration of any issues raised by the Equalities Impact Assessment on the potential impact of the CPO.

7.2 Officers consider that these pre-conditions have now been met, as discussed below under the relevant headings.

(i) Negotiations with landowners

7.3 GL Hearn have been jointly appointed by the Council and Renewal as CPO valuers to advise on property cost estimates for the compulsory acquisition of interests and to negotiate agreements with landowners and others with an interest in the proposed Order Land.

7.4 As referred to above, Renewal owns a significant proportion of the Site required for the Scheme, having actively been acquiring property by private treaty since 2004. 22 identified land interests remain outside of Renewal's ownership (or control if not formally conveyed) which are required in order to complete land assembly to bring forward the Scheme in its entirety. These exclude highways plots, interests of occupational tenants of Renewal where Renewal expects to gain possession without the need for CPO, utilities interests, land under contract to Renewal and any business tenancies of land not in the ownership of Renewal. The 22 outstanding interests comprise mainly freehold or long leasehold interests in the industrial estates within the Site. They also include two live/work units at 17 and 18 Excelsior, the former being occupied by an artist/sculptor, the latter being understood to be currently unoccupied. Certain interests are also required from Network Rail for which agreement has been reached in principle and Renewal is confident a formal agreement will be concluded in due course. In terms of utilities interests, these relate to telecommunications equipment and substations. Discussions have taken place with the providers, although concluding any agreement will be subject to the CPO being progressed.

7.5 Additionally, new rights will be required as set out in paragraph 6.6 above.

7.6 Renewal has provided the Council with details, including copy correspondence, of the extent of and current position on negotiations with landowners undertaken by both Renewal and GL Hearn. Officers have examined the material provided and are satisfied that Renewal has used reasonable endeavours over a substantial

period to acquire the outstanding interests by negotiation. It is continuing and will continue to try and move those negotiations forward with the support of Officers. Renewal has also submitted a relocation strategy which has been approved by the Council under the Section 106 requirements setting out its intentions with regard to continued occupation of the Site by tenants until possession is required and steps taken regarding assistance with relocation. A copy of the relocation strategy is included at Appendix J to the draft SoR.

- 7.7 In negotiations with the landowners, Renewal has also provided contact details for Council officers and encouraged landowners to contact the Council if they would prefer to deal with the Council, rather than Renewal. The Council has also written to the landowners encouraging them to negotiate with Renewal and offering to treat with them and to provide formal valuations if they are unable or unwilling to reach agreement with Renewal. The most recent letters to remaining owners/occupiers were sent on 11 December 2015, 19 January 2016 and most recently on 8 August 2016 notifying them of the intention to present this Report to Mayor and Cabinet.
- 7.8 Renewal continue to make progress with land acquisitions by private treaty. Since the previous Report to Mayor and Cabinet was withdrawn in February 2016, Renewal has acquired the freehold with vacant possession of Bridge House, Excelsior Works (previously a House in Multiple Occupation, but currently vacant), as well as the leasehold interest in Unit 4 and part of Units 5 & 6 of the Yard, Orion Business Centre.
- 7.9 Notwithstanding the efforts made, however, attempts to acquire all the outstanding interests by agreement have to-date not been successful. Prior to the Mayor and Cabinet meeting on 17 February 2016, representations were received by solicitors acting on behalf of four owner/occupiers that the impact on a CPO on the owners affected had not been properly assessed and that the necessary human rights balancing/proportionality exercise had not been properly carried out. The units in question are three industrial units on the Bolina Estate (a furniture and cabinet maker and a car repair and MOT business) and a live/work unit at Excelsior Works currently occupied by an artist/sculptor. The position regarding human rights is considered in paragraphs 7.38 to 7.44 below and Section 12 under the heading 'Human Rights'.
- 7.10 In terms of negotiations with the four owner/occupiers concerned, the information provided by Renewal is as follows:
- Unit 17 Excelsior Works: Negotiations have taken place with the owner/occupier, GL Hearn's valuation has been provided and an offer made by Renewal for the purchase of the unit, although the valuation has been carried out without inspection as access has not been afforded. Renewal has paid for the owner/occupier to receive independent valuation advice, although the owner/occupier has declined to share the valuation report with Renewal/GL Hearn. The parties remain some way apart on valuation. The owner/occupier has been in touch with Kalmars but has advised Renewal there are no suitable alternative properties available for her. Discussions, are

ongoing and a meeting is due to take place in September at which the parties have also agreed to discuss relocation opportunities.

- Unit 35 Bolina Industrial Estate: Negotiations have taken place with the owner/occupier, GL Hearn's valuation has been provided following an internal inspection and an offer made by Renewal for the purchase of the unit. The owner/occupier has received independent valuation advice, and whilst his agent has said the difference in valuation is significant, the owner/occupier has not shared the valuation with Renewal/GL Hearn. Possible relocation properties have been provided to the owner/occupier, but he maintains a direct replacement unit should be purchased for him. GL Hearn have explained the compensation process which is based on the value of the existing unit. The owner/occupier has been in touch with Kalmars but has advised Renewal that there are no suitable alternative properties available. GL Hearn and Renewal remain in contact with the owner/occupier.
- Units 31 & 32 Bolina Industrial Estate: The owner/occupiers have not responded to Renewal/GL Hearn regarding correspondence in relation to relocation/ negotiation. GL Hearn's valuation has been provided and an offer made for the purchase of the unit, although the valuation has been carried out without inspection as access has not been afforded. Renewal met with the owner/occupiers some months ago to explain likely timescales and the prospective CPO process, but received no further response. The owner/occupiers have written to the Council maintaining that Renewal's offer is too low and it is unrealistic to find alternative premises. Renewal is continuing to try and engage with the owner/occupiers and has provided Kalmars contact details to assist them with finding a suitable alternative property and has also offered to pay for independent valuation advice.

7.11 In other cases, negotiations appear to have stalled with landowners unwilling to negotiate until the Council has made a decision regarding compulsory acquisition.

MFC and MCS

7.12 The largest remaining interests by area yet to be acquired are those vested in MFC and MCS.

MFC

7.13 MFC's land is required in order to deliver the wider scheme for which planning permission has been granted and which accords with the Council's regeneration objectives as set out in the Core Strategy which seeks comprehensive redevelopment of the Site as set out in Sections 3 and 11 of this Report. The Core Strategy recognises the importance of MFC and the Stadium to the Borough and it has been made clear to MFC that the Council considers it essential that MFC should be able to continue to operate the Stadium and that appropriate rights will

be granted in favour of MFC to ensure that this will happen. MFC has provided information to the Council and Renewal regarding the rights it will require over the land around the Stadium in the event the land is acquired by CPO and discussions have taken place in relation to the grant of those rights. The Council and Renewal will pursue negotiations with MFC regarding agreement in respect of the rights required.

- 7.14 Discussions have also taken place between Renewal, MFC and the Council over a number of years in relation to the acquisition of MFC's leasehold interest in the land around the Stadium. Renewal have submitted a formal offer to MFC for that interest, but MFC has so far remained unwilling to negotiate any agreement for the surrender of its interest, maintaining that its wishes to itself redevelop the land around the Stadium (**MFC Land**) and the land leased to MCS (**MCS Land**) in a manner consistent with Renewal's proposals.
- 7.15 MFC has asserted that the Council has refused to consider its development proposals for the MFC Land and the MCS Land. That is not correct. Correspondence and discussions have taken place over a lengthy period in which MFC stated its intention to bring forward proposals of its own and in which Officers repeatedly stressed that in order for the Council to be able to give proper consideration to any proposals, it would require detailed drawings and other information including a business case and funding strategy and the delivery mechanism to ensure comprehensive delivery of the wider site consistent with the Council's key regeneration/policy objectives. Despite being advised what is required and being given ample opportunity to provide it, no detailed plans or any planning application, nor any of the other required information has been submitted by MFC. In August 2013, MFC submitted some high level proposals in a document prepared by McKay and Partners entitled 'Millwall Masterplan 22 August 2013' (**MFC Proposals**). This document is considered further at paragraphs 7.21 to 7.27 below under the heading 'Could the CPO purpose be achieved by other means?' At the time of this report going to print, information was received regarding some revisions to the MFC Proposals. This information is being reviewed and an update will be provided in due course.
- 7.16 As mentioned above, at the Mayor and Cabinet meeting on 17 February 2016, Councillor Best encouraged Renewal and MFC to meet to see if they could resolve their differences in relation to the development. To facilitate this, the Council appointed Strutt & Parker to act as an intermediary with the aim of bringing the parties together to see if an agreed position could be reached which would ensure comprehensive regeneration of the Site. Strutt & Parker corresponded and met separately with the parties to encourage an all-party meeting to discuss whether and how the regeneration of the Site could be progressed in a spirit of cooperation. Discussions have been held between MFC and Renewal during which MFC confirmed that its aim in seeking to develop the MFC Land and the MCS Land is to secure an ongoing revenue stream to support the operation of the football club. To-date, however, no agreement has been reached between the parties with a view to achieving that aim.
- 7.17 More broadly, Renewal has made its position clear to MFC via Strutt & Parker that

- It does not consider there is a realistic prospect of MFC bringing forward its own proposals on the MFC Land and the MCS Land;
- It should lead on the development having made considerable investment in the Site over the last 12 years, demonstrated its commitment to the Scheme and being the only party in a position to deliver on a reasonable timescale;
- It is not prepared to contemplate any joint venture with MFC, having concluded after 9 years of dealings that the respective organisations' vision, objectives and philosophy are not compatible.

7.18 Renewal has, however, committed to working with MFC to find a financial solution and believes that progress could be made if MFC engage with Renewal regarding a surrender of the lease of the MFC Land and if MFC quantifies the level of an on-going revenue stream it requires. Officers will continue to assist with efforts to progress discussions between the parties.

MCS

7.19 With regard to MCS's interest, the Council and Renewal have engaged in detailed negotiations with MCS regarding the Heads of Terms for the surrender of their leasehold interest in the Lion's Centre and subsequent relocation to the new sports facilities (Energize) within Phase 2 of the Scheme. A series of meetings has taken place between the Council, Renewal and a representative from the MCS Board of Trustees to discuss surrender of their lease and the relocation of MCS. The Council has also funded legal advice to enable MCS to conclude negotiations. Agreement has previously been reached on Heads of Terms, subject to agreement as to the level of compensation, the management model of Energize to which MCS would relocate and the costs to rent the office and storage space within that new facility. Following a pause in negotiations, Renewal and MCS are again in dialogue.

7.20 Making a CPO will not mean that attempts to acquire by agreement will cease. The CPO Guidance makes clear that compulsory purchase is intended as a last resort in the event that efforts to acquire by agreement fail. However, the CPO Guidance also recognises that valuable time might be lost if an authority waits until negotiations do fail before making a CPO. Authorities are advised that it may often be sensible to plan a compulsory purchase timetable as a contingency measure and initiate formal procedures. The CPO Guidance notes that this will also help to make the seriousness of the authority's intentions clear which might in turn encourage those affected to enter more readily into meaningful negotiations. Efforts will continue by Renewal, supported by the Council, to acquire the remaining interests by agreement and any interests acquired by private treaty will not be included in the CPO or (where acquisition is achieved after the CPO is made) a request made that the CPO be not confirmed in respect of such interest, as appropriate.

Could the Order purpose be achieved by other means?

- 7.21 The Site is allocated as a strategic site within the Council's Core Strategy. A key requirement of the Core Strategy is that the Site is brought forward for comprehensive development in accordance with a Masterplan. The purpose for which land and rights are proposed to be acquired is to enable comprehensive redevelopment of the Order Land in accordance with the adopted planning policy framework. The Outline Planning Permission and the S73 Permissions encompass comprehensive redevelopment in accordance with those policies.
- 7.22 The CPO Guidance advises that in deciding whether to confirm an order made under Section 222(1)(a) of the 1990 Act, as is proposed here, one of the factors the Secretary of State can be expected to consider is whether the purpose for which the order is being made could be achieved by any other means. This may include the appropriateness of alternative proposals put forward by owners of the land, or any other persons, for its reuse, as well as examining the suitability of any alternative locations for the purpose for which the land is being acquired.
- 7.23 In addition to seeking to bring the parties together, as part of their appointment, Strutt & Parker were asked to advise on the MFC Proposals in terms of their viability, deliverability and overall fit within the Council's Core Strategy and regeneration objectives for the area. This is not a case where any scheme on the MCS land and the land around the Stadium could simply be 'dropped in' to the wider Scheme and the Strutt & Parker report highlights that there are a number of significant delivery constraints and other implications for the wider Scheme as discussed below. Moreover, Strutt & Parker have considered the viability of the MFC Proposals and advise that they are unlikely to be viable in isolation.
- 7.24 GL Hearn have also reported on the deliverability implications for the wider Scheme if the MCS Land and the MFC Land were to be excluded. They conclude that not only would removal of the MCS Land and the MFC Land cause a significant negative impact on financial viability, it would also result in a significant level of delivery uncertainty relating to land ownership, planning, deliverability and place-making. In those circumstances, GL Hearn conclude that no developer (including Renewal) would be likely to implement the Scheme. Officers accept that conclusion.
- 7.25 The principal deliverability constraints are:
- MFC does not have control of the land required for the MFC Proposals. The proposals require the MCS Land but MFC has no legal interest in the MCS land and in any event the various restrictions under the leases to MFC and MCS and the duration of those leases, do not enable the re-development of the landholdings.
 - The Council has contracted to sell its freehold interest in the MCS Land and the land around the Stadium to Renewal and is not in a position to deal with that interest. It is worth noting that MFC has complained it was not allowed to bid for the Council's freehold interest. This is not correct. It was open to MFC to put in a bid for the Council's freehold interest at any time. Indeed, in November 2013 and prior to the Land Sale Agreement with Renewal in December 2013, MFC's consultants expressed an interest

on behalf of MFC in making a bid and the Council advised it was a matter for MFC whether to do so. No bid was received;

- The MFC Proposals do not accord with the existing consents which would need to be varied to accommodate the proposals. The Core Strategy requires a comprehensive approach across the whole site in accordance with an approved Masterplan and a Delivery Strategy which demonstrates how comprehensive development will be achieved. A standalone piecemeal proposal would be contrary to adopted policy and would not provide the transformational development the Council's regeneration objectives require;
- The surrounding land remains in the ownership/control of Renewal. Delivery of key infrastructure and access routes to the edge of the land would be required with associated rights/easements. No information has been provided by MFC either to Renewal or the Council as to the infrastructure and rights it requires for the MFC Proposals and there is no assurance that the MFC Proposals would be brought forward on a timescale which is compatible with the wider Scheme. Infrastructure provision across the wider Site will require phasing, particularly in respect of the ENVAC and SELCHP connections and these will not be able to be delivered by MFC at a later stage in isolation;
- A joint venture arrangement/development agreement or similar agreement would be required between Renewal and MFC. The negotiation of any terms would be extremely complex and time consuming with an uncertain outcome. Leaving aside the key issue of viability, significant issues around key infrastructure and rights, phasing requirements, apportionment of planning obligations and other planning requirements and landowner equalisation arrangements would need to be resolved, creating significant uncertainty and delay and threatening delivery of key regeneration objectives for the Borough;
- As is typical of comprehensive schemes of this nature, profit is not realised until later phases and so such schemes rely on the whole site to be developed to achieve an acceptable level of viability. The viability of the wider Scheme is dependent on the place-making uplift applied to later phases and as such relies on it coming forward as a whole.

7.26 Given that it owns or controls the majority of the interests in the Site, Renewal is the obvious partner to bring forward the Scheme. Not only would removal of separate parcels of land from the currently consented wider scheme render it unviable from a financial and delivery perspective, the separate development of other parcels would be likely to result in piecemeal development, risk the non-achievement of comprehensive development of the Site and thus the regeneration objectives for the Site and surrounding area not being realised. At best it could lead to substantial delays in the regeneration coming forward. To ensure comprehensive re-development, a significant degree of co-operation would be required between the current owners, even assuming satisfactory terms could be reached, which to-date there has not been. In all the circumstances, Officers do

not consider that the MFC Proposals provide an appropriate means by which the purpose of the Order might be achieved within a reasonable timeframe.

7.27 Nor are there any other alternative, credible development proposals currently proposed or likely to be capable of coming forward and implemented to secure the comprehensive development of the Site within a reasonable timescale without the need for CPO. The Site is unique in terms of size, scale and location of development. The Site is almost assembled, ready for implementation. Officers consider the planning objectives cannot be achieved from pursuing any alternative site for this scale of major regeneration - there is no comparable area available for this scale of development, even if the Council had the resources to assemble a similar site in a reasonable timescale.

7.28 A continuing dialogue between Renewal and MFC and efforts to reach agreement must continue to be encouraged and supported. Given the anticipated development programme, however, if the regeneration proposals are to move towards realisation, Officers consider that formal CPO procedures should commence so that delivery of the necessary land assembly can be secured. Negotiations with Renewal, MFC and all other landowners will continue in parallel with the CPO process with every effort being made to try and conclude the remaining acquisitions by agreement ahead of confirmation of the CPO.

7.29 **Officers consider pre-condition (i) has been met.**

(ii) **Statutory powers, CPO Guidance**

7.30 Section 226(1)(a) of the Town and Country Planning Act 1990 (**1990 Act**) empowers the Council, on being authorised by the Secretary of State, to acquire compulsorily land in its area if it thinks that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land. The Council must not, however, use this power unless it also thinks that the development, redevelopment or improvement is likely to contribute to the achievement of any one or more of the following objects:

- (a) the promotion or improvement of the economic well-being of the Council's area;
- (b) the promotion or improvement of the social well-being of the Council's area;
- (c) the promotion or improvement of the environmental well-being of the Council's area.

(Section 226(1A) of the 1990 Act).

7.31 The Mayor is directed to Section 3 of the draft SoR which sets out how the proposed compulsory acquisition is considered to fall within the provisions of Section 226 and delivers the well-being objectives required by Section 226(1A).

7.32 In some circumstances, only new rights over land might be required, such as a new right of access. This being the case, it is usually not necessary to acquire the freehold or leasehold interest. Instead, section 13 of the Local Government (Miscellaneous Provisions) Act 1976 enables the Council, subject to authorisation by the Secretary of State, to create and acquire new rights over land. That is

proposed here where only a right is required and not the entire land interest, the new rights proposed being referred to in paragraph 6.6 of this Report.

- 7.33 Section 227 of the 1990 Act provides an equivalent power for the Council to acquire land (including rights over land) by agreement (as opposed to compulsorily) for the purposes described in paragraph 7.30. As set out in this Report and as is reflected in the CPO Guidance, it is intended that efforts to acquire the necessary land and rights by agreement will continue in tandem with the CPO process.
- 7.34 As indicated above, the Council and Renewal has entered into a CPO indemnity Agreement which governs the process of land assembly. The Council has power under Section 233 of the 1990 Act, subject to the requirements of that Section, to dispose of any land acquired for planning purposes. It is intended that land acquired pursuant to the terms of the CPO Indemnity Agreement will be disposed of to Renewal pursuant to Section 233.
- 7.35 Upon completion of any compulsory acquisition, Section 236 of the 1990 Act provides that any rights of way or rights to apparatus are automatically extinguished (save those of statutory undertakers etc which are subject to separate procedures). In addition, where land is acquired or appropriated by a local authority for planning purposes (whether by CPO or private treaty), Section 203 of the Housing and Planning Act 2016 (**2016 Act**) makes provision for certain third party rights to be overridden when the land is developed in accordance with planning permission. Development and use of such land in accordance with planning permission, either by the local authority or by a person deriving title under the authority, will be authorised, even though it interferes with a third party right, such as an easement, or it breaches a restrictive covenant on the use of the land. Any third party whose rights are overridden in consequence of Section 203 is entitled to statutory compensation, assessed in accordance with provisions in Section 204 of the 2016 Act regarding compensation.
- 7.36 In terms of the Stadium land, it is proposed that the CPO includes the acquisition of MFC's leasehold interest in the land surrounding the Stadium and also new rights over the Stadium land to enable the carrying out of the works to the Stadium façade. The Council will retain the freehold interest in the Stadium itself. As referred to above, the freehold interest in the land around the Stadium is subject to the Land Sale Agreement entered into with Renewal in December 2013.
- 7.37 **Officers consider pre-condition (ii) has been met.**

(iii) Compelling case in the public interest

- 7.38 The relevant considerations for the purposes of any resolution to use compulsory purchase powers are set out in this Report and the attached draft SoR. The CPO Guidance also sets out the considerations to be applied when making a resolution to exercise such powers and the factors which will weigh with the Secretary of State when deciding whether to confirm a CPO. These factors include what might be described as the overarching consideration as follows:

“A compulsory purchase Order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected. Particular consideration should be given to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights and, in the case of a dwelling, Article 8 of the Convention.”

- 7.39 Human Rights considerations are addressed further in Section 10 of the draft SoR and in Section 12 of this Report. As set out in Section 12 of this Report, Article 8 of the Convention provides that everyone has the right to respect for his private and family life, his home and his correspondence and that there should be no interference with the existence of the right except in accordance with the law and as necessary in a democratic society in the interest of the economic well-being of the country, protection of health and the protection of the rights and freedoms of others. Article 1 of Protocol 1 provides that no-one shall be deprived of their possessions except in the public interest and subject to the conditions provided for by law.
- 7.40 Article 1 of the First Protocol and Article 8 of the Convention are qualified rights and as such interference within them is permissible only in accordance with the law and the pursuit of the permissible aims set out in those Articles. Further, any interference must achieve a fair balance between the general interests of the community and the protection of individual rights – there must be reasonable proportionality between the means employed and the aim pursued. Case law has determined that there is no requirement to set out in any formulaic way the extent to which specific human rights are interfered with and that the necessary human rights balancing exercise has been held to be encompassed by the test of a compelling case in the public interest required in CPO cases. The availability of compensation to affected persons is also relevant in assessing whether a fair balance has been struck.
- 7.41 Where it has acquired units within the Site, Renewal has, where possible, kept existing tenants in the unit and amended tenancy agreements to include break clauses of 3 to 6 months to ensure it can achieve vacant possession as and when required. Renewal intends to continue with that strategy of only requiring units to be vacated as and when required for the development. The Convention rights of persons occupying the Site will, however, be interfered with through a confirmed CPO and they will ultimately be displaced from their properties. Those whose properties are acquired under the CPO will be entitled to compensation.
- 7.42 Officers consider that the degree of interference is necessary in the interests of the economic well-being of the country (in the terms set out in Article 8), is in the public interest (in the terms set out in Article 1, Protocol 1 rights) and is proportionate when weighed against the significant benefits which will be delivered by the Scheme for the Borough and the wider community as set out in this Report and the draft SoR. In summary, these benefits entail:
- Approximately 1,500 new permanent jobs and 470 temporary construction jobs;

- Approximately 2,400 new homes, including affordable housing;
- A new station on the East London Line;
- 2 new bus routes linking the Site to Lewisham and Central London;
- Energize, a £40m state-of-the-art regional sports complex;
- New cycling and pedestrian routes linking the Site to the wider area;
- A new faith and community centre;
- A new multi-faith and multicultural resources centre;
- A 150 bed hotel and conferencing centre;
- New GP facilities with other health services, which may include specialisms in sports injury;
- The refurbishment of the park at Bridgehouse Meadows;
- A creative/digital quarter;
- A new and improved setting for The Den and Millwall Football Club and allowing for an increase in capacity of the Stadium from 20,146 to 26,500;
- A new home for the Millwall Community Scheme;
- 5 new public squares and private gardens for residents;
- Improvements to 14 surrounding railway arches and underpasses creating links into the surrounding areas;
- Surrounding junction improvements;
- Enhanced security and safety across the Site and surrounding areas

7.43 Mayor and Cabinet are referred to Section 9 of the draft SoR which brings together the key aspects of the CPO case. The significant benefits of the Scheme are further amplified in the Regeneration and Equalities Statement at Appendix K to the draft SoR. Social benefits will be provided from the delivery of sustainably constructed new homes that will make a significant contribution to meeting private and affordable housing need in the Borough, as well as new community and leisure facilities. The concentration of development will be better able to access new and existing public transport. By land assembly, rationalising, improving and providing new uses and infrastructure on the Site, there will be significant environmental benefits. The Scheme will give rise to economic benefits in terms of major investment in the Borough, with jobs created from construction, new commercial, community and leisure uses. The new resident and business population will contribute to the local economy. Further details of the compelling case in the public interest are also set out in the draft SoR.

7.44 Officers are satisfied that there is a compelling case in the public interest for the use of CPO powers.

7.45 The CPO Guidance also makes clear that if the acquiring authority is unable to show how the CPO land is to be used and that the necessary resources are likely to be available to achieve the purpose of acquisition within a reasonable timescale, it is unlikely to be able to show the acquisition is justified in the public interest. These aspects, as follows, are discussed elsewhere in this Report and the draft SoR:

- whether the purpose for which the land is being acquired fits in with the adopted planning framework for the area. In addition to this specific requirement, the general requirements of the CPO Guidance states that

any programme of land assembly must be set within a clear strategic framework and that such framework will need to be founded on an appropriate evidence base and to have been subject to consultation processes including those whose property is directly affected (see Section 11 of this Report and Section 4 of the draft SoR);

- the extent to which the proposed purpose of acquisition would contribute to the achievement of the promotion and/or improvement of the economic, social or environmental well-being of the Council's area (see paragraphs 7.42 and 7.43 above and Section 3 of the draft SoR);
- that the necessary resources, including funding, are likely to be available to achieve the purpose of the CPO within a reasonable timescale (see paragraphs 7.50 to 7.71 of this Report and Section 6 of the draft SoR);
- that the scheme is unlikely to be blocked by physical or legal impediments (see elsewhere in this Section 7 and Section 8 of this Report and Section 6 of the draft SoR);
- whether the purposes for which the land is to be acquired could be achieved by any other means. This can include considering the appropriateness of any alternative proposals put forward by the owners of the land or others, or examining the suitability of alternative locations for the purpose for which the land is being acquired (see paragraphs 7.21 to 7.28 of this Report and Section 6 of the draft SoR).

7.46 Officers consider pre-condition (iii) has been met.

(iv) Viability/delivery mechanism

7.47 As explained above, the CPO Guidance makes clear that if a CPO is to be confirmed, there must be a compelling case in the public interest and the purpose for which the CPO is made must justify interfering with the human rights of those affected. If the acquiring authority is unable to show how the CPO land is to be used and that the necessary resources are likely to be available to achieve the purpose of acquisition within a reasonable timescale, it is unlikely to be able to show the acquisition is justified in the public interest. When preparing its justification, the acquiring authority further needs to show the scheme is unlikely to be blocked by any physical or legal impediments to implementation. The acquiring authority is also required to provide substantive information regarding sources of funding, including as to how potential shortfalls may be met if funding has not yet been finalised.

7.48 The Site is one of five strategic sites identified within, and considered key to, the delivery of the Council's Core Strategy. The Core Strategy sets out the ambition to transform the physical environment and achieve place-making objectives by delivering a comprehensive range of regeneration outcomes in the Borough. In conjunction with the Council, Renewal has spent almost 12 years shaping and facilitating the comprehensive regeneration of the Site. During this time Renewal has acquired by private treaty the vast majority of property interests required to

assemble the Site and has secured the Outline Planning Permission and the S73 Permission for the scheme which will deliver significant and comprehensive regeneration to this deprived area. In doing so, Renewal has incurred significant capital expenditure in acquisition, design, planning and consultants'/advisors' costs. There can be little doubt that Renewal has made a significant financial commitment and has demonstrated a long term outlook and how serious it is about ensuring that this comprehensive Scheme is brought forward.

- 7.49 That of itself this is not enough, however, and the Council needs to be satisfied that if it proceeds with a CPO to assemble the remaining interests, the necessary resources are likely to be in place to achieve the purpose of the acquisition within a reasonable timescale. As such, it needs to be satisfied the scheme is viable, deliverable and fundable.
- 7.50 In April 2014, GL Hearn (a leading property consultancy) reported on the viability of the Scheme on behalf of the Council. They concluded that the Scheme was financially viable on the basis of delivery of all aspects of the Scheme by a single developer. At the request of the Council, in June 2015 Renewal appointed GL Hearn to take their evaluation a step further by bringing together the detailed information regarding viability and the approach to funding into a single report and then reviewing and assessing the proposed delivery strategy. The Council appointed PriceWaterhouseCoopers LLP (**PwC**) to provide financial and real estate due diligence and to review the GL Hearn report and updates to it. The costs, values and other information included in the GL Hearn report has been updated to reflect the cost and values as at August 2016 and the revised approach to Housing Zone funding, and also to include commentary on market sentiment following the EU Referendum vote. The additional information provided by Renewal/GL Hearn has been reviewed by PwC's and PwC's key conclusions/considerations, which Officers accept, are set out below.
- 7.51 GL Hearn have developed detailed, bottom up, appraisals using industry standard software to assess the viability and deliverability of Renewal's intended delivery strategy using current planning permission and market cost and revenue assumptions. PwC consider those cost and revenue inputs to be reasonable and supported by market benchmarks. Furthermore, following a review of the outputs and funding assumptions made, PwC conclude that Renewal's intended delivery strategy is appropriate and capable of delivering a commercial return and therefore would have a reasonable chance of being delivered in line with Renewal's proposals.
- 7.52 Renewal has established that the most appropriate strategy for delivering the comprehensive redevelopment is a Master Developer Strategy (MDS). Under the MDS, Renewal will enter into development agreements and grant long leasehold interests to house builders/sub-developers in respect of individual development plots/phases in an ordered manner over the development period. Under this arrangement, Renewal will retain the freehold interest in the plots/phases, with sub-developers developing out and receiving a long lease of the residential elements with the commercial units being handed back to Renewal at nil premium to be held as investments to drive long term revenue or sold. There is strong developer demand for residential development opportunities in this part of London,

particularly of the size of development that each phase represents and the assumed price point of the residential units.

- 7.53 Under the proposed strategy, Renewal will maintain responsibility for the delivery of the Community Sports Facility (Energize) in Phase 2, the transport interchange and the urban/public realm. In addition, Renewal will retain design control across the whole development and retain the commercial property in each phase. The Housing Zone proposals mean the new Overground Station will be delivered through grant funding, enabling additional funds to be applied to more affordable housing in the Scheme.
- 7.54 The MDS approach will allow Renewal to offset much of the delivery risk but at the same time retain overall control to ensure that a comprehensive scheme and quality shared places/public realm can be delivered. All are important public benefits that underpin the case for the CPO and facilitate the much-needed housing and policy ambition for comprehensive redevelopment in the area.
- 7.55 PwC have confirmed that a MDS approach is a recognised commercial approach for large, complex, multifaceted schemes. There are a number of examples of this delivery route being employed elsewhere, including the Olympic Park in Stratford. PwC also note that the transfer of construction and residential market risk to a specialist sub-developer helps to dissipate the delivery risk borne by the master developer.
- 7.56 As noted above, the GL Hearn appraisal model uses current market assumptions about a range of variable factors to evaluate the attractiveness of the MDS approach and potential returns. Within their appraisal, GL Hearn set out their assumptions regarding the absorption rate of residential sales into the market place, build costs and sales receipts. Renewal/GL Hearn have appointed DBK (a recognised project management, cost management and building consultancy with experience of large scale developments) to provide the build cost advice whilst sales values are based on GL Hearn's own research.
- 7.57 PwC have reviewed the modelling developed by GL Hearn and conclude:
- The profit on cost and IRR (internal rate of return) assumed to be achieved are likely to be acceptable returns to a commercial developer for taking a Master Developer role and initiating a complex development such as the Scheme.
 - The assumed profit allowance of the sub-developers would be acceptable to commercial housebuilders in the current market, immediately post-Brexit, for serviced plots in Greater London with the benefit of outline planning consent.
 - Build costs and sales values, at Aug 2016 on a unit basis, are considered broadly reasonable
- 7.58 Officers consider that the information provided and the review supports the premise that the Scheme is viable and that there is an appropriate delivery mechanism in

place. This conclusion is augmented by a number of legal agreements/proposed agreements which Officers consider combine to further support the delivery mechanism for the Scheme in support of the potential CPO, these are;

- The Conditional Land Sale Agreement between the Council and Renewal dated 20th December 2013 relating to the Council's freehold interest in the land around the Stadium and the Lions Centre. The sale is conditional upon Renewal entering into agreements with MFC and MCS or the interests being acquired by CPO if a private treaty agreement cannot be reached. The Agreement also includes provision for the transfer of the land back to the Council if the comprehensive scheme has not been commenced within 4 years of the transfer of the Council's interest to Renewal. There is therefore an incentive on Renewal to commence the Scheme as soon as is reasonably practicable within the 4 year period.
- The Section 106 Agreements entered into in March 2012 and December 2015. The requirements of the Agreements are summarised elsewhere in this Report, but it is noteworthy that financial commitments early on in the Scheme incentivise the development of later phases if returns are to be realised. Given the upfront costs of the development, including major Section 106 contributions, the returns on the Scheme do not start to be realised until Phase 3 of the development which also supports the comprehensive development.
- The Borough Intervention Agreement to be entered into with the GLA in connection with the Housing Zone status of the Site which will accelerate delivery of the new Overground Station on the East London Line and enable development of the first two phases of development (1A and 2) to proceed ahead of schedule delivering 532 homes earlier. The balance of the £20 million funding is expected to be available towards further infrastructure requirements in relation to the Scheme, following due diligence and subject to contract (and therefore as already noted, the current financial modelling does not take this into account at this stage). A separate report on the Housing Zone funding aspects will be presented to Mayor and Cabinet in due course.

7.59 Those opposed to the Scheme have referred to Renewal's lack of a track record in regeneration schemes of this nature and the absence of any development obligations with the Council. There is no policy requirement for a development agreement to be in place or to demonstrate *certainty* of delivery. Objectors have complained that Renewal will profit from any CPO, but developers reasonably require a profit if they are to bear the cost and risk of bringing forward development. It has been alleged that the Mayor and Cabinet report in February 2016 confirmed that Renewal intends to simply sell plots and seek to make an immediate profit. It is not clear whether this is a misunderstanding of the MDS approach which is clarified above, but Renewal has confirmed that at no stage has it or its shareholders sought to dispose of its interest in the Scheme nor does it intend to. Further, Renewal and its shareholders will only achieve positive cash flows in the later phases and will therefore be incentivised to continue with the Scheme once started.

- 7.60 Whilst the Council does not have a directly enforceable obligation from Renewal to deliver the whole of the scheme, any such obligation would not in any event guarantee delivery. Officers remain of the opinion that the necessary resources will be available and that the Scheme will provide a sufficient return to Renewal (or another developer/developers), such that the Council can be confident that if the CPO is confirmed, Renewal will wish to proceed with the Scheme (for the reasons given above), and the Scheme will be delivered.
- 7.61 **in all the circumstances, Officers consider that the scheme has been independently verified as viable with appropriate delivery mechanisms in place and that pre-condition IV has been met**

(v) Business Plan / Funding Strategy

- 7.62 Renewal's intended MDS approach will significantly reduce the level of funding which would otherwise be required, as the majority of costs and risks for the development of individual plots/phases will be passed to sub-developers who are likely to be national house builders.
- 7.63 GL Hearn have modelled the programme cash flows and these indicate that regardless of whether or not sunk costs are included, the peak debt funding requirement is reached in year 3 with the scheme only in surplus from year 7 onwards.
- 7.64 PWC have confirmed that they consider that the appraisals presented by GL Hearn have been properly considered and reflect Renewal's development intentions.
- 7.65 The other more immediate funding need and of direct focus to the Council is the ability for Renewal to fund the remaining acquisitions and support any CPO costs and expenses that arise. In the event the Council resolves to proceed with a CPO, the CPO Indemnity Agreement provides for a cash deposit or satisfactory alternative security to be in place before the Council proceeds to make a CPO. Renewal have offered a performance bond from RBS to cover the liabilities under the CPO Indemnity Agreement to the value of approximately 175% of the estimate total costs, thereby providing a significant surplus. This is an 'on-demand' bond enabling the Council to require payment from RBS if Renewal fail to pay under the CPO Indemnity Agreement. Officers consider this is an acceptable form of security for the Council. It is noteworthy that the performance bond is to be given by RBS which is still in majority Government ownership. RBS will have independently assessed Renewal's ability to cover these costs prior to it agreeing to provide such bond, which further confirms the security. The bond is further referred to in Section 8 of this Report.
- 7.66 Renewal has set up a project company/special purpose vehicle as the delivery vehicle for the Scheme – this is a widely recognised approach to large scale project/programme delivery. The project company is not established with sufficient resources to deliver the scheme utilising its own funds. It has always been represented that the funding for the project would be provided by the shareholders of Renewal who are Incorporated Holdings Ltd and Independent Advisors

Incorporated. The Renewal Group Ltd (registered in the Isle of Man) is a 100% subsidiary of Renewal Holdings Ltd (registered in the Isle of Man) which in turn is owned on a 50/50 basis by Incorporated Holdings Ltd (IHL) (registered in the Isle of Man) and Independent Advisors Incorporated (registered in the British Virgin Isles).

7.67 PwC have confirmed that the delivery structure and funding mechanism adopted is not unusual and is common place in the delivery of large and complex developments. PwC have also reviewed the audited accounts of Renewal as at 31 December 2015 and whilst there are no audited accounts for the parent shareholders (by reason of them not being based in the UK) the financial information provided by the shareholders indicates significant net assets. On the basis of this information PwC suggest that IHL has the potential to utilise or leverage its balance sheet to cover both the initial funding and the peak debt (excluding sunk costs) finance required by the project. Furthermore, whilst Renewal has stated the intention that future funding from shareholders will be 100% shareholder debt in nature, the option to raise further bank debt exists and may be utilised. However, if for any reason the shareholders failed to do this then there are alternative funding strategies for the project to proceed as set out in paragraphs 7.69 and 7.70 below.

7.68 There is perhaps natural caution about reliance on offshore funding but it is considered that a number of factors should be taken into consideration in this regard, as follows:

- Funding for the project to date has been provided almost entirely by shareholders, with only circa 18% funded by bank debt provided by RBS. The debt provided by the shareholders is unsecured with no fixed repayment date and has 10% annual interest charges applied to the debt – the interest charges are included in the appraisal modelling. The implication therefore is that the shareholders will only see their principal investment and interest returned as the scheme is delivered.
- Therefore, PwC note that whilst there is no absolute binding commitment on behalf of the shareholders to further fund the project they have significant investment in the project already which suggest that commercially further investment is highly likely.
- PwC also note that, as is the norm at this stage of a project of this nature, Renewal has supplied a Development Agreement between themselves and its shareholders which covenants the shareholders to provide future cash flow requirements for the project. Whilst this is subject to the shareholders having the funds and the appraisal at the time being able to demonstrate a 10% development profit the sensitivity analysis carried out by GL Hearn shows that property prices would need to fall substantially below those assumed for Phases 1A and 2 of the Scheme for a 10% development profit not to be achieved. Whilst they note that such a fall in house prices is not unprecedented, PwC agree that even taking account of the uncertainties created by the Brexit vote, it is more likely there will be a gradual reduction in house prices and not a fall of that magnitude.

- PwC also note that a collapse in the housing market would not occur in isolation and that the impact on any appraisal would be mitigated by other market adjustments such as a fall in build costs which they would anticipate during a property recession. Renewal, in common with other master developers, would have the option to pause the development until such time as house prices recovered.
- The GLA has designated the whole Scheme as one of the first Housing Zones and has agreed in principle to provide £20m of funding towards the Scheme.

7.69 There are a number of other factors which also need to be taken into consideration when assessing the business plan/funding strategy and the justification for the use of CPO powers. With

- an assembled site;
- Outline Planning Permission/S73 Permission for the comprehensive scheme, and
- the MDS delivery approach

the Scheme is generally considered bankable/fundable. If for any reason Renewal's shareholders decide not to fund the scheme, it would be expected in those circumstances that traditional debt funding would be available to a developer to meet the maximum deficit arising during the course of the project. Given the residual value of the Site post completion of the land assembly exercise, such debt funding could be secured at favourable rates. Therefore assessing the Scheme on a non-developer specific basis, it is likely that the maximum deficit could be funded by another developer.

7.70 PwC have also commented that based on the viability of the Scheme and the assumed returns, if Renewal were not to proceed with the intended development the opportunity would exist for an alternative commercial developer to come forward. This of course pre-supposes that the Site assembly was complete and that Renewal wished to dispose or needed to dispose of the assembled Site.

7.71 It is Officers' opinion that, if the Council wishes to see the comprehensive redevelopment come forward, this is only likely to occur if the Site (against which the Outline Planning Permission/S73 Permission has been granted) is assembled and that the regeneration scheme will only be achieved in a reasonable time period if the Council assist the land assembly by the exercise of its CPO powers.

7.72 The Indemnity aspects are covered in the financial implications at Section 9 below.

7.73 In all the circumstances, Officers' are of the view that the Scheme is viable and deliverable, and has a reasonable prospect of coming forward in a reasonable timescale in the event the Council secures compulsory purchase powers to complete the land assembly exercise.

7.74 **Based on the above considerations, Officers believe that a suitable business plan and funding strategy exists to ensure that the Scheme can be brought forward in a reasonable timescale and that pre-condition V has been met.**

(vi) Equalities Impact

7.75 The Council's statutory duty pursuant to the Equality Act is summarised in Section 12 of this Report. A Regeneration and Equalities Statement has been completed in respect of the proposed Compulsory Purchase Order.

7.76 A summary of the Regeneration and Equalities Statement is included within Section 11 of the draft SoR.

7.77 **Officers consider pre-condition (vi) has been met.**

8.0. Acquisition of land currently owned by Renewal

8.1 As indicated above, Renewal already own a significant proportion of the land required for the development. Renewal has analysed the position regarding third party rights over the land it already owns (and land to be acquired) which may affect its ability to implement the scheme. Renewal has appointed Bilfinger GVA (GVA) to provide specialist input on rights of light.

8.2 GVA have been provided with the parameter plans for the permitted Scheme which detail the maximum and minimum heights of the various buildings. Using accepted methods of assessment, including computer modelling, land registry documents and any information that they can source regarding the internal layout of buildings, GVA have undertaken an assessment to identify the level of impact on rights of light of neighbouring properties. In identifying properties that would be 'injured' by the proposed development, an assessment is taken to identify whether the level of light entering through a window will change as a result of the construction of a new development. This is evaluated by assessing the amount of sky visibility (at 0.2%) available on the working plane, which is defined as the top of a table 850mm from the floor, on a 'before development' and 'after development' basis.

8.3 Based on case law, GVA have classified that a property is injured where the extent of a room that is lit at the 0.2% sky visibility level reduces to a level below 50%. Where a room already is lit to a level of below 50% of its area, then any further reduction, regardless of extent, will constitute an injury. The conclusion that a property has had an injury in respect to its right of light does not suggest that a room no longer receives any light (although in extreme cases this may be the case), just that the new development will result in an interference which results in the lit area of the room falling below 50%.

8.4 GVA conclude that an actionable level of interference will be caused to 54 properties as a result of the proposed development. Of these, 21 are held by the Council in a single freehold title, 32 are private residential units and the other interest affected is the MFC Stadium. A plan is attached to this Report at Appendix 8, which shows the residential properties affected and the buildings which will interfere with the rights of light. These comprise flats and maisonettes within the

apartment blocks at Bridge Meadows, Chilham House, and Reculver House (which are occupied by a mix of secure tenants and long leaseholders who have exercised the right to buy) and also by the MFC Stadium. The Council owns the freehold interest in Chilham House and Reculver House and the right of light attaching to the Council's interest will also be interfered with. The impact on rights of light vary between minor, moderate, significant or severe.

- 8.5 A further plan is attached at Appendix 8 which shows the cutbacks in the development which would be required to avoid the interference. Avoiding such interference is, however, unworkable in that it is not a matter of simply moving or re-orientating buildings to avoid an interference with rights of light; a significant number of buildings would have to reduce in size considerably. Four of the towers (one in phase 1A one in phase 1B and two in phase 3) would be reduced to the height of the podiums they sit upon reflecting a cumulative loss of over 60 storeys of residential accommodation alone, 3 other buildings are lost completely (over 20 storeys of development) and 12 other structures, including the sports centre, would need to reduce in height. The accommodation to be provided in these buildings could not be replaced elsewhere on the Site given the design already maximises the potential of other blocks.
- 8.6 To avoid interfering with rights of light would mean the number of units delivered on the Site would have to be significantly reduced. The impact on the level of residential accommodation which could be delivered on the Site would be substantial and would result in the development opportunity not being maximised. A portion of the new sports facility would also be lost. GL Hearn has advised that the loss of the residential accommodation would have a significant impact on the development's viability, likely prejudicing the delivery of other aspects of the Scheme and the public benefits of the wider development being realised.
- 8.7 In terms of assessing whether it is necessary to interfere with the rights in question, this involves both consideration not only as to whether the interference is physically necessary, but also as to whether agreement might be reached with those with the benefit of the right for release of the right. GL Hearn or the Council has approached those with the benefit of the rights to light with a view to reaching agreement regarding release of the rights, subject to payment of consideration. Those affected have been notified of the potential impact and offered an opportunity to meet to discuss the matter further and undertake a survey of their property in order to accurately assess any impact. To date only one response has been received, with the respondent requesting a survey. This has now been carried out and Renewal are in the process of instructing GVA to assess the impact.
- 8.8 Unless the rights of light are released or overridden, those with the benefit of the rights could seek to prevent the re-development scheme proceeding so far as it interferes with their rights. Section 203 of the 2016 Act authorises interference with third party rights such as easements, restrictive covenants etc in respect of land acquired (by agreement or compulsorily) or appropriated by a local authority for planning purposes, where the interference results from development in accordance with planning permission. Rights of light are considered to be rights encompassed by Section 203 of the 2016 Act. Note that an authority can only appropriate land it already owns, so appropriation is not relevant for present purposes.

- 8.9 Note also that if and to the extent the land affected by the rights of light might be acquired by the Council through CPO, then as that would be an acquisition for planning purposes under Section 226 of the 1990 Act, by virtue of Section 203, Section 203 will be engaged through that process. We are therefore only dealing here with land already owned by Renewal or which might be acquired by Renewal by private treaty.
- 8.10 The protection in Section 203 applies not only to the local authority, but also to anyone deriving title from it. Where Section 203 is engaged, any interference with a third party right is converted to an entitlement to compensation based on the reduction in value of the third party's land attributable to the interference with the rights attaching to it.
- 8.11 As indicated above, Section 203 is engaged by an acquisition by a local authority for planning purposes. The power to acquire land for planning purposes is contained in Sections 226 (compulsory acquisition) and 227 (acquisition by agreement) of the 1990 Act. Under Section 227, a local authority can acquire land for the purposes for which they might be authorised to acquire it compulsorily under Section 226. Thus, when acquiring by agreement, the local authority must be satisfied the acquisition fulfils the same tests as apply to power of compulsory acquisition under Section 226. The Section 226 tests are set out in paragraph 7.29 of this report which cross refers to the relevant section of the draft SoR.
- 8.12 Officers consider that the acquisition of Renewal's land for planning purposes, with the consequence that this will engage Section 203 of the 2016 Act, will facilitate the carrying out of the development, re-development or improvement of the Site. It will enable the development to be constructed pursuant to the planning permissions which have been granted notwithstanding it involves interference with third party rights which might otherwise impede the development.
- 8.13 Officers propose that the land owned by Renewal (including land shown on the Acquisition Plan which may subsequently be acquired by Renewal by private treaty) upon which the construction of the consented buildings will interfere with rights should be acquired by the Council and disposed back to Renewal, thus engaging Section 203 of the 2016 Act. It is considered that this will facilitate the development by ensuring the third party rights do not prejudice delivery of the Scheme. It will also contribute to delivery of the well-being benefits in the greater public interest, as identified in Section 3 of the SoR.
- 8.14 The arrangement will enable third party rights to be interfered with and in considering whether to proceed, consideration should be given to the protections under Human Rights legislation. Section 12 addresses the application of Article 8 of the Convention (of relevance to residential occupiers) and Article 1 of the First Protocol applies to both individuals and other legal persons and so is also of application to the rights held by corporate entities for example.
- 8.15 In considering the approach, the action must be proportionate and represent a fair balance between public interest and private rights: Is it proportionate? Having regard to the significant regenerative, well-being and other public and economic

benefits to be delivered through the re-development proposals, it is considered that the degree of interference is necessary in the interests of the economic well-being of the country (in the terms set out in Article 8), is in the public interest (in the terms set out in Article 1, Protocol 1 rights) and is proportionate in each case. As referred to above, any third party interference with third party rights will carry a right to compensation in respect of any diminution in value caused to the third parties' property as a result of the interference.

- 8.16 Once acquired, Section 233 of the 1990 Act authorises the Council to dispose of any land held for planning purposes, in such manner and subject to such conditions as appear to the local authority to be expedient to secure the best use of that land/buildings or works which have been, or are to be, erected, constructed or carried out on the land or to secure the erection, construction or carrying out of buildings or works appearing to them to be needed for the proper planning of their area. Section 233 requires Secretary of State consent to any disposal which is for a consideration less than that reasonably obtainable and is not a disposal/assignment of a lease of 7 years or less. The Council has been advised by GL Hearn in respect of valuation matters concerning the Section 203 transaction, including certifying that the disposal under such transaction satisfies the requirements of Section 233 of the 1990 Act. The Council has also been advised that the proposed structure gives rise to minimal SDLT liabilities which in any event will be Renewal's responsibility.
- 8.17 Heads of terms for the proposed transaction have been agreed, subject to Mayor and Cabinet approval, between Officers and Renewal. These are attached at Appendix 4.
- 8.18 Renewal as developer will be primarily responsible for any compensation payable under Section 204 of the 2016 Act. The Council will, however, retain residual liability in the event Renewal fails to discharge its liability. It is therefore appropriate that Renewal should indemnify the Council in respect of such residual liability. Officers recommend that the CPO Indemnity Agreement should be varied to encompass any such liability, thus ensuring the performance bond to be given by RBS also provides security for this potential additional liability
- 8.19 Members are asked to approve the acquisition and disposal and the variation to the CPO Indemnity Agreement for the reasons set out in this report.

9.0. Financial implications

- 9.1 As provided for in the CPO Indemnity Agreement, all costs incurred by the Council in connection with the acquisition process are to be met by Renewal, including, by way of summary:
- administrative costs of the CPO, including time spent by Council staff and fees incurred on consultants in advising on land acquisition/CPO aspects and progressing the CPO and land referencing aspects;

- legal costs (including in respect of time incurred by the Council's legal section and also fees incurred by the external legal advisers and in engaging Counsel);
- other CPO related expenses, including all costs, fees and expenses relating to any public inquiry (if there is one) in respect of the CPO, any costs related to purchase or blight notices etc;

(The above costs are subject to interim invoicing to Renewal under the terms of the CPO Indemnity Agreement).

- Land acquisition and compensation costs (including land value, acquisition costs and disturbance payments to all affected landowners, lessees or tenants which arise from the acquisition of their interest;
- Any compensation payments payable (in addition to those arising from acquisition), including for example, statutory disturbance payments, payments in respect of injurious affection, interference with third party rights etc, in consequence of the Scheme.

9.2 As set out in Section 8 of this Report, it is proposed that the CPO Indemnity Agreement is varied to ensure it covers the compensation and other costs which the Council may incur in consequence of the proposed acquisition of Renewal's freehold interest (both the existing freehold and any freehold interest which may subsequently be acquired by Renewal by private treaty) in land within Phase 1A, 1B, 2 and 3 as identified on the Acquisition Plan, and the lease back of the relevant land on the terms set out in Appendix 8. The comments on the CPO Indemnity Agreement apply equally to the agreement as proposed to be varied.

9.3 As explained elsewhere in this Report, the CPO Indemnity Agreement provides for a cash deposit or alternative security to be put in place following a CPO Resolution to cover the costs secured under the CPO Indemnity Agreement. Renewal proposes to provide an on-demand performance bond from RBS in respect of all costs and expenses payable under the CPO Indemnity Agreement. In the event that Renewal does not provide the bond then the Council is not obliged to proceed with the CPO or to undertake any other steps under the CPO Indemnity Agreement until security for the costs is in place. Officers advise that the Council should not proceed to make the CPO unless a satisfactory Deposit or alternative security is in place.

9.4 In terms of project management, the CPO project is being led by the Council's Executive Director for Resources and Regeneration, with support from the Head of Planning and Head of Law. Joint working has taken place with Renewal and their professional advisors on the preparation and making of the CPO and will continue in its progress through to confirmation and implementation.

9.5 In terms of risk management, Renewal will continue to negotiate with landowners and wherever possible acquire all necessary land and rights by agreement during the preparation and making of the CPO and thereafter, and until such time as the

Council considers it reasonable to take over the negotiations and/or acquire the land compulsorily.

- 9.6 The Council's costs which include internal and external costs (e.g. legal input and other consultants) and costs incurred on land acquisition matters, including compensation matters, are rechargeable to Renewal under the CPO Indemnity Agreement. Any financial exposure of the Council is currently minimised as costs are billed regularly to Renewal. Any failure to pay entitles the Council to 'down tools' under the CPO Indemnity Agreement. Once a CPO resolution is made, as explained above, provisions are in place for a cash deposit or alternative security to be provided. Officers consider the proposed RBS on-demand performance bond to provide appropriate security.
- 9.7 Once the CPO process gets underway, the Council may be legally obliged to take steps at certain stages which will result in expense. With the performance bond in place, however, any financial exposure to the Council is mitigated. Any risk of the performance bond being insufficient to cover the costs of the CPO has also been mitigated by the amount of the bond being substantially higher than the amount currently estimated as being required to cover the costs of the CPO, including any rights of light claims. Should it transpire at any time that the bond is considered insufficient to cover the likely costs, then the CPO Indemnity Agreement provides a process for increasing the amount under the security with the Council not being obliged to take further steps until the amount has been increased.
- 9.8 Throughout the process Officers would seek to ensure that the security is adequate to cover the Council's exposure through full monitoring and anticipation of costs and ensuring, should it become necessary, additional sums are secured under the security.
- 9.9 In terms of holding any land acquired under the CPO, the intention is to transfer all interests to Renewal as soon as practicable. In order to minimise this risk the transfer will be made as soon as possible after the land has been acquired, and mechanisms such as holding irrevocable deeds of transfer to Renewal will be explored so that the risk (if any) only lasts for the minimum possible time.
- 9.10 Officers are satisfied that the arrangements outlined above mean that any financial exposure to the Council in relation to the CPO process can be mitigated to avoid material exposure. The CPO Indemnity Agreement has been drafted to minimise the risk to the Council, and Renewal has a strong and proven track record of meeting the Council's costs to date.
- 9.11 In relation to the acquisition under Section 227 and disposal to Renewal, the Council has been advised by GL Hearn that in terms of compliance with Section 233 Town and Country Planning Act 1990 there are no issues and following the CPO order the Council has been advised that the initial acquisition by the Council of a third party land interest will be SDLT exempt and only Renewal will incur SDLT on the transfer to them (which will be its responsibility).

Financial due diligence (linked to pre-conditions (iv & v))

- 9.12 In September 2013, at the point of recommending to the Mayor that the Council enter into the Conditional Land Sale Agreement, Officers noted that the recommendation for the CPO resolution would not be brought forward until such time as "full financial due diligence has been undertaken and officers are satisfied that Renewal Group Limited has a viable business plan and funding strategy to deliver the scheme."
- 9.13 To this end the Council commissioned independent advice from PwC to undertake a due diligence review of Renewal's overall ability to deliver the New Bermondsey development scheme and its financial standing. PwC's review is based in large part on their assessment of the GL Hearn report commissioned by Renewal and which included a review of the viability of the Scheme. The key conclusions of both the PwC report and GL Hearn report are as set out in Section 7 of this Report.
- 9.14 Overall the conclusions are that the scheme is viable, that the costs of the CPO will be covered by the on-demand performance bond (once signed) and that the Scheme can either be financed by Renewal's shareholder companies (though it should be noted that financial information provided by the shareholders is unaudited as the shareholders are based offshore) or potentially through debt finance or on the basis the assembled Scheme would be attractive to another developer.
- 9.15 Renewal Group Limited (registered in the Isle of Man) is a 100% subsidiary of Renewal Holdings Limited (also registered in the Isle of Man) which in turn is owned on a 50/50 basis by Incorporated Holdings Ltd (IHL) (registered in the Isle of Man) and Independent Advisors Incorporated (IAA) (registered in the British Virgin Isles). Renewal has confirmed that IAA is ultimately controlled by a family trust and that IHL is ultimately controlled by a charitable trust. The Council should note that the nature of the unaudited information provided including ownership means that it has not been independently verified.
- 9.16 In relation to the RBS performance bond, paragraphs 9.1 – 9.8 above set out the Council's rights under the CPO Indemnity Agreement and this is considered to mitigate material financial exposure to the Council. The bond must be in place before the Council proceeds with any CPO.

10.0. Risk Assessment

- 10.1 A risk register has been prepared for this project and a Project Implementation Document (PID) has been prepared and will be monitored by the Council's SCT Proposed CPO Board. The CPO Indemnity Agreement of December 2013 is considered to provide the Council with a robust mitigation mechanism for all the protection it needs to avoid almost all financial risks, and Section 9 discusses any financial risk to the Council.

11.0. Comments from the Head of Planning

- 11.1 The Core Strategy Development Plan Document (DPD) sets out the vision, objectives, strategy and policies to manage development in the Borough over the next 15 years (2011 to 2026). The Core Strategy is the Council's key planning policy document and together with Development Management Local Plan and the

London Plan forms the development plan for the Borough. The Core Strategy allocates five sites in the north of the Borough as 'strategic sites' one of which is New Bermondsey under its former name of the Surrey Canal Triangle (Core Strategy Strategic Site Allocation 3, SSA3).

- 11.2 The strategic sites are considered central to the achievement of the Core Strategy as redevelopment can collectively transform the physical environment and achieve place making objectives by delivering a comprehensive range of regeneration outcomes in the Borough's most deprived areas. This includes significant numbers of new homes, a range of economic, employment and training opportunities, accessibility improvements (public transport, pedestrian and cycle), and infrastructure provision and public realm improvements.
- 11.3 The Scheme represents an opportunity to transform the environment and infrastructure and create a new destination around the Borough's premier sporting destination (the MFC Stadium) which currently is not enhanced or improved by the surrounding industrial estates.
- 11.4 The Core Strategy policy (SSA3) allocates the Site for mixed use development and requires a comprehensive phased approach to redevelopment in line with an approved Masterplan. For the purposes of this Site, the outline planning application and supporting documentation which the Council resolved to approve on 13th October 2011, also carried through to the Section 73 application, represents the Site's masterplan. The policy seeks to create a 'destination' that could act to focus and attract other regeneration opportunities. It ensures development facilitates and takes advantage of the proposed new station on the London Overground network and the existing sporting and leisure facilities at the MFC Stadium to create a new high quality destination in an area which is relatively devoid of local facilities. Specifically the policy:
- ensures the continued operations of Millwall Stadium and supports its potential redevelopment;
 - seeks a range of uses including employment, retail, housing (up to 2,400 new homes), leisure and community;
 - makes provision for a range of infrastructure including the London Overground Station at Surrey Canal Road and substantial improvements to walking and cycling routes, including on-site amenity space;
 - ensures high quality design of all new buildings and spaces.
- 11.5 The Core Strategy is intended to encourage third party landowners and developers to bring forward their land and buildings for re/development where appropriate. The Council has been working with landowners and their agents to assist the process of bringing forward development within the earliest possible period. This particularly applies to the strategic site allocations. However, it is accepted that there may be instances where landowners may be reluctant or unwilling to bring forward their land for development. In such circumstances the Core Strategy acknowledges that the Council may choose to use its compulsory

purchase powers to achieve the Core Strategy's wider regeneration objectives (paragraph 9.24, Core Strategy).

12.0. Legal implications

- 12.1 The Mayor is being asked to consider the exercise of the powers under Section 226(1)(a) of the 1990 Act and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to make a CPO for the acquisition of land and new rights. The legal requirements and appropriate cross-references to the draft SoR are covered within this Report and the draft SoR.
- 12.2 In exercising the powers, the Council must also have regard to the CPO Guidance. The overarching requirement to demonstrate a compelling case in the public interest is set out in paragraph 7.38 – 7.44 of this Report, together with the additional factors which the Council must have regard to in making its decision.
- 12.3 The Mayor is also being asked to authorise the acquisition for planning purposes under Section 227 of the 1990 Act of Renewal's current and future freehold interests in land at 1A, 1B, 2, 3 and 4 and the lease back of that land to Renewal (with an option for Renewal to repurchase the freehold interest). The circumstances and implications of this arrangement are set out in Section 8 of this Report.

Section 203

- 12.4 Land acquired by the Council for the Scheme whether by private treaty or pursuant to CPO will be acquired for planning purposes under Section 226 or 227 of the 1990 Act. The land will be acquired subject to any existing interests and rights belonging to third parties, including rights of light, and the land will be sold subject to any such interests and rights on disposal. However, under Section 203 of the 2016 Act, the development of land which has been acquired or appropriated for planning purposes in accordance with planning permission is authorised, notwithstanding that it would interfere with any interests or rights affecting the land. The benefit of Section 203 passes to persons deriving title from the local authority, provided the interference is caused by development with planning permission and there remains sufficient connection between the development and the original purpose of acquisition. The ability to rely upon Section 203 removes the potential for excessive compensation claims and the ability for owners to obtain injunctions preventing the redevelopment or claim damages.
- 12.5 Where rights are interfered with, the owners of any such interests are entitled to compensation as provided for in Section 204 of the 2016 Act. The primary responsibility for payment of compensation rests with the developer, but the local authority retains residual liability in the event the developer defaults. The CPO Indemnity Agreement requires Renewal to pay any Section 237 (now Section 203) compensation. This is considered to be in respect of third party land, however, and not any Section 204 compensation which would arise from the acquisition and lease back of Renewal's land as set out in Section 8 of this Report. It is therefore proposed that the CPO Indemnity Agreement is varied to ensure Renewal is responsible for the compensation and costs arising in respect of any interference with rights in respect of the land the subject of that proposed transaction.

Equality Act 2010 Implications

- 12.6 The Equality Act 2010 (the Act) brings together all previous equality legislation in England, Scotland and Wales. The Act includes a new public sector equality duty (the equality duty or the duty), replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. The duty covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 12.7 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - advance equality of opportunity between people who share a protected characteristic and those who do not;
 - foster good relations between people who share a protected characteristic and those who do not.
- 12.8 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have regard to the need to achieve the goals listed at paragraph 12.7 above.
- 12.9 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 12.10 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>

- 12.11 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
- The essential guide to the public sector equality duty;
 - Meeting the equality duty in policy and decision-making;
 - Engagement and the equality duty: A guide for public authorities;
 - Objectives and the equality duty. A guide for public authorities;
 - Equality Information and the Equality Duty: A Guide for Public Authorities.
- 12.12 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>.
- 12.13 Paragraph 7.75 of this Report refers to the Regeneration and Equalities Statement which has been carried out in this case and cross-refers to the summary of that assessment in Section 11 of the draft SoR.

Human Rights Act 1998 Implications

- 12.14 The Human Rights Act 1998 effectively incorporates the European Convention on Human Rights into UK law and requires all public authorities to have regard to Convention Rights. In making decisions Members therefore need to have regard to the Convention. The rights that are of particular significance to the Mayor's decision are those contained in Articles 8 (right to home life) and Article 1 of Protocol 1 (peaceful enjoyment of possessions).
- 12.15 Article 8 provides that everyone has the right to respect for his private and family life, his home and his correspondence. The right is qualified to the effect that there should be no interference with the right except in accordance with the law and as necessary in a democratic society in the interest of the economic well-being of the country, protection of health and the protection of the rights and freedoms of others. Article 1 of Protocol 1 provides that every natural or legal person is entitled to the peaceful enjoyment of his possessions. Again the right is qualified to the effect that no one is to be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law. Further, the right does not in any way impair the right of a state to enforce such laws as it deems necessary to control the use of property in accordance with the general interest.
- 12.16 As qualified rights, interference with the Article 8 and Article 1, First Protocol rights is permissible only if what is done has its basis in law, is done to secure the

permissible aim set out in the relevant Article (for present purposes, economic wellbeing (Article 8) or the public interest (Article 1)) and is necessary in a democratic society. The interference must pursue the legitimate aim and be proportionate to the aim being pursued. In determining the level of permissible interference, the courts have held that any interference must achieve a fair balance between the general interests of the community and the protection of the rights of individuals – there must be reasonable proportionality between the means employed and the aim pursued. The availability of an effective remedy and compensation to affected persons is relevant in assessing whether a fair balance has been struck. Case law in a CPO context has determined that there is no requirement to set out in any formulaic way the extent to which individual human rights are interfered with and that the necessary human rights balancing exercise is encompassed by the test of a compelling case in the public interest.

12.17 If a CPO is made and confirmed, this will result in the taking of property and the rights of persons occupying the Site will be interfered with. The nature of the properties/occupations involved is set out elsewhere in this Report. Officers consider that the degree of interference is necessary in the interests of the economic well-being of the country (in the terms set out in Article 8), is in the public interest (in the terms set out in Article 1, Protocol 1 rights). In making the recommendations in this Report, Officers have carefully considered the balance to be struck between individual rights and the wider public interest and have also had regard to the alternative means of securing the redevelopment of the Order Land and the associated regeneration of the area. Officers have concluded the interference is proportionate when weighed against the significant benefits which will be delivered by the Scheme for the Borough and the wider community as set out in this Report, the draft SoR and the Regeneration and Equalities. Compensation will be payable in accordance with law including compensation for property on the basis of the market value of the interest acquired, together with disturbance, statutory loss payment and where appropriate home loss payments.

13.0. Environmental Implications

13.1 There are no immediate environmental implications associated with the recommendations of this report. The planning report referred to in the background papers has the environmental implications concerning the Scheme.

14.0. Crime and disorder implications

14.1 There are no immediate implications associated with the recommendations of this report. The planning report referred to in the background papers has the implications concerning the Scheme.

15.0. Conclusion

15.1 Each of the Pre-Conditions to making a CPO set out in the 7th March 2012 Report, have been addressed and considered by Officers.

15.2 On balance, the Mayor is recommended to resolve to make a CPO and to agree the other recommendations set out in Section 4 of this Report.

16.0. Background Papers

16.1 Copies of all background papers have been made available in the members' room prior to the meeting at which this report is due for consideration. The papers are listed in the table below.

- **Strategic Planning Committee report
Land to the North and South of Surrey Canal Road
Report 13.10.11 -**
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=194&MId=2067>
- **Strategic Planning Committee report
Land to the North and South of Surrey Canal Road
Report 13.12.13 -**
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=194&MId=3015>
- **SCT “in principle” CPO and land appropriation report**
<http://councilmeetings.lewisham.gov.uk/documents/s8486/Surrey%20Canal%20Triangle%20Regeneration.pdf>

<http://councilmeetings.lewisham.gov.uk/documents/s8488/Appendix%201%20SurreyCanalRdCPO%20Plan.pdf>

<http://councilmeetings.lewisham.gov.uk/documents/s8489/Appendix%202%20SurreyCanal%20Rd%20Land%20Ownership%20Plan.pdf>
- **Surrey Canal Triangle Regeneration – Update on Land Assembly and Conditional Land Sale Agreement between LBL and Renewal.**
<http://councilmeetings.lewisham.gov.uk/documents/s24507/Surrey%20Canal%20Triangle%20Regeneration.pdf>

Short title of document	Date	File Location	Contact Officer
Strategic Planning Committee Report Land to the North and South of Surrey Canal Road	13.10.11	Laurence House	Michael Forrester
Strategic Planning Committee Report Land to the North and South of Surrey Canal Road	13.12.13	Laurence House	Michael Forrester
SCT “in principle” CPO and land appropriation report	7.3.12	Laurence House	Kplom Lotsu
Surrey Canal Triangle Regeneration – Update on Land Assembly and	13.9.13	Laurence House	Kplom Lotsu

Conditional Land Sale Agreement between LBL and Renewal.			
Regeneration and Equalities Statement – Quod Appendix K of the report	26.08.16	Laurence House	Kplom Lotsu
GL Hearn – Review of Implications of Omission of MFC and MCS Land for Scheme Viability	30.08.16	Laurence House	Kplom Lotsu
GVA Rights of Light Report	December 2016	Laurence House	Kplom Lotsu

If any person would like further information on this report, please contact Kplom Lotsu on 0208 314 9283 or Kplom.Lotsu@lewisham.gov.uk

List of Annexures/Appendices

Site Plan

Appendix 1: Draft Statement of Reasons

Appendix 2: CPO Resolution Plan

Appendix 3: Section 227 Acquisition Plan

Appendix 4: Section 227 Acquisition Heads of Terms

Appendix 5: Plan of Renewal's Existing Ownership

Appendix 6: Table of Freehold and Leasehold Interests to be Acquired, plans of freehold, head leasehold and under leasehold interests, plan showing third party interests to be acquired.

Appendix 7: Utilities Plan

Appendix 8: Rights of Light Plans

All appendices may be viewed at:

<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=4304>

and

<http://councilmeetings.lewisham.gov.uk/mgAi.aspx?ID=14894#mgDocuments>



Millwall Football Club,
The Den, Zampa Road,
London SE16 3LN

Tel: 020 7232 1222
Email: questions@millwallplc.com
Web: www.millwallfc.co.uk

19 September 2016

Dear Councillor Hall,

I understand that on 20 September your committee will review the decision taken by Mayor and Cabinet to use compulsory purchase powers to try and take the land leased by Millwall from Lewisham Council and transfer the freeholds to Renewal. My advisers and representatives attended the Mayor and Cabinet meeting on 7 September and have reported back to me what was said and, perhaps equally importantly, what was not said. At your forthcoming meeting, I hope that you and your fellow committee members will take into consideration the points that I have set out below. They all relate directly to the matters that were addressed during the Mayor and Cabinet meeting. The full background to this unhappy story was set out in the letter I sent to all councillors before the meeting.

- **What was reported at the meeting:** Council officers reported at the start of the meeting that Millwall had notified the Council, through its property advisers, that it wished to bid to buy the freeholds of the land that it leases around its stadium, but so far no bid had been received from Millwall.
- **Millwall facts 1:** the information provided by Council officers was incomplete and omitted two material elements. During 2012, the Council told us that the freeholds of our land would be offered for sale through a tender process. We confirmed our interest. It was recognised that Millwall and Renewal were likely to be the only bidders, but nevertheless the tender process was to be open to any bidder. It never materialised and no explanation was provided to us. By late 2013, it became apparent that Lewisham Council was preparing to sell our land in a closed process to Renewal. On 7 November 2013 Millwall's advisers, CBRE, did indeed formally notify the Council that Millwall wished to be given the opportunity to buy its land and asked for relevant information – including details of the land that was to be sold – in order to formulate a bid. Millwall also asked for any proposed sale to be delayed in order to give the Club a chance to bid. On 13 November, the Council replied and declined to provide the information necessary for a bid to be made and stated that the terms being agreed for the sale of the freeholds to Renewal were confidential. The Council stated: "I can however confirm that we have been independently advised that the deal represents the best consideration reasonably obtainable in all the circumstances." How could the Council know that this was the best consideration? The Council effectively denied Millwall the opportunity to bid and exchanged contracts for the sale of the freeholds to Renewal in December 2013.
- **Millwall facts 2:** in March 2014, a freedom of information request to Lewisham Council on behalf of Millwall asked for details of the proposed sale of the public land around The Den to Renewal. Notably, Millwall asked to know the price at which the freeholds of the land it leases were to be sold. The Council refused to disclose the agreed sale price of that land. Millwall appealed to the Information Commissioner against that refusal and the matter is due to be considered by the General Tribunal in November. There was no open bidding process



permitted and Millwall considers that it, and the taxpayers of the borough, have the right to know what deal the Council has struck with Renewal for the sale of public land.

- **What was reported at the meeting:** the Chief Executive of the Council reported that between February and August of this year the Council sought to explore opportunities for Millwall to be involved in the urban regeneration project in New Bermondsey. He emphasised that the Council had appointed an independent expert to help with that situation. He said: "The key thing for us was to appoint someone independent from us... so we appointed someone who is an entirely independent expert from Strutt & Parker."
- **Millwall facts 3:** when Millwall's advisers, CBRE, first met with that alleged independent professional, he said that he had previously undertaken work for Lewisham Council! In an email dated 18 July to CBRE asking for information about Millwall's scheme, he said that it was to enable a transfer of information between Renewal and Millwall. He explained: "I should make clear that Strutt and Parkers (*sic*) role in this exercise is as a conduit for the information. Strutt and Parker do not intend to review or engage in discussions on any information received, nor will any such information be disclosed to the Council." However, when the Council published its CPO documents prior to the Mayor and Cabinet meeting on 7 September, it became clear that Strutt & Parker had prepared a report on Millwall's plans. The Council's CPO report prior to the meeting states: "6.41 As part of their appointment, Strutt & Parker were asked to advise on the MFC Proposals in terms of their viability, deliverability and overall fit within the Council's Core Strategy and regeneration objectives for the area. The Strutt & Parker report raises a number of significant delivery constraints in respect of the MFC Proposals and other implications for the wider Scheme as discussed below. Moreover, Strutt & Parker have examined the viability of the MFC Proposals and conclude that they are unlikely to be viable in isolation." We had no knowledge that such a report was being prepared, we were not asked to provide input and we had no opportunity to comment on it before it was placed in the public domain. Not only had a report been submitted without Millwall's knowledge and proper involvement, but that same report relied upon the plans Millwall had prepared in 2013 rather than the updated version that has been prepared over the last six months. We did not discuss in any detail the revised plans that we have been working on this year and which are the subject of a potential planning application because we were not asked to.
- **Millwall facts 4:** Renewal's plans for undertaking the development of New Bermondsey include sub-contracting parcels of the development to third party housebuilders, but Renewal has stated publicly that it will not work with Millwall. The Council's Chief Executive reported: "What we tried to do is bring them together again independently but in five months there's been one meeting and not one proposal from Millwall in relation to what it is they require." We have repeatedly explained in public what we require.
- **Millwall facts 5:** frequently the Council and Renewal have said that the viability of Renewal's plans depend on acquiring Millwall's land. We have never seen any facts or figures to support that claim.
- **What was reported at the meeting:** a Cabinet member declared at the meeting on 7 September that she understood that Millwall did not have the funds necessary to undertake its proposed development. Millwall's representative, Peter Garston, tried to intervene to assure her that this was untrue but was silenced by the Chair of the meeting. The Chair then went on to state: "I'd like to just formally now clarify something in particular around this whole funding thing. We can't comment either way on whether funding (*from Millwall*) is available, that option hasn't been put to us and for us to comment on that we'd have to do proper due diligence, the same way as we had to do with Renewal. So until such time as due diligence has been done it's not in our remit to make a decision on whether that funding's available or not. I know that there

have been comments about a personal ability of the chair to back this but we actually have no evidence of that so we can't take that into account, and that's the situation."

- **Millwall facts 6:** we do not know who briefed the Cabinet member that Millwall did not have the funding. The funds are available and that point has been made clear several times in public. At no stage has the Council requested further information. However, the Chair referred to the due diligence carried out on Renewal. That due diligence was initially contained in a report by PricewaterhouseCoopers (PWC) dated 6 September 2013 and tabled at the meeting of Mayor and Cabinet on 11 September 2013 when the decision was taken to sell the Millwall land to Renewal. A freedom of information question was submitted to the Council asking to see that due diligence report on Renewal. The Council refused to disclose it. Millwall's representatives appealed to the Information Commissioner who upheld the appeal and instructed the Council to disclose the report. The Council has lodged an appeal against that ruling and the matter is due to be heard by the General Tribunal in November. A version of the due diligence report was provided, but it was so heavily redacted as to render it largely useless. The Council has engaged lawyers and a QC to defend its desire to keep the due diligence report and the price of the freeholds confidential. In her evidence for the General Tribunal, the Council's QC has stated that the due diligence report which was relied upon at that key meeting of Mayor and Cabinet was a draft and "...it appears to have approached the issues of Renewal's financial standing more negatively than was warranted..."
- **What was reported at the meeting:** Council officers reported that Renewal would fund the CPO process and that Lewisham's taxpayers' money would not be used.
- **Millwall facts 7:** the officers did not report that taxpayers' funds are being spent by the Council on legal advice, including from the QC mentioned above, to keep information about Renewal, and the Council's dealings with Renewal, out of the public eye.
- **What was reported at the meeting:** prior to the meeting of Mayor and Cabinet on 7 September, Millwall raised a legal objection to Councillor Alan Smith chairing the meeting. He has previously tweeted derogatory and prejudicial remarks about the Millwall Chairman.
- **Millwall facts 8:** the Council rejected that challenge and Cllr Smith chaired the meeting. Millwall formally requested the right to speak at the meeting. We were told that there was no automatic right but that the request would be considered. It was granted. Cllr Smith informed the meeting that three people had asked to speak: local resident Willow Winston, Cllr Brenda Dacres and Millwall fan on the board Peter Garston. However, Cllr Smith then called upon a Director of Renewal to address the meeting more than once. No representative of Renewal had asked to speak and we question why Renewal were invited to defend their position and present new information – particularly relating to the funding of the Millwall Community Trust and the Energize Sports Centre – to the meeting which had not been previously disclosed and which was not properly challenged or tested. As noted above, Cllr Smith refused to allow Peter Garston to speak about Millwall's funding abilities.

I regard the whole tenor of the meeting and the manner in which it was managed as inherently prejudicial to Millwall's interests. By telling the meeting at the outset that we had not bid for our land, and by describing our plans for that land as not viable, all proper discussion of Millwall's position was effectively silenced. Renewal was given the unscheduled right to speak and was presented as the only viable proposition for the urban regeneration project. This directly led to the CPO decision being taken.

Since the Mayor and Cabinet meeting, Councillor Smith has posted further derogatory and incorrect comments about Millwall on twitter questioning our corporate status in the UK and our tax

transparency. We have corrected those inaccuracies via social media and are happy to clarify them further as required.

I would urge you and your committee to give careful consideration to these points and to ask the Mayor and Cabinet to think again about the CPOs and also refer this decision to full Council.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'John Berylson', written in a cursive style.

John Berylson
Chairman

 CHESTNUT HILL VENTURES LLC

Demos Kouvaris
*Chief Operating Officer and
Chief Financial Officer*

dkouvaris@gchiv.com

December 3, 2012

Sir Steve Bullock
Mayor
London Borough of Lewisham
steve.bullock@lewisham.gov.uk

Dear Sir Steve

Millwall Football Club

I am sure that you will have seen that Chestnut Hill Ventures (CHV), the Club's majority shareholder, has formally agreed to increase and extend its financial support for the Club until at least July 2015. Having first invested in the Club back in 2006, this is a long-term investment by CHV not only in the Club but also in the regeneration of The Den and the surrounding land and we have really great hopes and aspirations for the future, towards 2015 and beyond. I enclose a press release that went out last week and which has been widely reported in both the local and the national press and other media outlets.

The Board now finds itself in a position to make plans for the longer term but we cannot do so without knowing what is to happen with The Den and the land occupied by the Club's community scheme, The Lion's Centre. I know that this is potentially a difficult issue for the Council but, if you read to the end of this letter, you will see that there may be a solution for both Council and Club. We need to meet when I am next over.

Just to remind you, some time ago, the Club managed to reach 'in principle' agreement for the Council to grant the Club a new long lease of both The Den and The Lion's Centre so that the community scheme would have become the Club's tenants. The terms would have enabled the Club to extend the stadium, to improve immeasurably the facilities available to match day and non match day visitors and to redevelop The Lion's Centre to provide not only state-of-the-art offices and facilities for the community scheme but also flats, offices, medical and leisure facilities for the benefit of both the Club and the local community.

That agreement envisaged a real 'partnership' between the Club and its council whereby, subject, of course, to planning permission, the Club would have carried out all the necessary works at its own expense and then split any 'profit' equally with the Council. As and when the property market improves, that profit could be very substantial.

Despite that agreement foundering last year - when Malcolm Smith withdrew it - the Club has, at great cost in professional fees, supported and contributed to Renewal's planning application and joined in the necessary section 106 agreement so that outline planning permission might be granted. We have drawn up our own plans for the extension of the stadium and the redevelopment of The Lion's Centre - making sure that they fit in fully with Renewal's plans - and have informally presented them to the community scheme trustees and

others; they have met with great enthusiasm and I look forward to showing them to you and your colleagues in due course.

At the beginning of the year, we were told that the Council had decided to offer the land occupied by The Lion's Centre to the Club and to Renewal and that there was to be a tender process. We have seen and heard nothing since then - although I am told that the trustees of the community scheme not only rejected the draft documentation but have asked to disassociate themselves from the process. I personally am filled with misgivings about the whole thing because I just don't think that a football club can possibly compete with a well-funded developer, either financially or in the professional assistance needed to submit a competitive tender; the process looks fair but actually puts us at a hopeless disadvantage. I wish that it could be dropped or, at the very least, delayed until we have explored the suggestion that I make below.

Given the Club's significance to the Borough - as recognised by Lewisham's own Core Strategy document - and your own personal and public support for all that we are trying to do, I have been thinking about a possible solution.

I recognise that the Council's primary object is to secure the regeneration of the Surrey Canal Triangle site and I can understand why your planning officers might think that Renewal, given all its hard work to date, is more likely to deliver but the new financial resources of the Club must go some way to assuaging any concerns that they may have.

Let's see if we can take a few steps forward together. May I propose that we revisit the agreement that we did reach but introduce in to the lease or the agreement for lease a time limit so that, for instance, it might provide that if the Club hadn't applied for planning permission to carry out its plans by a certain date and/or hadn't commenced work by another certain date (both dates to fit in with Renewal's phase plan), the lease or the agreement for lease could be terminated by the Council? That way we'd get a fair chance to demonstrate our commitment to the regeneration of the Surrey Canal Triangle site but you'd still retain overall control and be able to hand the Lion's Centre over to the developer should the Club fail.

I really think that we should meet when I am next over and I have asked my PA, Helen Godsmark, to make the necessary arrangements.

Yours sincerely,



Demos Kouvaris

Millwall FC aims for 'sustainable success' with new loan facility

Millwall Holdings PLC has agreed an increased loan facility with its majority shareholder Chestnut Hill Ventures amounting to £20m until July 2015 to fund 'sustainable success' at the Championship club.

The facility consolidates current outstanding loans of approximately £1.5m and provides the Company with sufficient working capital to fund day-to-day operations and likely investment in the regeneration of the immediate area surrounding The Den over the next few years.

Chairman John G Beryson, who also runs CHV, commented: "This shows our continued commitment to Millwall FC. We have stated in the past that we see this as a long term plan and I am delighted the Club continues to make progress both on and off the field.

"The regeneration of the surrounding area at The Den and our commitment to the Millwall Community Scheme shows that we are here to stay and want to achieve sustainable success.

"Too many clubs in the past have gone through boom and bust in their attempts to get to The Premiership. Millwall is committed to getting there in a sensible way that doesn't threaten the Club's long-term viability. Developing The Den and our surrounding area will help to future proof our prospects and success.

"The Club is benefiting from a long period of continuity. We have one of the country's longest serving managers in Kenny Jackett who has just marked his 5th year in charge of the team. We are also looking forward to next season when we celebrate 20 years at The Den in Berrymsey."

The Financial Statements of Millwall Holdings PLC for the year ended 30 June 2012 have been sent to shareholders of the Company. The results for the year show an increased loss from operations to £3.95m compared with a £0.60m loss in the previous year. The principal reasons for the increase in the loss are the reduction in profit arising from the transfer of player registrations of £1.48m and the increase in player related costs of £1.90m.

John Beryson added: "The results reflect how difficult it is to compete at Championship level especially in regard to building and financing a squad capable of being successful in a very tough league. We have a sound and competent management team that is both ambitious and responsibly cautious.

"I am delighted at the progress we have made and would like to pay tribute to everyone involved at the Club for the hard work, commitment and support. I look forward to further progress both on the field and in regard to the regeneration of the area surrounding our stadium."

21 November 2012

Ends



Demos Kouvaris
Chief Operating Officer and Chief Finance
Officer
Chestnut Hill Ventures LLC
60 William Street, Suite 230
Wellesley MA 02481

Rob Holmans
Interim Director of Regeneration &
Asset Management
Laurence House
Cattford
London SE6 4RU

direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk

date 29th January 2013
our reference
your reference

Dear Demos,

Re: Surrey Canal Triangle (SCT) Regeneration Scheme

Further to our meeting on 18th January 2013, I set out in this letter the Council's position on the above scheme and the Club's interest.

It is now 10 months since the Section 106 Agreement for the above was completed and outline planning permission was granted in respect of the comprehensive re-development of the SCT Site. The Council is anxious to move things forward and invite the Club to engage in discussions regarding its leasehold interest within the SCT site.

The purpose of this letter is to briefly clarify the Council's position and suggest next steps as follows:

Strategic importance of the site.

1. The SCT site is one of the key regeneration sites in Lewisham. The site is seen by the Council as a major regeneration opportunity and central to the achievement of the Lewisham Spatial Strategy. It has therefore been identified as a 'strategic site' within the Council's recently adopted Core Strategy.
2. It is a clear objective of applicable planning policy that the site should be developed "comprehensively" so as to maximise the regeneration benefits for the area. This key objective has always been underlined in the Council's discussions with the Club and Renewal Ltd during the planning application process and the negotiations on the s106 Agreement. The Council recognises that the assembly of the site/sufficient control in respect of all relevant land interests will be central to the achievement of comprehensive delivery of the wider scheme and thus the Council's regeneration objectives.
3. In recognition of the importance of the strategic sites, the Core Strategy supports the use of compulsory purchase powers where this would achieve the Core Strategy's regeneration objectives. In this regard, as you know, at its meeting on 7th March 2012, the Mayor and Cabinet ('M & C') resolved "in principle" and subject to satisfaction of certain pre-conditions, to support the use of CPO powers, should that be required. Thus, if the acquisition of the remaining interests in the site, including that of the Club, cannot be achieved through reasonable negotiation, then the Council

will consider using its compulsory purchase powers in order to support the re-development of the wider site. That remains the Council's position.

Negotiations by agreement

4. I am aware that Renewal's previous attempts to negotiate with the Club and the Millwall Community Scheme (MCS) have not proved successful.
5. Since the M & C's resolution in March, as you have been aware, the Council has been in discussions with MCS concerning the possible joint tender to both the Club and Renewal Ltd of the land owned by the Council and leased to MCS. MCS have confirmed, however, that they do not wish to participate in any such Tender and the Council has in any event come to the view that the tender exercise should not proceed.
6. Renewal Ltd has already assembled about 85% of the wider site (excluding the land around the Stadium and Lions Centre known as Phase 4 and Phase 5A) and has committed (and continues to commit) considerable financial investment and resources to site assembly and the planning process and to taking the scheme forward. The Council's view is that Renewal Ltd are best placed to deliver the comprehensive scheme across the whole of the SCT site and to this end are working in collaboration with Renewal in order to achieve this.
7. The Council is anxious to get the regeneration scheme moving. We would therefore like at the earliest possible stage to open negotiations with the Club in respect of the acquisition of the land and rights necessary for the re-development comprised within the scheme for the SCT site.

8. At this stage, the Council envisages retaining its freehold interest in respect of the land leased to the Club required for the Renewal scheme, with the Club (subject to what is said below – see under 'Club's Development Proposals') surrendering their lease (or part of it) and the Council granting a new lease over a revised area, coupled with rights necessary to enable the continued operation of the Stadium and its future expansion.

Stadium operation

9. The Council wants to make sure that the development capitalises on the opportunities presented by the Stadium and allows for the long term future of the football club including future requirements for stadium improvement and expansion, so that any new lease will protect the Stadium's operations and grant appropriate rights of access to ensure that can happen.
10. As indicated above, the Council's preference is for the Council to retain the freehold interest in the Stadium land. In terms of the new rights that might be granted, these might be within the new lease or granted separately (subject to contract and consideration of financial issues).
11. The Council would intend that the approach to land-take for the wider scheme (and thus reduced lease area) should allow for the expansion of the Stadium to the 26,500 capacity it might need if it became a Premiership Club. The Council would like to discuss the proposed approach with the Club.
12. The Council would also like to open negotiations with the Club in connection with the works required to the Stadium façade. If the Club is not to carry out these works itself, then the Council would wish to ensure that the necessary rights are granted to

enable the works to be completed as part of the delivery of the comprehensive scheme.

Club's Development Proposals

13. I am aware that the Club has previously been in discussions with the Council regarding the land around the Stadium and that the Club approached the Council with a view to the grant of a new lease and proposals for a development agreement (to include the MCS land) in relation to the development of that land. At that stage no detailed development proposals had been formulated. Those negotiations did not proceed for reasons which were communicated at the time.

14. More recently, I have seen the Club's Annual Report (June 2012) which refers to the Club formulating its plans for the improvement of visitor amenities on both match and non-match days and for the comprehensive redevelopment of the Lion's Centre. It also refers to the Club finalising plans for these sites 'within the overall regeneration scheme'. The Council is willing to discuss any proposals the Club might wish to put forward for the development of its own land, but it will be necessary for the Club to demonstrate that any such proposals accord with and would enable comprehensive delivery of the wider scheme across the whole of the SCT site.

15. Any such proposals by the Club would also need to be supported by a delivery mechanism (for example, a development agreement with Renewal and the Council as appropriate and other necessary arrangements which ensured the proposals would be delivered as part of the comprehensive re-development of the whole of the SCT site), together with a viable business plan including funding arrangements, and also indemnity agreements (where appropriate). Any proposals would have to demonstrate clearly how they would dovetail with Renewal's arrangements in connection with the development of other phases. The Council will not consider any proposals which would prejudice the case for the delivery of the wider site.

16. The Council would emphasise its concern that the Club have so far only contemplated development of their land if the MCS land is included. As you know, the land leased to MCS is owned freehold by the Council. The Club has no legal interest in that land and thus no entitlement to any development value it may have. The Council will expect this position to be fully reflected in any proposals put forward by the Club.

I should be grateful if you could respond to the above within 14 days of the date of this letter. If, however, you need more time to respond, then please let me know.

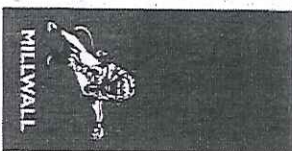
If you have any queries in the interim please let us know.

Yours faithfully,



Rob Holmans
Interim Director of Regeneration & Asset Management

cc. Abdul Qureshi (Interim Head of Asset Strategy & Development)
cc. John Miller (Head of Planning)
cc. Andy Ambler, Chief Executive, Millwall Holdings PLC, Millwall Football Club, The Den,
Zampa Road, London SE16 3LN



MILLWALL

Mayor's Office
19 FEB 2013

Millwall Football Club,
The Den, Zangra Road,
London SE16 3LN

Tel: 020 7232 1222
Fax: 020 7231 3663
Email: questions@millwallfc.com
Web: www.millwallfc.co.uk

Strictly Private and Confidential

Sir Steve Bullock, Mayor of Lewisham

Mayor's Office

Civic Suite

Lewisham Town Hall

Catford

SE6 4RU

18th February 2013

Dear Sir Steve,

Surrey Canal Triangle Site / Millwall Football Club

It was nice to see you and to meet Kris at the Hull game a couple of weeks ago and, as I said in my subsequent emails, I found our lengthy conversation and ready agreement on the way forward very helpful and encouraging.

Demos sent you the letter dated 29 January 2013 that he received from your Interim Director of Regeneration, Mr Holmans. I am sorry that we have not been able to comply with the 14-day deadline that he set but, given that we are in Boston, USA, that the Club and its executive staff are focused on the Championship and the FA Cup and that our professional team still needs to be fully briefed, I hope that you will understand our position.

Let me make it clear at the outset that the Club does want to have the opportunity of redeveloping and extending both The Den and the surrounding land comprised in the Club's lease and the land occupied by the Millwall Community Scheme and intends to bring forward detailed proposals for so doing in negotiation and close consultation with the Council as the freeholder, the planning authority and local authority. We wish to do so within the existing outline planning permission relating to the Surrey Canal Triangle site, within the Council's desired timescale and, in so far as it is necessary to do so, in co-operation with Renewal.

Using Mr Holmans' headings and numbering, I have a number of comments that I would like to make:

Strategic importance of the Surrey Canal Triangle site

1. Noted and understood.
I am well aware that the SCT site was identified as having strategic importance within the Council's Core Strategy.



The Millwall Football &
Athletic Company (1985) PLC
Registered in the above address
Registered in England No: 1924222
VAT Registered 697 4851 69

I am sure that I do not need to remind you that, in that same public document, The Den was referred to as the 'borough's premier sporting destination'.

I quote:-

"Opportunities should be created to ensure that regeneration facilitates and takes advantage of the proposed new station on the London Overground network and the existing sporting and leisure facilities at Millwall Stadium to create a new high quality destination in an area which is relatively devoid of local facilities. The Millwall Football Stadium has the potential to form the core of a new location in an area largely devoid of identifiable features such as local shops, community and leisure facilities. Millwall FC has aspirations to expand the capacity of the Stadium, so that the Club can compete successfully in the Premiership. The Council supports this aspiration, in principle, and the Club should therefore be involved in the preparation of a Masterplan for this site."

It follows that the Club, The Den and the adjacent land are also of strategic importance.

2. Noted and understood.

The Club supports and has always supported the comprehensive regeneration of the SCT site. Look at the way in which we fully supported Renewal's application for outline planning permission and expeditiously agreed the s.106 planning agreement so that the CIL deadline could be met.

Not only did we devote considerable management and professional time in doing so but, since the Club was first involved in the regeneration of the SCT site, we have had to pay out over £2.5m in professional fees and expenses in protecting our interests and developing our own proposals, money that the Club could ill-afford and, having not instigated the original planning process, did not expect to have to spend.

We did so because we are very keen to play a full part in the regeneration of the land around The Den. It is good for London, it's good for the community and, of course, it's good for the Club and the Millwall Community Scheme (MCS).

3. Noted and understood.

I understand that councils occasionally need to use compulsory purchase powers to acquire interests in sites where the inability to acquire those interests by other means might prejudice the comprehensive redevelopment of those sites.

But that is surely not the case here.

MCS subsequently informed the Club that it had been asked to tender its leasehold interest jointly with the Council but, on counsel's advice, had decided not to do so.

Now Mr Holmans tells us that the Council has decided to abandon the tender process. May I ask why – and, because it is important, may I ask for his detailed reasoning?

Whilst we may have thought that the tender process was flawed and unfairly favoured Renewal, may I point out that, with Malcolm Smith's withdrawal of the original deal and the abandonment of the tender process, the Council has effectively decided that it will never make the MCS land available to the Club. It appears that the Club now has no opportunity to acquire land adjacent to The Den, which is crucial to our efforts to create non-football revenues, which will help to provide a secure financial future for Millwall. Is this correct?

6. Am I to understand from this that the Council has decided the Club cannot/will not be able to deliver the comprehensive regeneration of its non-stadium land and The Lion's Centre? And/or that that the Council will only work with Renewal? Please confirm. By what criteria has the Council decided that Renewal should be its only partner for the regeneration of the SCT site? When was this decided?

I assume that the Council has fully investigated Renewal's financial contribution so far and has satisfied itself on its ability to commence, carry out and complete every phase of what, by any standards, is a massive development? I have already demonstrated the ability of Chestnut Hill Ventures to fund the Club's development proposals and our chosen development partner will be of a calibre that its expertise and experience cannot be doubted.

7. The Club is also anxious that the regeneration of the site should commence as soon as possible. What progress has Renewal made with the first phases of the proposed regeneration?

8. I note what the Council envisages but why shouldn't we go back to the deal that was agreed a few years back with Malcolm Smith? That deal envisaged the Council retaining its freehold interest in both The Den and The Lion's Centre, granting a new lease of both to the Club (so that MCS would have become the Club's tenant) and, subject to planning permission, redeveloping the whole in partnership with the Council and the local community and with the Council sharing in the profit as and when the redevelopment/regeneration proceeded. I can quite see that the comprehensive regeneration of the entire SCT site is a priority and Demos has already offered that the overriding lease contain provisions allowing for it to be cancelled in the event that the Club doesn't fulfil its obligations. See below under 'Conclusion' for a repetition of our offer.

Lewisham holds the freehold to both The Den and to The Lion's Centre, the land upon which MCS has its offices and facilities; the former is leased to the Club until 2143, the latter to MCS until 2009; both leases contain strict restrictions on user.

We want to redevelop the non-stadium land comprised in the Club's lease and, for the reasons explained below, we want to redevelop The Lion's Centre as well. Both are equally important for the future stability and success of the Club.

We are not standing in the way of comprehensive regeneration of the SCT site, quite the reverse. What's more, we not only intend to carry out such redevelopment in strict conformity with the outline planning permission and in consultation with Renewal (or whoever it is that they may have sold to) but we are also happy to surrender such parts of our lease that are needed for the remainder of the regeneration. We fully understand that we will require detailed planning permission to carry out our development (which will entail detailed consultation and negotiation with Lewisham as our landlord and relevant planning authority) and you know that we have the financial wherewithal and, with our development partner, the expertise to do so.

Why, therefore, would Mr Holmans 'threaten' us (because that is how I read it) with compulsorily acquiring the non-stadium land that belongs to us? There is just no need to do so.

Whilst on the subject of compulsory purchase, I believe that Renewal paid £100,000 or thereabouts for about 1.3 acres of land close to The Den. That acquisition took place in 2007/2008 well before outline planning permission was even granted and I assume that that will be taken into account in any compulsory purchase negotiations.

Negotiations by agreement

4. The Club has, over the years, had several discussions with Renewal about the regeneration of the site and the respective roles that they each might play.

Although I am sure that Mr Malik will not agree, the Club has always negotiated with Renewal in the utmost good faith and it has been and remains a grave disappointment that nothing has come of these discussions.

At the lunch you kindly gave Mr Malik and Demos a week or two ago, you will have witnessed how difficult negotiations have become.

I do not know what discussions/negotiations Renewal has had with MCS.

5. At a meeting at The Den held in early 2012, the Club was told – by Messrs. Gough and Qureshi - that a tender process had been decided upon, that full details would be available within 'a couple of weeks' and that the Council hoped to conclude the process by the end of September 2012.

With respect, Mr Holmans doesn't understand that the future existence of Millwall Football Club at The Den and the stabilisation of its finances requires more than just an increase in the seating capacity of the stadium.

Stadium Operation

9. Noted and thank you but, with respect, again Mr Holmans hasn't understood that the long term future of the Club depends on more than just the improvement and expansion of the stadium.
10. See 8 above.
11. Noted. Thank you.
12. The Club has not made a profit since we assumed ownership and control. We do not have the money to carry out improvements to the façade of the stadium unless we have income from development. If the Council or the developer wishes to give us the money to do so, we would be very happy to discuss this.

Club's Development Proposals

13. See above. I have referred to our previous discussions elsewhere in this letter but I should point out that, contrary to Mr Holmans' claim, we have never been told why Malcolm Smith withdrew from the previous deal.
14. As Demos made clear in his letter to you, we cannot afford to spend more money on architects and other professionals in formulating detailed plans without knowing what the Council intends to do vis-à-vis the non-stadium land owned by the Club and The Lions' Centre. It is our firm intention, however, that our proposals do accord with and will enable comprehensive delivery of the SCT regeneration scheme as a whole.
15. Noted and understood.
16. Mr Holmans writes as if there were no link between the Club and MCS and I would ask that he familiarise himself with the history and track record of the Millwall Community Scheme.

When the Club set up MCS 25 years ago to 'provide sporting, educational, social and healthy lifestyle opportunities to the local communities of Lewisham and Southwark at affordable prices', it set it up – as it had to – as a charity and, therefore, a separate legal entity. MCS would not exist without the Club, it could not have survived without the Club and, without the Club's money and practical help, it will not survive in the future. Ask the trustees of MCS. This is not about facilities for the community scheme, it's about the long-term, guaranteed financial support from the

Club that MCS has enjoyed since its inception and will continue to enjoy as long as the Club is at The Den.

The Club and MCS may be separate legal entities but the Club – and as I think you will find – the outside world regards them as one. Damage one and you damage the other.

If you exclude the stadium itself and the land required for its operation as a football ground, there is not enough land left in the lease to the Club to make its commercial development economically viable. It follows that we need to develop the MCS land in tandem with the non-stadium land.

Our purpose in so doing is, as we have repeatedly told you and your officers, to 'future-proof' the Club in its present location. If we are to be able to remain here, it is vital that we do so. We want to be able to extend and improve the stadium, we want to improve the facilities available to match-day and non match-day visitors and we want to redevelop The Lion's Centre and the non-stadium land to provide not only state-of-the-art offices and facilities for MCS but also flats, offices, medical and leisure facilities for the benefit of both the Club and the local community. We want to develop income-producing businesses and assets that will both subsidize and stabilize the Club and enable us to consolidate Millwall Football Club's position at the heart of the community.

I thought that was what Lewisham wanted as well – certainly that was what the Core Strategy Document said – and I can't now understand why the Club isn't going to be given the chance to realize its aspirations.

We may have been naïve but we have always assumed that, provided we safeguard MCS, its facilities and its future to the reasonable satisfaction of its trustees, we could rely on Lewisham as our freeholder, council and planning authority to support us.

Conclusion

Founded in 1885, Millwall Football Club (MFC) has played within the London Borough of Lewisham (Lewisham) since 1910, first at the old Den stadium in Cold Blow Lane and then, from 1995, at the present location in South Bermondsey. The twentieth anniversary of the first game played at The 'New' Den takes place this August. Since that first game, gates have averaged 10,000 per game and, with an average of 30 games per season, about 6,000,000 people have passed through the turnstiles, bringing incalculable benefit to the Borough of Lewisham.

The Core Strategy document recognised this and now we are asking for the chance to develop both The Den and The Lion's Centre. Our financial situation does not allow us to do the former without access to the latter and whilst my family and I have been happy to bankroll both the Club and, thereby, MCS since our ownership began, we cannot do so for

ever. I must have the chance to make the Club self-sufficient so that its future in Lewisham is secured.

Some years ago, MFC and Lewisham came to an agreement whereby Lewisham would grant MFC an overriding lease of both The Den Land and The Lion's Centre Land so that MCS would become MFC's tenant. The agreement provided that, subject to MFC obtaining the necessary planning permissions, MFC would be allowed to redevelop The Lion's Centre and The (non-stadium) Den Land. It was further agreed that Lewisham would vary the terms of the overriding lease to permit such redevelopment in return for 50% of the profit.

Both Lewisham and MFC instructed solicitors and detailed heads of terms and draft documentation were drawn up. As I recall, the Club paid all the legal fees of both parties. It is correct to say that no detailed development proposals had been formulated at that time but MFC's architects, Squire & Partners, did produce a master plan.

I repeat the offer that Demos made to the effect that the overriding lease could contain a mechanism whereby if the Club hadn't redeveloped the land by a certain date (to accord with the phasing of the works on the rest of the SCT site), it could be terminated as regards The Lion's Centre and the (non-stadium) Den land.

That way we'd get a fair chance to demonstrate our commitment to the regeneration of the Surrey Canal Triangle site but you'd still retain overall control and be able to hand The Lion's Centre and the non-stadium land over to the developer should the Club fail. Surely I'm offering you a win/win situation for the Council? We see it like that and I'm fairly sure that the outside world will take the same view.

There a number of legal issues that will need to be cleared up - for instance a surrender of parts of the non-stadium land, the release of certain rights and so on - all of which we will be happy to discuss and implement if we can make progress on our offer.

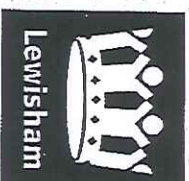
Finally, the trustees of the Millwall Community Scheme have seen our indicative proposals for The Lion's Centre land and the remainder of the development. I intend to show them Mr Holmans' letter and this response and no doubt they will make their feelings known to you.

Perhaps we should meet again soon? My very best personal regards to you and Kris.

Yours sincerely,

John G Berylson
Chairman
Millwall Football Club





John Berylson
Chairman
Millwall Football Club
The Den, Zampa Road
London SE16 3LN

Rob Holmans
Interim Director of Regeneration &
Asset Management
Laurence House
Catford
London SE6 4RU

direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk

date 18th March 2013
our reference
your reference

Dear John,

Re: Surrey Canal Triangle (SCT) Regeneration Scheme

Further to the Mayor's letter of 15th March 2013, as you know the Mayor has passed me a copy of your letter of 18th February 2013 for reply.

I am pleased to note that all parties agree on the importance of the regeneration of this part of the Borough and that the comprehensive re-development of the Surrey Canal Triangle (SCT site) is central to the achievement of the objectives of regeneration and growth contained in the Council's Core Strategy.

We also recognise, as is reflected in the Core Strategy and the consented development proposals, the importance of the football club, its continued operation in its present location and its aspirations for the future. These are things which the Council wishes to support and protect as I tried to make clear in my letter of 29th January 2013.

However, if our wider objectives for the area are to be realised, we now need to move forward with the re-development scheme without further delay. It is now nearly a year since planning permission was granted for this. Renewal have committed considerable financial investment and resources to site assembly, to the planning and design process and to taking the scheme forward. They hope to be in a position to start the early Phases of the development in the very near future. The Council is therefore supporting Renewal in bringing forward this strategic site which is considered essential to delivering the Core Strategy and our objectives for transformation of the wider area.

You refer to the Club's wish to develop the land around the Stadium. I am aware that this is something the Club has raised a number of times now, dating back at least to the time of the Club's previous discussions with the Council regarding the grant of a new lease which as you point out was some years ago. To-date, however, no such plans have been forthcoming.

In my letter of 29th January, I invited you to share with us the Club's proposals, which the Club had previously indicated it was formulating and finalising. Your response does not refer to any specific proposals, but simply states that the Club's plans will accord with the outline scheme and refers to your intention that such plans will enable comprehensive delivery of the wider regeneration scheme. Whilst the Council welcomes this assurance, such assurances

on their own are not sufficient to demonstrate to the Council that this will be the case. In order that we can consider how your proposals might fit in with and enable comprehensive delivery of the wider scheme within a reasonable timescale, we will need to see, as soon as possible, details of your specific proposals, including plans, proposed timescales, a viable business plan with the funding arrangements, and your proposals regarding the mechanics of delivery – what contractual arrangements are proposed to enable delivery in conjunction with development of the wider site? At this stage, this does not need to be worked up to the level of a detailed planning application, but the information does need to be sufficient to enable the Council to give it proper consideration.

The Council's aim is for a negotiated settlement to be reached between all parties which would protect the legitimate interests of the Club. However, this must be on clear terms which will secure the comprehensive regeneration in accordance with the wider scheme and without further delay. Therefore on the one hand whilst you assert that the Club has the financial wherewithal and a development partner with the relevant expertise, on the other you suggest that you are not in a position to provide the requested information unless you know what the Council's intentions are regarding the non-stadium land and the MCS land. Unless the Council has the information required regarding the Club's proposals, it is simply not in a position to assess whether those proposals will enable comprehensive delivery of the wider scheme consistent with the Council's key objectives.

I look forward to hearing from you in response to the above which I believe sets out the key issue at this stage.

In addition, you also raised a number of specific points/queries in your letter of 18 February which I will endeavour to assist you with where these are not already addressed by my response above. I have used the headings and paragraph numbers from your previous letter.

Strategic importance of the Surrey Canal Triangle Site, paragraph 3

You suggest that my letter of 29 January "threatened" compulsory acquisition. I did refer to the availability of compulsory purchase powers, but I must emphasise that this was not intended in any way as a threat. The availability of compulsory purchase powers is part of the background in any case where regeneration proposals are being brought forward and the use of such powers is expressly supported in the Council's Core Strategy. But that does not mean the use of the powers is inevitable. As I hope I have demonstrated, the Council's desire is very much for a negotiated position to be reached if that can be achieved in a manner which will secure the parties' objectives.

I note your reference to land close to the Den which you says Renewal paid £100,000 for in 2007/2008. I have no details of that transaction and so I am not in a position to comment. What I can say is that any consideration in respect of the Club's land interest whether it be by private treaty or following compulsory acquisition will be a matter for agreement/negotiation, informed by expert valuation advice relevant at the time.

Negotiations by agreement, paragraphs 5-8

In relation to the tender process in respect of the MCS land which was discussed last year but which did not proceed, as you know MCS advised they did not wish to participate in any such tender. Also, the Council noted that the club did not wish to proceed with a Tender for the reasons which you set out in previous correspondence. The Council has also come to the view that the tender exercise should not proceed. It has reservations as to whether such an exercise would be conducive to ensuring the comprehensive re-development of the SCT site within a reasonable and certain timeframe – this, and how best to achieve it, remains our current focus.

As I explained in my letter of 29 January, I understand from Renewal that they have already assembled about 85% of the SCT site (this excludes the land around the Stadium and the MCS land). In addition, they have committed (and continue to commit at their own risk) considerable financial investment and resources to site assembly, the planning and design process, and taking the scheme forward. They have made good progress towards assembling the necessary land to enable a start on the early Phases in the near future. In the event that a CPO is required, before making any Order, the Council will need to be satisfied that Renewal's business plan and funding strategy provide the necessary basis for delivery of all Phases of the wider scheme.

I note the reference to the previous discussions with the Council regarding the Club's lease and the possible inclusion of the MCS land in those arrangements. As you know those discussions took place a number of years ago. No formal agreement was reached and things have since moved on. We now have a consented scheme for comprehensive re-development of the site which the Council is anxious should move forward without further delay. As I say, that and how best to achieve its delivery remain our current focus.

Stadium operation, paragraph 11

In terms of the improvements to the Stadium façade, as you know, these works form part of the consented scheme and the associated Section 106 Agreement. The delivery of the works and associated cost will be a matter for further discussion.

Club's development proposals, paragraph 16

I am familiar with the history and track record of both the Club and the MCS and welcome the additional detail. The nexus between the Club and MCS land is acknowledged and, as you know, the proposal is that MCS will be relocated elsewhere within the re-development scheme as is reflected in the Section 106 Agreement. MCS's new location will thus be in close proximity to the Club and would enable the relationship to continue and MCS to continue to serve the communities of Lewisham and Southwark. The position remains, however, that the freehold interest in the land which is leased to MCS is owned by the Council and the Club has no entitlement to that land.

The MCS land remains important to the delivery of the comprehensive development of the SCT scheme and the Council considers its exclusion from the rest of the site would prejudice the comprehensive re-development of the wider site.

I would appreciate if you could respond within 14 days of receipt of this letter. If, however, you need more time to respond, then please let me know.

I would be more than happy to meet to discuss matters further.

If you have any queries in the interim please do not hesitate to contact me.

Yours sincerely,

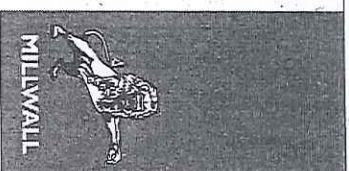


Rob Holmans
Interim Director of Regeneration & Asset Management

cc: Abdul Qureshi, Head of Asset Strategy & Development, (interim)
cc: John Miller, Head of Planning
cc: Andy Ambler, Chief Executive, Millwall Holdings PLC, Millwall Football Club, The Den, Zampa Road, London SE16 3LN

Our ref: AJA/hg

Rob Holmans
Interim Director of Regeneration & Asset Management
Laurence House
Catford
London
SE6 4RU



Millwall Football Club,
The Den, Zampa Road,
London SE16 3LN

Tel: 020 7232 1222
Fax: 020 7231 3663

Email: questions@millwallplc.com
Web: www.millwallfc.co.uk

2nd May 2013

Dear Mr Holmans,

Millwall FC / Surrey Canal Triangle Site

Thank you for your letter to my chairman, John Berylson, of 18th March and my sincere apologies for the delay in replying.

We were much encouraged by your recognition of the importance of Millwall Football Club, its continued operation in its present location and its aspirations for the future.

However, it takes a considerable amount of money to own and operate a football club and, at the moment and despite the best efforts of our shareholders and the management team, we lose money every year. This just can't continue. The principal shareholders have already put well in excess of £20 million into the Club over the past six years. If the Club is to remain in its present location, we have to get it onto a firmer financial footing.

There are a variety of ways of doing this.

Obviously success on the field is paramount and there is very little you can do to help us with that. If, of course, we should make it to the Premiership one day, we'd need to extend the stadium and make other major improvements to the infrastructure - but I know that I could rely on the Council's help in those happy circumstances.

Another is to run the Club as efficiently as possible, maximising revenues whilst controlling costs, but having been here now for over 6 years, I am confident that we are already doing all that we possibly can in that respect.

The last is to do what most football clubs have done and find ways of producing a reliable, predictable and steady non-football income that can sustain a football club through the hard times. This we seek to do by developing the non-stadium land included in our lease in consultation with you as our landlord, as the planning authority and as the local authority with responsibility, inter alia, for Millwall Football Club. In recent years the threat of football clubs becoming financially insolvent has become a reality. We need look no further than Portsmouth, Coventry and Swindon to be reminded of this unpalatable fact. We must not add Millwall FC to that unhappy list.

But there just isn't enough surplus land in our lease for such a development to be economically viable. In the past Lewisham has recognised this and agreed detailed heads of terms for the grant of an overriding lease of both our land and that occupied by the Millwall Community Scheme. Indeed in an email to the Club dated 16 October 2009 Peter Clark, then Head of Asset Strategy and Development for Lewisham, confirmed that he would be recommending that the Community Scheme land be included in the Club's new lease. That came to nothing and Malcolm Smith formally withdrew the offer without giving any reasons for doing so.

Then early last year we were told that The Lions' Centre was to be offered to both the Club and to Renewal on a tender basis – but now you tell us that you have decided not to.

I know that we don't have any 'legal' interest in The Lions' Centre but I wonder if you fully appreciate the extent to which the Millwall Community scheme is part of the Football Club? It was set up by the Club, it carries our name, it gets a major part of its funding from the Football League because of its association with the Club, its annual deficit is covered by the Club and a large part of its good works in the Borough just could not be undertaken without the practical support and assistance of the Club and its players. The only reason that it is a separate legal entity is that it was set up – as all football community schemes are – as a charity. In all other respects, it is part of the Club and this situation was clearly acknowledged by Peter Clark in the correspondence quoted above when he wrote, “Tuesday's meeting helped to clarify the close linkage between the Club and the Community Scheme...”

All this is clearly understood by the trustees of the Millwall Community Scheme whose obligations as trustees are to the Scheme, its assets and its long term viability in the community, all of which the Club will safeguard and preserve – as it has done since the Scheme was established. We have offered them whatever reassurances they need in this regard and will continue to do so.

You have asked us for more details of our proposals. Some time ago, we attended a meeting at Renewal's architects' offices and presented an outline scheme for the redevelopment of the non-stadium land and The Lions' Centre. Our architects, Squire & Partners, drew up that scheme. It predated Renewal's application for outline planning permission and so wouldn't have fitted in with the overall regeneration plans.

We haven't instructed them further because of the uncertainty surrounding The Lions' Centre but we did engage them – at further considerable expense to the Football Club – to prepare an outline scheme for The Lions' Centre itself because we wanted to show them to the trustees of the Millwall Community Scheme. Those plans are now enclosed and I propose that we come to your offices to present them to you formally as part of our plan for both The Lions' Centre and the non-stadium land.

We have suggested that together we return to the heads of terms that were negotiated and agreed for an overriding lease of both our land and The Lions' Centre with the additional proviso that such lease could be terminated in respect of the non-stadium land and The Lions' Centre in the event that certain milestones were not met by the Club. For the reasons previously stated, the Council has everything to gain and nothing to lose from this proposal.

If the Council is prepared, in good faith, to consider this approach, then that would justify the immediate instruction to our professional team to come up with detailed proposals for the redevelopment and regeneration of both the non-stadium land and The Lions' Centre in accordance with the outline scheme and with such assurances as you may reasonably require to ensure comprehensive and timely delivery within the wider regeneration scheme.

If, however, no such assurance can be given, I must ask you to explain the Council's reasons for its decision. Is it correct to infer from the Mayor's letter of 15 March that the Council has decided that it will never offer the Club any developable interest in The Lions' Centre? Is it further correct to infer from that letter that the Council has decided that only Renewal can be trusted to develop The Lions' Centre?

Could I also formally ask if the Council has independently verified that Renewal has 'assembled' about 85% of the SCT site excluding the non-stadium land and The Lions' Centre? That is not consistent with our information. And could I further ask the Council to clarify what timing it has in mind when it asserts that Renewal are able to "start on the early Phases (of the development of the SCT site) in the near future"? Again, our information indicates that an early start is not a possibility. And are they able to deliver vacant possession in order to do so?

I look forward to hearing from you and suggest that we co-ordinate diaries at the earliest opportunity to arrange a meeting to discuss our plans for The Lions' Centre and the non-stadium land.

Yours sincerely,



Andy Ambler
Chief Executive
Millwall Football Club



Andy Ambler
Chief Executive
Millwall Football Club
The Den, Zampa Road
London SE16 3NL

Rob Holmans
Interim Director of Regeneration &
Asset Management
Laurence House
Calford
London SE6 4RU
direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk
date 15th May 2013
our reference
your reference

Dear Andy

Thank you for your letter of 2nd May 2013. It was also good to meet you on Friday.

Thank you for forwarding the outline development proposals that you would like to discuss. I note in your letter that the Club acknowledge that they do not have a legal interest in the MCS Lion's Centre Site. As I have stated before in correspondence copied to you, the MCS land remains important to the delivery of the comprehensive development of the SCT scheme and the Council considers its exclusion from the overall scheme would prejudice the comprehensive re-development of the wider site. I am happy to discuss this further at our meeting.

Notwithstanding this concern, I have asked my colleagues in planning to review the development proposals on my behalf and I think it would be useful for us to meet up in about 3 weeks (once we have had the opportunity to digest your proposals) in order that we can discuss them with you.

I will ask my PA Charmaine Townsend to liaise with you directly to find a mutually convenient date and I look forward to seeing you then.

Yours Sincerely,

Rob Holmans
Interim Director of Regeneration and Asset Management



Andy Ambler
Chief Executive
Millwall Football Club
The Den, Zampa Road
London SE16 3NL

Rob Holmans
Interim Director of Regeneration &
Asset Management
Laurence House
Cattford
London SE6 4RU

direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk
date 25th June 2013
our reference
your reference

Dear Andy,

I refer to my letter of 15th May 2013, in response to your letter dated 2nd May enclosing the outline development proposals 'Millwall Community Scheme Sport Pitch Study'. As you know, we had planned to meet on 11th June but unfortunately you had to cancel. In the circumstances, I thought I should write to set out the Council's current position.

As our previous correspondence acknowledges, it is beyond dispute that all parties consider that a comprehensive re-development of the Surrey Canal Triangle (SCT site) is central to the achievement of the objectives of regeneration and growth contained in the Council's Core Strategy.

I am sure you are aware that the Council has gone to considerable lengths to safeguard the interests of the Club and its ability to expand the stadium should promotion to the Premiership be achieved, something which the Council would very much welcome. Whilst I sympathise with the Clubs' financial position, the difficulties this presents, and your desire to produce reliable, predictable, steady, non-football income to put the Club on a firmer footing, as you acknowledge the Clubs' leasehold land (Stadium excluded) is incapable of sustaining a viable development in isolation. So you suggest, as you have previously, the inclusion of the MCS land in a re-negotiated lease.

As you know, the freehold interest in the land leased to Millwall Community Scheme (MCS) is owned by the Council and the Club currently has no legal interest in the MCS land. There are a number of comments in your letter of 2nd May about the previous discussions between the Club and the Council in 2009 regarding the land around the Stadium and the MCS land, and also the possible tender exercise which was mooted last year. The reasons why neither of these options has proceeded have already been addressed in previous correspondence and matters have now moved on. You also refer to the relationship between the Club and the MCS and again this has been acknowledged and addressed in the above correspondence. I do not therefore intend to repeat what has already been said, save to reiterate that

the MCS land remains important to delivery of the comprehensive development of the SCT scheme and the Council considers its exclusion would prejudice the comprehensive re-development of the wider site.

As the Council has repeatedly said, if our wider objectives are to be realised, we need to move forward with the re-development scheme without further delay. You have referred to the Club's wish to develop the land around the Stadium (and the MCS land) a number of times dating back over many years. The Council has given the Club every opportunity to come forward with its own proposals and has made it clear that if the Council is to give any consideration to such a scheme, details of specific proposals are required with drawings, proposed timescales, a viable business plan with funding arrangements, proposals for the mechanics of delivery and contractual arrangements to enable delivery in conjunction with development of the wider site and, in turn, comprehensive re-development of such wider site consistent with the Council's key objectives.

Despite the Council making clear what is required and affording ample opportunity for it to be provided, none of the required information has been forthcoming. The position remains, however, that we have a consented scheme for comprehensive re-development of the whole site which the Council is anxious should move forward without further delay. Renewal have assembled most of the site and continue to commit considerable financial investment and resources to site assembly, the planning and design process and taking the scheme forward. The Council's focus and priority going forward will be in supporting Renewal who the Council considers to be best placed to progress this strategic site which is considered essential to achievement of the regeneration objectives for the area.

The Council's aim remains for there to be a negotiated settlement between all parties within a reasonable timescale. The Council therefore wishes to commence immediate discussions with the Club for the surrender of your current lease and the grant of a new lease for the Stadium whilst safeguarding the expansion of the Stadium and the continuing successful operation of the Club. To the extent that matters cannot be resolved within a reasonable time frame, then, as previously advised, the availability of compulsory purchase powers remains part of the background where, as here, regeneration proposals are being brought forward and the use of such powers is expressly supported in the Council's Core Strategy. I reiterate, however, that the Council's desire is very much for a negotiated position to be reached and I hope that the Club will therefore accept this invitation to embark upon discussions in relation to the proposed surrender and new grant by agreement.

I believe the above addresses the main points between us. In your letter of 2 May, you raised specific questions about the land assembly exercise, the extent of Renewal's ownership and Renewal's ability to make an early start on the scheme. The Council has been monitoring the progress of land assembly since the Mayor & Cabinet decision in March 2012 to support "in principle" the use of compulsory purchase powers. It satisfied that Renewal now control about 85% of the land interests within the wider site (excluding the land around the Stadium and the MCS land). The position on the remaining land is being assessed and verified by the Council's Surveyors, GL Hearn, independently as part of the on-going site assembly requirements. Renewal have detailed proposals for and are confident of securing commercial occupiers for the early phases of the scheme.

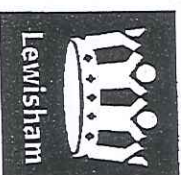
The Council, having reviewed Renewal's ownership and tenancy schedules is sufficiently confident that, vacant possession can be obtained and with all parties working collaboratively a start on this exciting and innovative scheme, with its attendant wide-ranging benefits, can be achieved by Spring 2015. I hope that the Club will work with and support the Council and Renewal in the achievement of this aim which is central to delivering the Core Strategy and our objectives for the transformation of the wider area.

I will instruct my office to contact you with a view to arranging meetings to progress matters as soon as possible.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rob Holmans', with a stylized flourish at the end.

Rob Holmans
Interim Director of Regeneration and Asset Management



Andy Ambler,
Chief Executive,
Millwall Holdings PLC,
Millwall Football Club,
The Den, Zampa Road,
London SE16 3LN

Rob Holmans
Director of Regeneration & Asset
Management
Laurence House
Catford
London SE6 4RU

direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk

date 6th September 2013
our reference
your reference

Dear Andy,

Thank you for coming in to meet John Miller and myself on 15th August following my letters of 15th May and 25th June. It was a good opportunity to hear more about the club's perspective.

As stated in previous correspondence and reiterated at the meeting, the Council recognises, as is reflected in the Core Strategy and the consented development proposals, the importance of the football club, its continued operation in its present location and its aspirations for the future. I hope I made it clear in the meeting that these are things which the Council wishes to support and protect.

I made a number of points in my previous letters which I will not repeat in full here. However, I should reiterate that the Council wishes to move forward with the redevelopment scheme without delay in order to realise the objectives set out in the Council's LDF Core Strategy. I have pointed out, and you have accepted, that the freehold interest in the land leased to Millwall Community Scheme is owned by the Council and the Club currently has no legal interest in the land. I have also made it clear that, if the Council is to give any consideration to proposals brought forward by the Club, in addition to drawings, it would require details of proposed timescales, a viable business plan with funding arrangements, proposals for the mechanics of delivery and contractual arrangements to enable delivery in conjunction with the wider site.

At the meeting you presented a new set of drawings prepared by Mackay and Partners. The submission of a draft set of drawings alone does not demonstrate that the Club are able to deliver an acceptable scheme as part of the comprehensive regeneration of the area with Renewal Ltd and the Council. My conclusion is that, if its wider objectives for the area are to be realised, the Council needs to move forward with the redevelopment scheme with Renewal Ltd without further delay and I am now intending to report to Mayor & Cabinet on 11th Sept 2013 on this basis and the sale of the Council's land to Renewal.


Also, as you are aware, the Council made "an principle" decision to support a compulsory purchase order (if one is required) to assemble the remaining land for the Surrey Canal Regeneration Scheme. The Council's appointed Valuers, GL Hearn, have carried out an assessment of the land affected by the scheme, and they will be contacting the Club shortly to open negotiations on the land to be acquired.

The Council's aim remains, as stated in my previous correspondence, to achieve a negotiated settlement with all parties. In respect of the club we seek to protect the legitimate interests of the Club and the stadium operation (in accordance with the S.106 agreement signed by the parties) on clear terms which will secure the comprehensive regeneration in accordance with the wider scheme. In order to implement the regeneration scheme and the works, it will be necessary for the Club to surrender their existing lease to the Council, and be granted a new lease with rights to access and extend the stadium, subject to terms being agreed with the Council. Please confirm that you are now in a position to discuss how this can be best achieved.

I would appreciate if you could respond within 14 days of receipt of this letter. If, however, you need more time to respond, then please let me know.

If you have any queries in the interim please do not hesitate to contact me.

Yours sincerely,



Rob Holmans
Director of Regeneration and Asset Management

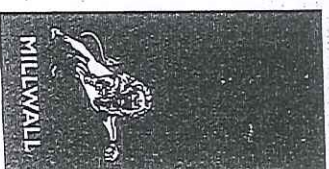
Cc. Abdul Qureshi, Head of Asset Strategy & Development, (Interim)

Cc. John Miller, Head of Planning

Cc. Demos Kouvaris, Chief Operating Officer and Chief Finance Officer, Chestnut Hill Ventures LLC, 60 William Street, Suite 230 Wellesley MA 02481

Our Ref: AJA/hg 065

Rob Holmans
Director of Regeneration & Asset Management
Laurence House
Cattord
London
SE6 4RU



Millwall Football Club,
The Den, Zampa Road,
London SE16 3LN
Tel: 020 7232 1222
Fax: 020 7231 3663
Email: questions@millwallplc.com
Web: www.millwallfc.co.uk

10th September 2013

Dear Rob,

Thank you for your letter of 6th September, the contents of which have been noted.

You will appreciate that, by working with Mackay and Partners and the other members of our professional team to produce a planning compliant and comprehensive scheme for The Lion's Centre and the non-stadium land, the Club has gone to a lot of trouble and expense to meet your previously expressed concerns.

Given time, we can also produce a viable business plan, details of funding and a suitable timeline - and, if our professional team can engage with your planners and other advisers, we can discuss the mechanics of delivery and other necessary contractual arrangements.

However, there is little point in doing so unless you and your colleagues are prepared to give serious consideration to the proposed scheme and I would welcome your confirmation that you will do so. If you need any further information or assistance from us, we are at your disposal.

I shall be presenting the Mackay Scheme to the trustees of The Millwall Community Scheme next week. Demos Kouvaris will also be in London next week and he will want to meet with our professional team.

In the circumstances, I shall reply to your letter as soon as I possibly can but may not be able to respond within the fourteen days that you have proposed.

Yours sincerely,

Andy Ambler
Chief Executive
Millwall FC





Andy Ambler,
Chief Executive,
Millwall Holdings PLC,
Millwall Football Club,
The Den, Zampa Road,
London SE16 3LN

Rob Holmans
Director of Regeneration & Asset
Management
Laurence House
Calford
London SE6 4RU
direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk
date 18th September 2013
our reference
your reference

Dear Andy

Thank you for your letter of 10th September 2013.

As you are aware, there has been lengthy correspondence as well as discussions over many years involving the Council, Renewal and the Club regarding the development of the Lions Centre and the land around the Stadium during which the Club has maintained an intention to bring forward proposals. It is only very recently, however, that you have chosen to provide us with some drawings for a possible scheme.

You now suggest that given time you can provide the necessary supporting material to demonstrate deliverability of your proposals and how they might fit in with and deliver the wider comprehensive scheme, but there has already been ample opportunity for this information to be provided. Whether you wish to undertake this additional work is a matter for you, but the Council is not prepared to put things on hold while you do that. As stated in my letter of 6th September and on a number of occasions previously, the Council's position remains that if its objectives for the area are to be realised, we need to move forward with the redevelopment scheme without further delay. To this end, as you may be aware, I reported to Mayor & Cabinet on 11th Sept 2013 when it was resolved (subject to the usual call in process) to dispose of the Council's freehold interest in the Club's and the Scheme's land to Renewal.

The Council therefore intends to continue to press ahead with realisation of its objectives, which as you are aware may include the use of CPO powers. The Council's clear wish is, however, to try and achieve negotiated agreements for the acquisition of all third party interests, including that of the Club and it is inviting all owners to join in negotiations with the Council and Renewal to help implement the regeneration scheme. I would welcome a meeting with you to discuss the terms for acquisition/re-grant of the Club's interest in more detail at the earliest opportunity.

I look forward to hearing from you.

Regards.

Yours sincerely,



Rob Holmans
Director of Regeneration & Asset Management

Cc: Abdul Qureshi, Head of Asset Strategy & Development (Interim)

Cc: John Miller, Head of Planning

Cc: Demos Kouvaris, Chief Operating Officer and Chief Finance Officer, Chestnut Hill Ventures LLC, 60 William Street, Suite 230 Wellesley MA 02481



Andy Ambler
Chief Executive
Millwall Holdings PLC
Millwall Football Club
The Den, Zampa Road
London SE16 3LN

Rob Holmans
Director of Regeneration & Asset
Management
Laurence House
Catford
London SE6 4RU
direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk
date 23rd September 2013
our reference
your reference

Dear Andy,

Further to our conversation today, I confirm that the Council is not selling it's freehold in the area which forms the footprint of the Stadium. The Stadium area will be retained by the Council, and the Council intend to remain the Landlord of the Club for the foreseeable future.

For clarification, I attach a plan showing the area coloured light blue - which the Council are selling to Renewal under the terms agreed with them. This area is outside of the footprint of the existing Stadium, and includes the Council's freehold of the Lions centre which is Leased to MCS. This land forms the circulation space and public realm area and the development that Renewal are proposing to build.

In order to progress matters, what the Council are proposing is that the Club surrender their existing lease and are granted a new Lease, on revised terms, which excludes the area which Renewal require for their scheme.

It may be better if we sit down and go through what is proposed in more detail.

I look forward to hearing from you.

Regards.

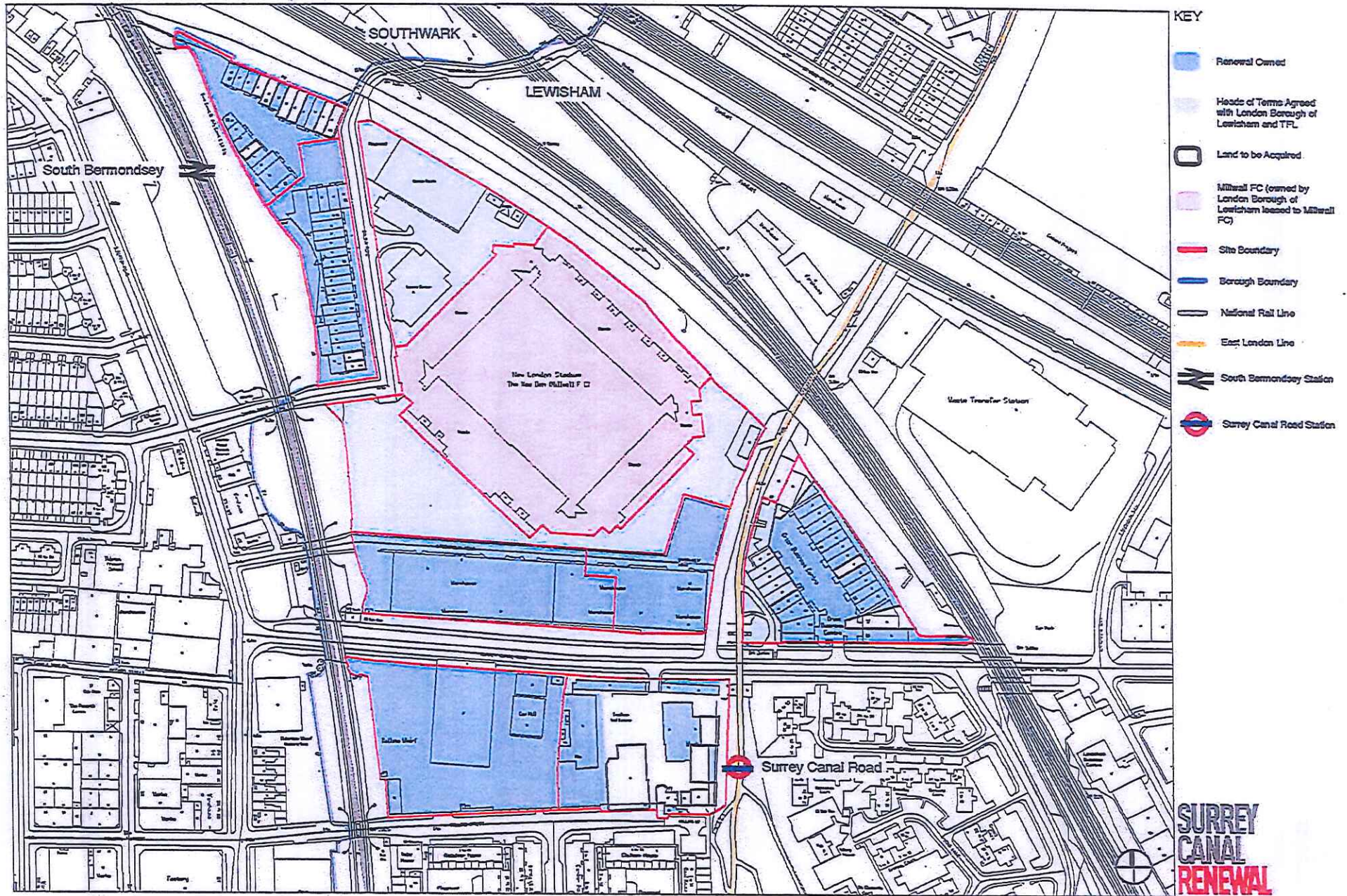
Yours sincerely,

Rob Holmans
Director of Regeneration & Asset Management

Cc: Abdul Qureshi, Head of Asset Strategy & Development (Interim)

Cc: John Miller, Head of Planning

Cc: Demos Kouvaris, Chief Operating Officer and Chief Finance Officer, Chestnut Hill
Ventures LLC, 60 William Street, Suite 230 Wellesley MA 02481





EVERSHEDS



Mr Holmans
Director of Regeneration & Asset Management
London Borough of Lewisham
Laurence House
Cattord Road
London
SE6 4RU

Date 25 September 2013
Your ref GRIMBLR/156536-000009
Our ref
Direct dial 0845 497 4983
Direct fax 0845 497 4919
john.grimbley@eversheds.com

Dear Sir

Surrey Canal Triangle Regeneration Scheme

We have been instructed by The Millwall Football and Athletic Company (1985) PLC following the Council's decision taken at Cabinet on 11 September 2013 to authorise entry into a conditional contract with Renewal Limited in relation to lands adjoining The Den.

We are unable to understand how, in the light of the Council's responsibilities, it can authorise concluding such a contract with Renewal Limited, without providing an opportunity for our client to make a bid for the lands in question. We have been advised that our client has been seeking to acquire these interests for an extended period and that detailed proposals for the development of this land have been presented to and discussed with the Council within the last month.

It is therefore extraordinary that the report to Cabinet included no mention of such proposals and that the only reference to the Club is simply a reference to correspondence with our client and "that negotiations are still taking place". It appears that the requirement that the Council should obtain the best consideration reasonably obtainable under section 123 of the Local Government Act 1972 has been wholly ignored. The existence of a prospective purchaser of land, in particular one who wishes to develop that land with their own adjoining land, is a fundamental consideration which the Council must take into account in reaching any decision to dispose of its own land.

As a consequence we believe that the Council's decision is fundamentally flawed and we must seek your undertaking by return that the Council will not enter into any agreement to dispose of the land to Renewal Limited (or any other person or entity) until a proper opportunity has been given to our client to bid for this land in a fair and transparent process.

In the absence of receipt of such an undertaking, our client reserves its right to take such further steps as it considers appropriate without further reference to you.

Yours faithfully

Eversheds LLP

Eversheds LLP

Eversheds LLP
One Wood Street
London
EC2V 7WS

Tel 0845 497 9797
Fax 0845 497 4919
Int +44 20 7919 4500
DX 154280 Cheapside 8
www.eversheds.com



lon_11b1\95215601\volke



John Grimbley
Eversheds
One Wood Street
London
EC2V 7WS

Rob Holmans
Director of Regeneration & Asset
Management
Laurence House
Calford
London SE6 4RU

direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewisham.gov.uk

date 3rd October 2013
our reference
your reference

Dear Sir,

I refer to your letter of 25 September 2013 and note that you are instructed on behalf of Millwall FC.

I am sure you will be aware of the lengthy correspondence that has taken place between the council and your client over a long period of time, so I will not repeat the points we have made to your client on numerous occasions.

The Council is fully aware of the requirements of S.123 Local Government Act 1972 and has been independently advised on these aspects in detail, including appropriate independent valuation advice.

As stated in my letter of 6th September to your Client, and on a number of occasions previously, the Council's position remains that if its objectives for the area are to be realised, the Council's intention is move forward with the redevelopment of the area with Renewal without further delay. To this end, the Council's Mayor & Cabinet on 11th Sept 2013 has resolved to dispose of the Council's freehold interest in the Club's and the Scheme's land to Renewal.

The Council therefore intends to continue to press ahead with realisation of its objectives for the regeneration of the site and the wider area.

The Council's clear wish, which has been communicated to your Client, is to try and achieve negotiated agreements for the acquisition of all remaining third party interests, including that of your Client and this has been the objective since the Council's Mayor & Cabinet "in principle" CPO decision of 7th March 2012.

My offer remains to invite your client to reach a negotiated settlement with the Council and Renewal, which would avoid unnecessary costs on both sides. I would welcome a meeting with them to discuss the terms for acquisition/re-grant of the Club's leasehold interest in more detail at the earliest opportunity. As you know, Renewal have already acquired the majority of the development area and I do hope that the Club will agree to work together with the Council and Renewal and support them in bringing forward the comprehensive scheme, so that the Club and others can all benefit from these exciting regeneration proposals.

No doubt you will convey the above back to your client, and I look forward to hearing from you or your client in due course.

Regards.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rob Holmans', with a horizontal line underneath.

Rob Holmans
Director of Regeneration & Asset Management

cc. Abdul Qureshi, Head of Asset Strategy & Development (Interim)

cc. John Miller, Head of Planning

CBRE

CBRE Limited
St. Martin's Court
10 Paternoster Row
London EC4M 7HP



Switchboard +44 (0)20 7182 2000
Fax +44 (0)20 7182 2001
Direct line +44 (0)207 182 3474
Direct Fax +44 (0)207 182 3002
matthew.black@cbre.com

R. Holmes Esq
Interim Director of Regeneration & Asset Management
Lawrence House
Calford
London SE6 4RU

06 November 2013

Dear Mr Holmes

MILLWALL FOOTBALL CLUB / SURREY CANAL TRIANGLE SITE - STRICTLY SUBJECT TO CONTRACT

We are instructed by MFC.

I have seen correspondence indicating that the Council intends to sell its freehold interests in The Lion's Centre (presently occupied by the Millwall Community Scheme) and in parts of the land presently leased to MFC. I do not know the exact location and/or areas of the sites to be sold.

As you are aware, my client is interested in bidding for those interests and I would be grateful if you would let me know the terms (including price and other material issues) of any sale that you may have negotiated.

I would be most grateful for your confirmation and undertaking that no commitment to sell will be entered into by the Council before my client has had a chance to make its bid.

Yours sincerely

**MATTHEW BLACK
SENIOR DIRECTOR**



www.cbre.co.uk
Registered in England No 3536032 Registered Office St Martin's Court 10 Paternoster Row London EC4M 7HP
CBRE Limited is regulated by the RICS and is an appointed representative of CBRE Inland Investment Services Limited which is authorised and regulated by the Financial Services Authority.





Matthew Black
CBRE
10 Palermosler Row
London
EC4M 7HP

Rob Holmans
Director of Regeneration & Asset
Management
Laurence House
Catorford
London SE6 4RU
direct line 020 8314 7908
fax 020 8314 3642
rob.holmans@lewissham.gov.uk
date 13th November 2013
our reference
your reference

Dear Mr Black

Thank you for your letter dated 6 November and I note that you are instructed by Millwall FC ("MFC").

I also note that MFC is interested in bidding for the Council's freehold interest in the Lion's Centre and parts of the land leased to MFC. Whether it proceeds to do so is a matter for MFC.

I cannot disclose to you the terms of the sale to Renewal for reasons of commercial confidentiality. I can however confirm that we have been independently advised that the deal represents the best consideration reasonably obtainable in all the circumstances.

The Council is not prepared to give any confirmation or undertaking in the terms requested in the final paragraph of your letter.

Yours sincerely,

Rob Holmans
Director of Regeneration & Asset Management

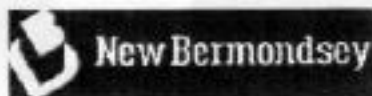
Cc: Abdul Qureshi, Head of Asset Strategy & Development (Interim)
John Miller, Head of Planning

New Bermondsey

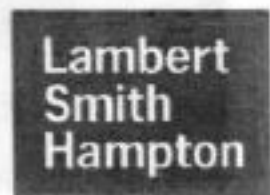
An opportunity to invest in one of London's largest regeneration schemes



- 30 Acre development site - one of London's largest with outline planning permission
- Designated by the Mayor of London as a new housing zone
- Mixed use development for up to 240,000 m² of development including 2,400 much needed new homes for London
- Excellent location – just 5 minutes from London Bridge
- Creation of 2,000 new jobs
- Provision of world-class community sports facilities
- An integrated health centre
- Multi faith Church
- Business incubation space and a creative industries hub.



MAYOR OF LONDON



Background

New Bermondsey began 10 years ago when regeneration specialists Renewal acquired their first piece of land on the 30-acre site. Since then Renewal has worked closely with Lewisham Council and the Mayor of London to create a groundbreaking neighbourhood for inner London.



The plans for New Bermondsey have been rooted in creating a place with its own unique identity and where people will want to live, work and play. That means providing a balance of much needed housing, jobs, sports facilities, creative industries, office space, faith space, a revitalised stadium for Millwall Football Club, new public squares and a much improved park at Bridgehouse Meadows.

Outline planning permission was granted in March 2012 and the project designated a Housing Zone by the Mayor of London in February 2015. A £20m loan for the construction of the London Overground station was agreed and through incentives and fast track measures the delivery of the project will be accelerated by 3 years. The project has a gross development value of between £850m and £1bn.



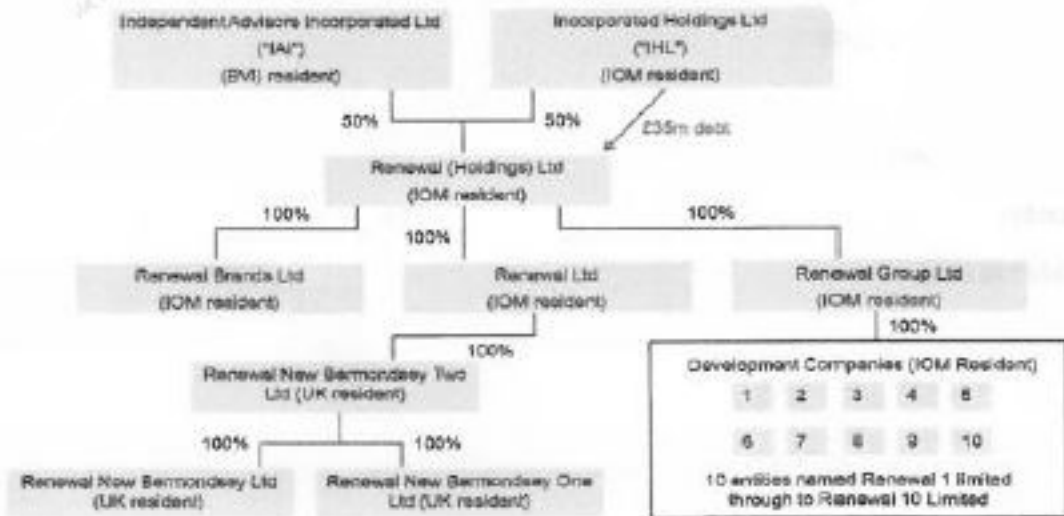
Transport is at the heart of the project

- A network of transport links including a new London Overground station
- 4 minute journey time to London Bridge
- 2 new bus routes linking Central London and Lewisham
- New walking and cycling links that will open up the area to the whole of London
- Interchange Walking link between the new London Overground station at Surrey Canal Road and the British Rail station at South Bermondsey



The Opportunity

The project is held on a 50/50 joint venture basis - the structure is shown below.



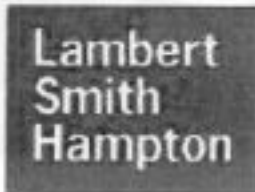
Considerable investment will be required to progress the next stages of the project :-

- Further land assembly to complete the site (c.£12m) – c.25% of site (CPO in place)
- Submit detailed planning
- Subsequent construction of development phase one which includes :-

- o 250 private apartments in 2 towers (1x 10-12 storeys 1x 17-21 storeys),
- o New London Overground station
- o 5,027 sqm multi faith church facility.

Options for the existing joint venture investors at this stage may include – exit, partial exit, introduction of private third party equity (dilution of equity), debt funding / re-financing, other structured finance, Equity or Debt IPO fundraise.

Our clients IHL Limited have engaged Lambert Smith Hampton to seek interested parties .



Massimo Marcovecchio

Lambert Smith Hampton

UK House

180 Oxford Street

London

0207 198 2000

MAYOR AND CABINET		
Report Title	Report Back on Matters Raised by the Overview and Scrutiny Business Panel	
Key Decision	No	Item No.
Ward		
Contributors	Senior Committee Manager	
Class	Part 1	Date: 15 December 2016

1. Purpose of Report

To report back on any matters raised by the Overview & Scrutiny Business Panel following their consideration of a report at their meeting on 13 December 2016.

New Bermondsey (Formerly Surrey Canal Triangle)

- 1.1 Following discussion at the Overview and Scrutiny Business Panel, Members agreed to make the following additional comments and requests to the Cabinet in support of their existing Call-in:
- i. Correspondence received from Eversheds and Shoosmiths be referred to the Cabinet and officers be asked to prepare a response.
 - ii. the Cabinet be requested to ask officers to ensure that all Housing Action Zone bid documents are made available to Scrutiny Members, and a redacted copy made available to the public.
 - iii. the Memorandum of Understanding should be signed before a CPO is approved.
 - iv. the Cabinet be requested to ask PwC to give their professional advice to members on assurances made by Renewal in respect of the Bermondsey CPO arrangements.
 - v. the Cabinet be requested to ask officers to ensure that the Section 106 agreement is reviewed by the Strategic Planning Committee.

- vi. the Cabinet be requested to ask officers to resolve issues raised on the Academy and the Community Trust before the CPO is approved.
- vii. Business Panel raised concerns about Renewal's CPO signage. The Cabinet is requested to consider whether they would want to do business with a company, which despite an apology, had taken such a heavy handed approach with local residents and businesses.
- viii. the Lambeth Smith Hampton narrative seemed to be incomplete, and the Cabinet is requested to ensure that documents and correspondence relating to the CPO be made available in a timely manner



Chief Executive's Office
Fifth Floor, Laurence House
London Borough of Lewisham
1 Catford Road
London SE6 4RU
tel: 020 8314 6447

30 December 2016

Steve Kavanagh
Chief Executive
Millwall FC
The Den
Zampa Road
London SE16 3LN

Dear Steve

Further to my e-mail of 23 December, thank you again for your prompt response to my e-mail of 16 December. We have now had the opportunity to review your two e-mails of 23 December.

You will recall my e-mail of 16 December asked two quite simple and specific factual questions, the purpose of which was to enable the Council to satisfy itself that, if the CPO and the Renewal scheme proceed, MFC's Youth Academy's Category 2 status can be maintained. Those questions were:

- 1) what it is about the current arrangements you have in place with Millwall Community Scheme that enabled the Club to secure Academy 2 status?
- 2) what it is about the proposed arrangements with them that you consider threatens that status?

I also asked that your response should cross-reference the current arrangements to the applicable criteria for Category 2 status, and that it should be supported with copies of relevant documents, including for example the Club's application for Category 2 status and the audit committee report on that application.

You have so far helpfully provided a copy of the EFL Youth Academy Rules, and have highlighted Rule 308. This sets out the requirements regarding access to indoor pitches and requires that where the facility is not owned by the football Club in question, it "must have a legally enforceable agreement with the owner of the facility for its use by the Club ... which shall be for the exclusive use of the Academy at all times". You have not, however, explained nor provided any documents to show what is it about the current arrangements with MCS that enabled the Club to satisfy the Rule 308 criteria. I note you are trying to locate the EFL 'audit tool', but surely the Club has a copy of the application it submitted and in any event has the details, including the relevant documents, regarding the current access arrangements?

You suggest that this point is irrelevant, but I do not agree. We are considering whether there is any reason why the current legal arrangements that enabled the Club to secure Academy 2 status cannot be maintained once MCS is relocated. For these purposes, we clearly need to understand what the current arrangements are, hence the specific question raised in my e-mail of 16 December and repeated above.

I should mention that Pete Walsh had previously indicated that there was a Service Level Agreement between MCS and the Club which included a priority right of access for the Academy, but has since advised that that was incorrect and that "priority right of access is held in a separate agreement with the funding body". Can this be provided please?

You have also suggested that the new premises would not be satisfactory and that this could threaten the Academy's Category 2 status. I therefore asked you to explain why you consider that to be the case, but again, your response does not address this issue. Can I therefore invite you to set out your specific concerns in this regard and to explain whether, and if so why, you consider the current arrangements with MCS could not be replicated at the new facility?

As you know, the matter is currently programmed for consideration at the Mayor and Cabinet meeting on 11 January and your early response would therefore be very much appreciated.

Finally, I note that in your first email of 23 December you have mentioned a large number of other points most of which have been raised before, and also claim that your opinions and objections are brushed aside. I know that you are still coming up to speed with the history of this process and may not yet be familiar with the extensive correspondence between officers and their advisers and the Club's advisers over a long period, as well as the meetings that have taken place. Representations made by the Club have also been reported on in the various Reports to Members throughout the CPO process, and correspondence received from the Club and its advisers has been placed before Members at meetings and the issues raised discussed. It really is not correct to suggest the Club's opinion and objections have been brushed aside. On the contrary, the views and the needs of the Club are taken very seriously by the Council. I would however urge you on this occasion please to focus on and answer directly the very clear and straightforward questions I asked you in my email of 16 December, so that we can properly understand the Club's concerns and ensure that the new facilities that are to be provided for MCS as part of the regeneration scheme do not threaten the Youth Academy's Category 2 status.

I look forward to hearing from you.

Kind regards



Barry Quirk CBE BSc PhD FRGS FRSA CIPFA (Hon)
Chief Executive

From: Townsend, Charmaine on behalf of Quirk, Barry
Sent: 16 December 2016 17:13
To: 'Steve Kavanagh'
Subject: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order

Steve Kavanagh
Chief Executive
Millwall Football Club

Dear Steve

As you are aware, last night the Cabinet agreed to defer reconsideration of its decision made on 7 September 2016 to make a compulsory purchase order (CPO) in respect of the New Bermondsey site to its next meeting on 11 January 2017. This was to enable further consideration to be given to the issue you have raised concerning the Category 2 status of the Millwall Football Club Youth Academy.

Having heard what you have said about the issue, it is clear that it is an important one for the Club. However, despite years of contact between the parties, the first time the issue was raised was the day of the Business Panel meeting on 13 December 2016. I should be grateful if you would explain why, since the matter is of such importance to the Club, it was raised by the Club so late in the day and in that manner.

The Council believes that sufficient protections are in place already, but wants to be confident that if the CPO and the scheme proceed the Academy's Category 2 status can be maintained. I should therefore be grateful if you would explain in detail what it is about the current arrangements you have in place with Millwall Community Scheme that enabled you to secure that status, cross-referencing the relevant elements of those arrangements against the applicable criteria relating to the achievement of Category 2 status, and what it is about the proposed arrangements with them that you consider threatens that status. Please could you also support your explanation with copies of relevant documents, including for example the Club's application for Category 2 status and the audit committee report on that application.

As stated above, the reconsideration of the CPO decision has been deferred until 11 January 2017. Accordingly I would ask you to provide the necessary information and supporting evidence to me by 23 December 2016.

I look forward to hearing from you.

Best regards

Barry

Barry Quirk CBE BSc PhD FRGS FRSA CIPFA (Hon)
chief executive

Tel: 020 8314 6447

Nb. A hard copy has also been sent to you in the post.

From: Steve Kavanagh <stevekavanagh@millwallplc.com>
Sent: 23 December 2016 12:00
To: Quirk, Barry
Subject: RE: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order

Dear Barry

Further to your email below and the various questions you raise, I have not been able to respond earlier because I needed to engage comprehensively with The English Football League (EFL) to obtain most of the necessary information. Additionally, you may have noticed that Millwall had its biggest home derby of the season against Charlton Athletic on Wednesday which inevitably has taken up most of my time. Jim Briden from The EFL came back to me yesterday with some of the information, but he has been on holiday and was only back for one day before Christmas. He will step in again to help when he returns to work in January. For now, it is a holding email. I will separately forward it to you with its attachments and my commentary on the key elements.

Turning to your email:

Why is this raised now?

As you know I only joined Millwall on 31 October 2016 as CEO. I have come into this as a fresh pair of eyes and have been trying to understand all aspects, as well as assess the whole business and ensure it is run in an efficient and effective manner.

I am encouraged to hear that our local Council is firmly committed to the continued operation of the Club and the Millwall Community Trust and that we are part of the core regeneration strategy for the area and must be at the heart of any redevelopment.

What I don't understand, if these sentiments are to be truly believed, is why the Club and Community Trust are battling so hard to remain at the heart of the plans and why our opinions and objections are brushed aside while the interests and wishes of a local private property developer take priority. Why have MFC and MCT been put in a position where, to protect their interests in the future, they have to be in a fight against Mayor and Cabinet? The Club and Community Trust have raised many questions long before I became involved, and yet these seem to simply be ignored. Indeed our lawyers wrote to the Council as recently as 5 September with a number of important points and genuine concerns and they have never even received the courtesy of a reply.

It is clear to me that the Club supports the redevelopment, but it also wants to be properly involved. Not unreasonably, not only does it wish to remain engaged, but it also wishes to have an appropriate opportunity to benefit and future-proof its continuing existence here in Lewisham. Instead, it has been marginalised and is threatened with having its land seized by the very Council that helped move the Club to its current site and leased the land in the first place. If your CPO plans proceed, our stadium will become land locked and we will be surrounded by new freeholders who may or may not have an interest in, and support for, MFC. I make that point in the context of the Council confirming that there is nothing to prevent Renewal from selling on the Millwall land once it owns the freeholds.

None of this reflects any sense that we are at the heart of the proposed redevelopment. If we are, then surely we all need a reasonable period to review all of these issues and ensure that the words and sentiments of the Council match its actions.

My entry into this process is perhaps the ideal time to stop and reflect and for people to get round the table and talk through all aspects. I understand that the Club's owners provided considerable help at their own expense in the early stages to agree the original s106 agreement and to secure outline planning permission. It is ridiculous for the Council to suggest that MFC is intent on stopping the regeneration and shameful of the Council to tell its local community that it is merely seeking CPOs over the final 10% of the development site. As you heard, it was reluctantly admitted by Officers last week that the CPO land around our stadium represents more than 40% of the total site.

My understanding is that Council Officers have a duty to be impartial and fully consider all information and not simply look for ways round problematic information and make statements such as “We do not believe this to be the case” without having made any serious attempt to establish the facts and assess the impact and implications. Such statements only serve to heighten the belief that the Council doesn’t see the Club as being at the heart of matters. Neither is it helpful or constructive to find the Council making statements about this latest situation that seem remarkably similar to statements made by Renewal to the press a little earlier. That doesn’t convey impartiality and it feels to me as if we are persistently up against a partnership between local authority and property developer. There have been many points, comments and objections by the Club and MCT that have been ignored and gone unanswered by the Council. Nevertheless, I am pleased that the threat to our Academy is being taken seriously and very much hope that, in parallel, the Council will take the trouble to gain a better understanding of the MCT, its close ties to the Club, the nature of the vital work it does in the community and the cavalier manner in which the Council and Renewal have chosen to ignore its objections to the proposed plans. I understand that my colleague, Steve Bradshaw, explicitly told Cabinet members that the future of the MCT was under threat when they visited the Lions Centre in April. Yet no further questions were asked, no investigations undertaken and, in early September, those same Cabinet members voted in favour of CPOs while all expressing how important the MCT is to the community.

I have come into this process only very recently and, in addition to running the business, have had to get my head around these issues that are quite clearly restraining the Club as it is a huge distraction to the Board and Management.

I have nearly 15 years of experience in senior management of Football Clubs. About five years ago The English Premier League (EPL) introduced a significant change to the structuring and funding of Football Academies. They introduced a four-tier structure and there were then two years of preparation by Clubs to set out what Category they should be, followed by an audit process.

At the start of this period of change I was at Charlton Athletic and involved in their Cat 2 application. There was an issue at Charlton over the use of their outdoor astro turf facility. The facility was in a poor state and there was concern that it would not pass the external audit. Please note the rules clearly state an indoor and an outdoor astro facility are required and the indoor facility was separate to this issue.

There was another outdoor astro facility on Charlton’s land, owned and managed by its Community Trust. The facility had been built in the previous year, grant funded. As a result of the grant funding there were specific needs and hours that had to be met or the £1m of funding would have been put in jeopardy. We tried to construct ways in which the Club could obtain exclusive use, as required under the rules, and it was not possible because of the funding used to build the facility. The funding was not unusual or complicated. As far as I remember, the significant part came from Barclays and Sport England – a similar funding structure to the new Bermondsey facility as I understand.

When I joined Southend United I reviewed the Academy category, they went for a Cat 3. Unlike the previous CEO, I got involved in the audit process. Please understand that it is very unusual for the CEO to be involved. But for me, it’s substantial funding and required my detailed understanding, certainly as I was new at Southend at that time it seemed vital, similar to my introduction into Millwall.

Southend’s audit was very complicated, as they all are, and the preparation and time taken is substantial. Millwall’s next audit commences on 1 February 2017 and we are very much in the preparation and planning stage. The timing of this issue now, if I am honest, is very bad and unhelpful given the importance of the forthcoming audit to us.

The Southend audit showed that we theoretically scored sufficient points to be a Cat 2 Academy. However, Southend failed Cat 2 because they were unable to deliver the mandatory requirement of an indoor facility. Before joining Millwall, I spent three years looking at ways this could possibly be achieved to get Cat 2 in this fast approaching audit round. We explored hiring third party facilities but every time I went back to The EFL, who oversee the rules for EFL Clubs on behalf of the EPL, they could not be satisfied that we truly had exclusive use of the facilities. This was very frustrating and a complex issue and requires detailed EFL involvement. The rules in this area are clear and clubs have lost Cat 2 status on this point alone as I personally experienced. I should also note that new facilities are judged more harshly than existing facilities. The EFL’s objective is not to take away Academy status but if you are doing something new or changing things, then the requirement for rigorous compliance becomes greater. Change is not always a good thing!

The answer to your question about why this has come up now is that I have recently arrived and I happen to have become an expert in this area and have an experience that is unusual in football clubs as most have their own facility under their control, so they never go into the complexities that are at stake here

The problems were therefore unseen, as they are unusual. I have come in as a fresh pair of eyes and as I gained my knowledge of what was happening I started to ask about the way the proposed new facility would be delivered and operated. That led me to understand that there were serious risks to our Cat 2 status.

I obtained the requested EFL letter that I received last Thursday within 48 hours to ensure that my conclusion was supported by relevant third party corroboration. The EFL audit process, a 3 yearly process, is now in full flow and their time is very limited. I have been trying to get hold of them since your email of last Friday to obtain more information for you but only received a holding email yesterday.

What information is required?

A key consideration in this is not the history you are asking for, it is the proposed operation going forward. For our audit starting in February, there is no requirement regarding the Indoor facility to upload documents. The historical files that may contain the detail you want are not readily to hand since our usage requirements have been accepted and audited. The key aspect that we are collectively addressing is that, as a result of the threatened CPO process, a substantial change will occur to the existence and use of our indoor facility – a facility which has been reviewed and signed off by the auditors.

Given this, it does make me wonder how Cllr Smith could state that you don't believe this is as an issue and sufficient controls are in place. Therefore, please can you provide me with the information that you are drawing upon to substantiate your position. Perhaps I am missing something in the way the facility will be provided? However, with all due respect to Renewal and the Council, it is the EFL's opinion that matters to Millwall Football Club and the community in which it operates. Please therefore can you set this out for me including, but not limited to, the following issues so I can seek the views of the EFL as soon as they are back after the Christmas break:

- Will the new facility be built using any grant funding, for example from Sport England?
- Will the Trust and the Club run the facility and fully manage it?
- Who is responsible for maintaining the surface to the requisite level required under our rules?
- Will there be any access requirements or required hours for other users? I understand that the Council has in the past published a document that sets out hours of usage and the plans for operating the new sports centre. Please can I see them?
- Will the new sports centre be exclusively for the Club and Trust?
- Will the facility be built on the existing site?
- What are the proposed commercial terms regarding, notably, rent, rates and service charges bearing in mind the current premises costs enjoyed by the MCT?

I am trying to get the EFL to set out any further understanding they would need to confirm the new facility is acceptable and they have confirmed they need the above information to do so.

You already have their letter of 15 December and will shortly have their latest email. If you can respond to my questions above, then hopefully we can progress this rapidly. This is a vital issue and it is essential it is fully understood by all, and indeed signed off by the EFL, before we can move forward.

But I have to ask why none of the other issues that we and the Millwall Community Trust have raised are being given the same level of review?

Sadly, it does appear that the Cabinet and Council Officers have made up their minds. They seem determined to apply CPOs and are trying to find ways to do so rather than looking with open minds at the issues and asking why Millwall FC and the Millwall Community Trust, as articulated by Peter Walsh their Chairman on 13 December, are not comfortable with the process and don't feel they are remotely at the heart of the proposed redevelopment. Surely this has shown that matters have not been properly explored by everyone and that a fresh approach is required. Sometimes stopping and reviewing matters gets things done more quickly, but to do this it has to be a genuine attempt, not just platitudes.

Kind regards

Steve

From: Townsend, Charmaine [mailto:Charmaine.Townsend@lewisham.gov.uk] **On Behalf Of** Quirk, Barry
Sent: 16 December 2016 17:13
To: Steve Kavanagh <stevekavanagh@millwallplc.com>
Subject: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order

Steve Kavanagh
Chief Executive
Millwall Football Club

Dear Steve

As you are aware, last night the Cabinet agreed to defer reconsideration of its decision made on 7 September 2016 to make a compulsory purchase order (CPO) in respect of the New Bermondsey site to its next meeting on 11 January 2017. This was to enable further consideration to be given to the issue you have raised concerning the Category 2 status of the Millwall Football Club Youth Academy.

Having heard what you have said about the issue, it is clear that it is an important one for the Club. However, despite years of contact between the parties, the first time the issue was raised was the day of the Business Panel meeting on 13 December 2016. I should be grateful if you would explain why, since the matter is of such importance to the Club, it was raised by the Club so late in the day and in that manner.

The Council believes that sufficient protections are in place already, but wants to be confident that if the CPO and the scheme proceed the Academy's Category 2 status can be maintained. I should therefore be grateful if you would explain in detail what it is about the current arrangements you have in place with Millwall Community Scheme that enabled you to secure that status, cross-referencing the relevant elements of those arrangements against the applicable criteria relating to the achievement of Category 2 status, and what it is about the proposed arrangements with them that you consider threatens that status. Please could you also support your explanation with copies of relevant documents, including for example the Club's application for Category 2 status and the audit committee report on that application.

As stated above, the reconsideration of the CPO decision has been deferred until 11 January 2017. Accordingly I would ask you to provide the necessary information and supporting evidence to me by 23 December 2016.

I look forward to hearing from you.

Best regards

Barry

Barry Quirk CBE BSc PhD FRGS FRSA CIPFA (Hon)
chief executive

Tel: 020 8314 6447

Nb. A hard copy has also been sent to you in the post.

From: Steve Kavanagh <stevekavanagh@millwallplc.com>
Sent: 23 December 2016 12:27
To: Quirk, Barry
Subject: FW: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order
Attachments: Youth_Development rules.pdf

Dear Barry

As referred to in my earlier email please see below an email I received from the EFL, underneath it you will see the information I have requested to assist in answering your questions.

The current Youth Academy rules are attached and must be read in their total quantum to ensure no misunderstandings exist, the rule of primary concern here though is rule 308 which was set out in the letter from The EFL which I sent to the Cabinet prior to last weeks adjourned meeting.

To assist you in reviewing the rules I would also bring the following to your attention:

- In the general note at the introduction of the Rules, it is stated that the binding rules are shaded in light blue. All of the rules referred to in this note, and including 308, are so shaded and therefore binding on the Club.
- Rule 3 requires that if a club engages in the training and development for a young player then it must:
 - 3.1 obtain a licence to operate an Academy; and
 - 3.2 operate its Academy in accordance with the ... Rules.
- Rule 4 provides that the maximum term of a licence shall be three years, unless revoked earlier in accordance with the Rules or extended by the PGB. This ties into the Cat 2 Audit reviews that are taking place now. As I referred to in my earlier email this is not focusing on every aspect and the indoor is not being reviewed as it is not being changed. It is as referred to in the note that change brings additional requirements and needs.
- Any breach of the obligation to operate an academy in accordance with the rules shall be dealt with under the provisions of Section 8 of the League's Regulations.
- Rules 300 to 316 governs the facilities to be provided at the various grades of Academy.

We are locating the audit tool and as you can see this is proving difficult as detailed below by the EFL and it is within this tool that the document evidencing the indoor facility arrangement is held. Once I have the document and or the audit tool, along with confirmation I can disclose this then I will forward to you, but I repeat this is in some ways irrelevant, it is the rules attached that are most relevant.

I look forward to hearing from you.

Also can I take this opportunity to wish you a Happy Christmas.

Kind regards

Steve

From: Jim Briden [mailto:JBriden@efl.com]
Sent: 22 December 2016 11:59
To: Steve Kavanagh <stevekavanagh@millwallplc.com>
Subject: RE: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order

Hi Steve,

Sorry for not coming back to you sooner, but I have been on holiday since last Thursday and today is the only day I am working before January 4th.

With regard to the audit tool the Club submitted prior to the previous audit, the EFL do not have a copy, it was sent directly to the ISO (Doublepass), but I will request an electronic copy from them, although I am not sure that they will release this, due to their concerns over Intellectual Property Rights. The Academy staff may have a copy of what was submitted, maybe check with Scott.

Moving forwards, I think the issues covered in the 4 points you listed, would provide us with the information we would need to determine if the access and usage arrangements for the indoor area, would be sufficient for category 2 status.

There are examples where Clubs with category 2 status have utilised facilities (both indoor and outdoor artificial pitches) that are owned by a third party, but their access to these facilities meets the requirements as detailed in the EFL YD rules, which basically are that they are available to the club at all times, that Academy players are training. I have attached an electronic copy of the rules as requested.

Obviously grant aid funding provides an excellent opportunity to assist clubs with building the facilities required under EPPP, although the stipulations attached to this funding (often around community use) can cause problems in terms of meeting the EPPP requirements.

I trust this is helpful for now, but as you may be aware I am due at the Academy on January 10th, as part of our preparation for their forthcoming audit and would obviously be available to discuss further then.

Best regards
Jim

From: Steve Kavanagh [mailto:stevekavanagh@millwallplc.com]
Sent: 20 December 2016 09:21
To: Jim Briden <JBriden@efl.com>
Subject: FW: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order

Dear Jim

Further to our discussions last week and the letter you provided for me regarding our Academy Indoor facility which is housed in The Lions Centre at The Den, I have been trying to call but I appreciate with the audits taking place and also Christmas you are busy so I thought it best to write.

I forwarded the letter you sent to us onto the Mayor and Cabinet of Lewisham Council who were meeting last Thursday to discuss the compulsory purchase of the Millwall Community Trust land, and other areas, which is home to the Lions Centre and the Indoor facility.

The meeting was deferred due to the issue we have raised over the facility and the impact its loss would potentially have on our Academy.

As you can see from the email below from the CEO of Lewisham Council they are asking for more information.

Can you provide me with an electronic copy of the audit tool that was submitted at the last audit and also a copy electronically of the current Academy rules. As you will see they are also asking for any audit response, this will have been over 3 years ago now but I assume the EFL would have this? Is there any other information you can provide that will assist me in responding?

I am drafting a response to the Council in the interim and I have asked for the following on how they envisage the new facility would operate in order that we can sit down with you and discuss how best we ensure within those parameters that our Cat 2 status is maintained as this has to be a priority to us and as you can see from the email it is a clear priority for the Council. Is there any other information you would require to provide clearance on such an arrangement in the future?

- 1) Will the Trust and the Club run the facility and fully manage it?
- 2) Will there be any access requirements or required hours from any other user?
- 3) Will there be other third party users or will it be exclusively for the Club and Trust?
- 4) Will the facility be built on the existing site or will it move?

I also think it would be useful if you could explain your experiences of third party run facilities and whether these are used to achieve Cat 2 status and if so how does it operate to ensure the indoor facility complies with the regulations. Specifically in addition to this can you comment on whether you have experience of facilities where Grant funding is used to build such facilities and again whether such grant funding provides any operational difficulties in achieving the required usage. I can't remember if you visited Charlton when I was there and the discussions that took place around trying to use the new Community Astro facility that was built as I remember in conjunction with Sport England and Barclays Spaces for Sport. The facility had high community usage which barred using it as the academy facility because they were unable to satisfy the exclusive priority access requirements. You will be aware of my experiences at Southend United and where we ended up purchasing the old Beckham Academy to provide the indoor facility, one for the Community and one for the Academy, ironically the facility is going to be built on land that the Southend Council will CPO for the Club!!

As you will note the Council have requested I provide all of this by the 23rd and I am therefore under extreme pressure, never mind I have 2 home matches in the next 6 days and a transfer window looming!! But if you can respond as soon as possible I would appreciate it esp given your other commitments.

Kind regards
Steve

From: Townsend, Charmaine [<mailto:Charmaine.Townsend@lewisham.gov.uk>] **On Behalf Of** Quirk, Barry
Sent: 16 December 2016 17:13
To: Steve Kavanagh <stevekavanagh@millwallplc.com>
Subject: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order

Steve Kavanagh
Chief Executive
Millwall Football Club

Dear Steve

As you are aware, last night the Cabinet agreed to defer reconsideration of its decision made on 7 September 2016 to make a compulsory purchase order (CPO) in respect of the New Bermondsey site to its next meeting on 11 January 2017. This was to enable further consideration to be given to the issue you have raised concerning the Category 2 status of the Millwall Football Club Youth Academy.

Having heard what you have said about the issue, it is clear that it is an important one for the Club. However, despite years of contact between the parties, the first time the issue was raised was the day of the Business Panel meeting on 13 December 2016. I should be grateful if you would explain why, since the matter is of such importance to the Club, it was raised by the Club so late in the day and in that manner.

The Council believes that sufficient protections are in place already, but wants to be confident that if the CPO and the scheme proceed the Academy's Category 2 status can be maintained. I should therefore be

grateful if you would explain in detail what it is about the current arrangements you have in place with Millwall Community Scheme that enabled you to secure that status, cross-referencing the relevant elements of those arrangements against the applicable criteria relating to the achievement of Category 2 status, and what it is about the proposed arrangements with them that you consider threatens that status. Please could you also support your explanation with copies of relevant documents, including for example the Club's application for Category 2 status and the audit committee report on that application.

As stated above, the reconsideration of the CPO decision has been deferred until 11 January 2017. Accordingly I would ask you to provide the necessary information and supporting evidence to me by 23 December 2016.

I look forward to hearing from you.

Best regards

Barry

Barry Quirk CBE BSc PhD FRGS FRSA CIPFA (Hon)
chief executive

Tel: 020 8314 6447

Nb. A hard copy has also been sent to you in the post.

DISCLAIMER

This message is confidential and intended solely for the use of the individual or entity it is addressed to. If you have received it in error, please contact the sender and delete the e-mail. Please note that we may monitor and check emails to safeguard the Council network from viruses, hoax messages or other abuse of the Council's systems. To see the full version of this disclaimer please visit the following address: <http://www.jewisham.gov.uk/AboutThisSite/EmailDisclaimer.htm>

For advice and assistance about online security and protection from internet threats visit the "Get Safe Online" website at <http://www.getsafeonline.org>

From: Townsend, Charmaine on behalf of Quirk, Barry
Sent: 03 January 2017 12:38
To: 'Peter Walsh'
Subject: RE: MCT and the Lions Centre

Pete Walsh
Chair
Millwall Community Scheme

Dear Pete

First, Happy New Year - and I hope you've had a good Christmas break.

Thanks again for your email of 23 December. I note that you'll be meeting with Emma Talbot and Kplom Lotsu from Lewisham shortly to discuss details.

In the meantime it would be most helpful if you would confirm a simple query - is the Trust happy to take on accommodation in Energize in a manner which would enable them to adopt arrangements with the Club to enable it (the Club) to continue to satisfy the Category 2 Academy requirements?

As stated above, the reconsideration of the CPO decision has been deferred until 11 January 2017. I should therefore be extremely grateful if you would come back to me as soon as practicable.

I look forward to hearing from you.

Best regards

Barry

From: Peter Walsh [mailto:peterrswalsh@yahoo.co.uk]
Sent: 23 December 2016 08:54
To: Quirk, Barry
Subject: MCT and the Lions Centre

Dear Barry ,

Apologies for the delay in responding but I needed to consult with colleagues and Steve Bradshaw the Trusts CEO . In terms of the proposed CPO and the protections you referred to via the Section 106 I am pleased to say that Kplom and Emma have sent me all the relevant pages and a link to the full document . We will be meeting with them shortly after Xmas to discuss .

In terms of the SLA the Trust have with the Club it is not as I had thought . I was under the impression that it did include priority right of access for the Academy but in fact I was incorrect and the priority right of access is held in a separate agreement with the funding body. I am aware that you have written to Steve Kavanagh and he is obtaining the document that was presented as part of their audit and he will provide this to you.

On a separate point the issue of the Councils understanding of the MCT funding is troubling me. I am unsure that they appreciate that match funding is often ring fenced so that it can only be used for that specific project and means limited funding is available for central costs such as rent and overheads .

We will elaborate when we meet with Kplom and Emma but we have been through it in some detail with Renewal and the valuers and feel they never really took what we were saying on board .

Regards
Pete

From: Peter Walsh <peterrswalsh@yahoo.co.uk>
Sent: 23 December 2016 08:54
To: Quirk, Barry
Subject: MCT and the Lions Centre

Dear Barry ,

Apologies for the delay in responding but I needed to consult with colleagues and Steve Bradshaw the Trusts CEO . In terms of the proposed CPO and the protections you referred to via the Section 106 I am pleased to say that Kplom and Emma have sent me all the relevant pages and a link to the full document . We will be meeting with them shortly after Xmas to discuss .

In terms of the SLA the Trust have with the Club it is not as I had thought . I was under the impression that it did include priority right of access for the Academy but in fact I was incorrect and the priority right of access is held in a separate agreement with the funding body. I am aware that you have written to Steve Kavanagh and he is obtaining the document that was presented as part of their audit and he will provide this to you.

On a separate point the issue of the Councils understanding of the MCT funding is troubling me. I am unsure that they appreciate that match funding is often ring fenced so that it can only be used for that specific project and means limited funding is available for central costs such as rent and overheads .

We will elaborate when we meet with Kplom and Emma but we have been through it in some detail with Renewal and the valuers and feel they never really took what we were saying on board .

Regards

Pete

From: Townsend, Charmaine on behalf of Quirk, Barry
Sent: 16 December 2016 17:14
To: 'peterrswalsh@yahoo.co.uk'
Subject: New Bermondsey (formally Surrey Canal Triangle) proposed compulsory purchase order

Pete Walsh
Chair
Millwall Community Scheme

Dear Pete

As you are aware, last night the Cabinet agreed to defer reconsideration of its decision made on 7 September 2016 to make a compulsory purchase order (CPO) in respect of the New Bermondsey site to its next meeting on 11 January 2017. This was to enable further consideration to be given to the issue that the Club have now raised concerning the Category 2 status of the Millwall Football Club Youth Academy. The Council recognises that this issue is an important one to the Club and to the Academy.

The Council has throughout sought to put in place measures to protect the interests of the Club and of the Millwall Community Scheme (MCS), including through the imposition of planning obligations to secure the new facilities that will be provided to MCS if the redevelopment proceeds. The Council believes that sufficient protections are in place already, but wants to be confident that if the CPO and the scheme proceed the Academy's Category 2 status can be maintained. We therefore need to understand the existing arrangements between MCS and the Club so that we can ascertain what future protection would be needed and what, if any, further assurances may be required in this respect.

I understand that you mentioned to Emma Talbot (Head of Planning) that there is a written Service Level Agreement between MCS and the Club which provides for the Academy to have exclusive use of one of the pitches on a season by season basis. It would be extremely helpful if you could let us have a copy of that Agreement, together with any other information that you think is relevant to our understanding of the arrangements you have with the Club regarding the use by the Club of the MCS facilities. It would also be helpful to know whether MCS would be happy to take on accommodation in Energize in a manner which would enable them to adopt arrangements with the Club to enable it (the Club) to continue to satisfy the Category 2 Academy requirements.

As stated above, the reconsideration of the CPO decision has been deferred until 11 January 2017. I should therefore be extremely grateful if you would come back to me by 23 December 2016.

I look forward to hearing from you.

Best regards

Barry

Barry Quirk CBE BSc PhD FRGS FRSA CIPFA (Hon)
chief executive

Tel: 020 8314 6447

YOUTH DEVELOPMENT RULES OF THE EFL FOR SEASON 2016/17

CONTENTS

GENERAL

Definitions	387
General	397
Applications to Operate Academies	397

STRATEGY, LEADERSHIP AND MANAGEMENT OF THE ACADEMY

Strategic documents	401
Academy Performance Plan	401
Performance Management Application	402
Technical Board	402

EFFECTIVE MEASUREMENT

Academies: Licensing, Evaluation and Audit	403
Productivity Profile	403

PERFORMANCE MANAGEMENT, PLAYER DEVELOPMENT AND PROGRESSION

Performance Clock	404
Individual Learning Plans and Multi-disciplinary Reviews	404

STAFF

General	406
Academy Management Team	407
Academy Manager	407
Academy Secretary	409
Head of Academy Coaching	409
Coaches	410
Goalkeeping Coaches	410
Senior Professional Development Coach	411
Coaches: Qualifications and Professional Development	412
Head of Academy Sports Science and Medicine	413
Lead Sports Scientist	414
Lead Strength and Conditioning Coach	415
Senior Academy Physiotherapist	415
Physiotherapists and Sports Therapists	416
Academy Doctor	417
Performance Analysts	417
Head of Education	418
Head of Recruitment	419
Minority Candidates	420
Interns	420

COACHING

Coaching Programme	420
Coaching Hours	421
Development Centres	422

GAMES PROGRAMME

General.....	423
Performance Analysis	424
Foundation Phase Games Programme	424
Youth Development Phase Games Programme.....	426
Professional Development Phase Games Programme	429
Professional Development League	431
Games Programme: Postponement etc. of Matches	432

EDUCATION AND WELFARE

General.....	433
Induction Events	434
Reports on Educational Progression	434
Delivery of the Education Programme	435
Welfare, Social Development and Lifestyle Management	439
Player Exit/Release Strategy	439

SPORTS SCIENCE AND MEDICINE

Sports Science and Medicine Programme.....	440
--	-----

TALENT IDENTIFICATION AND RECRUITMENT

Scouts: Qualifications	442
Scouts: Attendance at Matches	442
Scouts: Disciplinary Action	443
Registrations and Provision of Information by the League	443
Time/Distance Rules.....	444
Trials	444
Pre-Registration Agreements	446
Registrations.....	447
End of Season Procedure	449
Termination of Registration	450
Scholarships.....	451
Appeal Against Termination	452
Appeal Against Disciplinary Decision	452
Order of Costs.....	452
Further Appeal	453
Approaches by and to Clubs and Inducements.....	453

FACILITIES

Facilities	454
------------------	-----

FINANCE AND EXPENSES

Finance.....	459
Expenses.....	459

COMPENSATION

Compensation.....	460
-------------------	-----

APPENDIX A – SAFEGUARDING

Part 1 – The EFL Child Protection Statement	465
Part 2 – Specific Requirements.....	465

APPENDIX B – CODE OF CONDUCT FOR SCOUTS.....

GENERAL

Note: throughout this document binding Rules are shaded in light blue. Guidance and other notes are also included for the assistance of Clubs. Such guidance and notes do not, however, form part of the Rules.

Definitions

Rule 1 sets out definitions used in the Youth Development Rules. All other capitalised terms used in this section of the Rules are defined in Regulation 1 of the EFL Regulations.

1	In this Section of the Rules the following terms shall have the following meanings:
1.1	“Academy” means an establishment for the coaching and education of Academy Players operated by a Club in accordance with the requirements of this Section of the Rules and licensed by the PGB pursuant to Rule 18.
1.2	“Academy Doctor” means the Official referred to in Rule 103.
1.3	“Academy Financial Information” means a budget for the following season, together with a comparison of the budgeted and actual figures for the previous season, all of which information shall be set out in the format to be prescribed by the League.
1.4	“Academy Management Team” has the meaning set out in Rule 57.
1.5	“Academy Manager” means the person responsible for the strategic leadership and operation of a Club’s Academy, whose role and responsibilities are more particularly defined at Rules 59 to 65.
1.6	“Academy Performance Plan” means a document which sets out: <ul style="list-style-type: none"> a) the goals, strategy and measurable short-term and long-term performance targets for all aspects of the work of the Club’s Academy, such strategy and performance targets to be consistent with the Club’s Vision Statement, Coaching Philosophy and Playing Philosophy; and b) without prejudice to the generality of paragraph a), how the Academy will deliver and integrate its Coaching, Education, Games and Sports Science and Medicine Programmes.
1.7	“Academy Player” means a male player (other than an Amateur Player, Non-Contract Player (in the EFL) or a Trialist) who is in an age group between Under 9 to Under 21 and who is registered at a Club which operates an Academy pursuant to these Rules, save for any player who: <ul style="list-style-type: none"> a) the Board is satisfied has developed technical, tactical, physical, psychological and social skills of such a level that he would not benefit from continued coaching in the Academy or participating or continuing to participate in its Games Programme (which includes, for the purpose of this definition, the League Competition referred to in Rules 163 to 174; and b) has entered into a Standard Contract with that Club.

Guidance

It is emphasised that Academy Players aged 17 or older may no longer be classified as such only where the Board approves an application by the Club in the light of all the circumstances relevant to the particular Academy Player and on such terms as the Board considers appropriate.

The duties of a Club in relation to the provision of an Education Programme, Safeguarding and Welfare, Social Development and Lifestyle Management continue.

Clubs’ attention is drawn to Rule 78 which requires Clubs to develop and implement a procedure to enable the transition of Academy Players to the senior squad, and also to Rule 118.1 which provides that each Academy Player has access to coaching tailored to his individual needs. Any decision by a Club to cease treating an Academy Player as such where it is not reasonable to do so in the light of his overall development and skill level may be treated as being a breach of this Rule.

1.8 “Academy Secretary” means the Official referred to in Rule 66.

1.9 “Academy Staff” means those Officials of a Club employed or otherwise engaged to work in the Club’s Academy.

Guidance

The term “employ” is used in the Rules with reference to Academy Staff, but it is accepted that the relationship need not necessarily be one of employment. For example, a Club may enter into a contract for services with Part Time youth coaches whereby no employment relationship will arise. Any references to “employ” or “employment” in this section of the Rules shall be interpreted accordingly.

1.10 “Artificial Surface” means a playing surface which in the reasonable opinion of the League meets the requirements of the FIFA Quality Concept for Football Turf and:

- a) any new outdoor Artificial Surface pitch installed by a Club which operates or applies to operate a Category 1 Academy must achieve the FIFA recommended 2 star rating under the FIFA Quality Concept for Football Turf; and
- b) any new indoor Artificial Surface pitch installed by a Club which operates or applies to operate a Category 1 Academy must achieve the FIFA recommended 2 star rating under the FIFA Quality Concept for Football Turf.

Guidance

To achieve and maintain the FIFA 2 star rating under the FIFA Quality Concept for Football Turf, the Artificial Surface pitch needs to be certified on an annual basis by a FIFA accredited agent.

Existing Artificial Surface pitches have a natural life span. Accordingly, as they reach the end of their natural life span, they should be replaced with pitches that achieve the necessary star rating under the FIFA Quality Concept for Football Turf.

1.11 “Audit Tool” means the online application maintained by the League and approved by the PGB for the purpose of undertaking (in particular by the ISO) the evaluation and audit of Academies by the assessment of:

- a) the extent to which a Club meets the criteria for Academies set out in these Rules;
- b) the extent to and manner in which a Club meets or exceeds the recommended best practice criteria which are set out in the Audit Tool; and
- c) its Productivity Profile.

1.12 “Authorised Games” means:

- a) international matches arranged by a national association including preparation and trials therefor; or
- b) matches in which the Academy Player plays for the Club holding his registration:
 - i) in its first teams; or
 - ii) which are comprised in a Games Programme; or
 - iii) which are comprised in Festivals or Tournaments, participation in which is limited to Academy teams or which are sanctioned by The Football Association or by a foreign national association; or
- c) friendly matches organised by the Club holding the Academy Player’s registration and played at an Academy, participation in which is limited to Academy Players registered at an Academy or Trialists but excluding matches between two teams consisting of one Club’s Academy Players; or

YOUTH DEVELOPMENT RULES OF THE EFL

- d) friendly matches against any opposition played outside the season dates set out in the Games Programme Schedule in which the Academy Player plays for the Club holding his registration; or
- e) matches organised by the English Schools Football Association or Independent Schools Football Association or an association affiliated to either of such Associations in which the Academy Player plays with the prior agreement of his Parents (in the case of an Academy Player under the age of 18 years), all participation in such matches to be notified by the Academy Player to the Club holding his registration; or
- f) trial matches for other Clubs or Premier League clubs in which the Academy Player plays with the prior written permission of the Club holding his registration; or
- g) any other match authorised by the Board.

1.1 “**Basic First Aid for Sport Qualification**” means the qualification of that name issued by or on behalf of The Football Association.

Guidance

The Basic First Aid for Sport Qualification (“BFAS”) is a course which has been developed and delivered by The FA since Season 2012/13.

The BFAS will need to be renewed every three years (it is hoped as part of the renewal of the main Academy coaching qualifications).

1.14 “**Category**” means one of the four categories into which each Academy shall be assigned in accordance with the criteria and procedures set out in this section of the Rules, and “Category 1”, “Category 2”, “Category 3” and “Category 4” shall be construed accordingly.

1.15 “**Charter for Academy Players and Parents**” means the information to be provided by the League to the Parent of each Academy Player upon each occasion of his registration for a Club and which will contain:

- a) information about the consequences of the Academy Player becoming registered with a Club;
- b) a summary of the Club’s obligations to the Academy Player, and the Academy Player’s obligations to the Club.

1.16 “**Chief Executive**” means the Official referred to in Regulation 16.15.1(c) (in the case of Championship Clubs) and the equivalent Official (for League One and Two Clubs).

1.17 “**Club Board**” means those Directors of the Club whose particulars are registered under section 162 of the Act.

1.18 “**Coach Competency Framework**” means a document which sets out the key competencies and behaviours which the Club expects its Academy coaches to possess and demonstrate.

1.19 “**Coaching Philosophy**” means a written statement which sets out in detail (including by describing the content of individual coaching sessions for each Academy Player) the means by which the Club will coach its Academy Players in each age group so that they have the best opportunity to develop the technical, tactical, physical, psychological and social skills that the Club wishes players in each position on the pitch to acquire, as set out in the Club’s Playing Philosophy.

YOUTH DEVELOPMENT RULES OF THE EFL

1.20 “Coaching Curriculum” means a Club’s coaching curriculum which must be set out in writing and include:

- a) the technical, tactical, physical, psychological and social skills that the Club wishes its Academy Players to develop;
- b) the appropriate means of coaching Academy Players in order that they develop those skills (having due regard to their age); and
- c) specific coaching curricula for each Development Phase.

1.21 “Continued Professional Development” means ongoing training for Academy Staff, relevant to their discipline, of such quality, content and frequency as is necessary to ensure that each member of Academy Staff has the necessary knowledge and expertise in order to fulfil his role.

1.22 “Core Coaching Time” means between 8.30am and 5.30pm on Mondays to Fridays, save that in the Foundation Phase and Youth Development Phase it also includes between 9am and 5pm on Saturdays.

1.23 “Core Condition” means each of the individual Rules referred to below:

Rule Number	Description
29	Academy Performance Plan in place
59-65	Academy Manager* (QUALIFICATIONS AND CONTRACT) *The Academy Manager Role can still be combined with the Head of Academy Coaching role as long that there is a full time Academy Operations Manager.
68-69	Head of Academy Coaching* (QUALIFICATIONS AND CONTRACT) *The Academy Manager role can still be combined with the Head of Academy Coaching role as long as there is an additional Full Time Academy Operations Manager.
66	Academy Secretary (CONTRACT)
108	Head of Education (QUALIFICATIONS AND CONTRACT)
87-93	Head of Sports Science and Medicine (QUALIFICATIONS AND CONTRACT)
109	Head of Recruitment (QUALIFICATIONS AND CONTRACT)
76-77/79-86	Senior Professional Development Coach (QUALIFICATIONS AND CONTRACT)
70-72/79-86	Coach 1 Foundation Phase (Lead Phase Coach): (QUALIFICATIONS AND CONTRACT)
70-72/79-86	Coach 2 Foundation Phase (QUALIFICATIONS AND CONTRACT)
70-72/79-86	Coach 1 Youth Development Phase (Lead Phase Coach): (QUALIFICATIONS AND CONTRACT)
70-72/79-86	Coach 2 Youth Development Phase (QUALIFICATIONS AND CONTRACT)
70-72/79-86	Coach 1 Professional Development Phase (QUALIFICATIONS AND CONTRACT)
70-72/79-86	Coach 2 Professional Development Phase (QUALIFICATIONS AND CONTRACT)
73-75/79-86	Goalkeeping Coach(es): (QUALIFICATIONS AND CONTRACT)
185	Academy Safeguarding Officer (CONTRACT)
94-96	Lead Sports Scientist (QUALIFICATIONS AND CONTRACT)
97-98	Lead Strength and Conditioning Coach (QUALIFICATIONS AND CONTRACT)
103	Medical
99	Senior Academy Physiotherapist (QUALIFICATIONS AND CONTRACT)
100-102	Registered Physiotherapist member of the Health and Care Professions Council and Sports Therapists (QUALIFICATIONS AND CONTRACT)

YOUTH DEVELOPMENT RULES OF THE EFL

104-105	Performance Analyst 1 (CONTRACT)
104-105	Performance Analyst 2 (CONTRACT)
179-183	Education Programme in place for Full Time Training Model (FTTM) and Hybrid Training Model (HTM); includes monitoring academic progression
302	Grass pitches Note: The ISO will also report on the number and condition of grass pitches for this to be assessed in terms of the adequacy of available grass pitches and demand.
307	Floodlit outdoor Artificial Surface pitch site at the Academy
302	Designated Goalkeepers (Grass) Training Area
308	Indoor Artificial Surface pitch
309	Changing Rooms
309	Washing and toilet facilities
310	Team meeting room on site (20 people)
311	Guest / Parents' Lounge (50 people)
312	Match Analysis Suite to hold 20 people (fully equipped)
314	Academy Administration Office space and facilities
314	Private meeting room on site
316	Classrooms for 20 people (min. 20 computers)
54	Each member of Academy Staff has an employment contract or a statement of terms of employment or in the case of a non-employee, a contract for services
Other	The ISO will be asked to confirm also that the following are being addressed: <ul style="list-style-type: none"> • Health and Safety audit result at the current acceptable standard which for PL Clubs is a score of at least 85% • Safeguarding provisions: compliance with Appendix A

1.24 “**Development Action Plan**” means an individualised plan, developed and implemented in accordance with these Rules, for the professional development of an Academy coach.

Guidance

See further Rules 83 to 86.

1.24A “**Designated Safeguarding Officer**” means the Official responsible for the Academy's arrangements for the safeguarding of children and to whom any sign or suspicion of abuse relating to a child must be reported.

1.25 “**Development Centre**” means an establishment operated by a Club in England or Wales for the coaching of children which is not an Academy and includes any such establishment by whatever name or title it is known.

1.26 “**Development Phase**” means the Foundation Phase, the Youth Development Phase or the Professional Development Phase as the context requires, and “**Development Phases**” means all of the former.

1.27 “**Education Advisory Group**” means the group consisting of two Persons appointed by the Premier League, two appointed by the EFL, and an independent chair.

- 1.28** **“Education Ombudsman”** means an expert appointed by the League to undertake, amongst other things, the verification of Clubs’ Hybrid and Full Time Training Models to ensure that they comply with these Rules, and to advise the Education Advisory Group and PGB thereon. An Education Ombudsman shall either be an experienced educational practitioner or a coach who has extensive experience in youth development.
- 1.29** **“Education Programme”** has the meaning set out in Rule 179.
- 1.30** **“Elite Player Performance Plan”** means the document of that name dated May 2011.
- 1.31** **“Emergency Action Plan”** means a plan detailing the medical facilities and personnel who shall be available at each Club’s home matches in the Games Programmes, and the contingency plan for how any medical emergencies at such matches shall be dealt with.
- 1.32** **“FA Advanced Youth Award”** means the advanced qualification for Academy coaches to be developed and awarded by The Football Association.

Guidance

The FA Advanced Youth Award contains a specialist element relevant to each Development Phase. Coaches will be required to hold the specialism relevant to the age group that they coach.

- 1.33** **“FA Youth Award”** means the non-age specific qualification for Academy coaches awarded by The Football Association.
- 1.34** **“Festival”** means an event, which may be spread over more than one day, at which teams from three or more Clubs (or clubs) play a series of matches in an environment in which the matches are competitive but the results are not given any particular significance.
- 1.34A** **“Former League Club”** means a Club relegated to the National League at the end of a Season and which continues to operate an academy (but it is not an Academy) in accordance with the provisions of Regulation 63.3
- 1.35** **“Foundation Phase”** means the Under 9 to Under 11 age groups inclusive.
- 1.36** **“Foundation Phase Games Programme”** means the games programmes organised by the Premier League and the EFL for teams in each of the Under 9 to Under 11 age groups as set out in Rules 136 to 140.
- 1.37** **“Full Time”** means, when applied to a role specified under these Rules, one where the working hours are at least 35 hours per week (subject to such additional hours as the Club may require). A Full Time role may be fulfilled by more than one Official (e.g. on a job-share basis) provided that the minimum hours stated above are undertaken.

Guidance

A Club will not be penalised should a member of its Academy Staff fulfilling one of the roles required by these Rules to be Full Time if working slightly less than 35 hours per week provided that the required outputs of that role are being satisfactorily delivered. See further, by way of comparison, Rule 52 and the guidance thereunder.

- 1.38** **“Full Time Education”** means the education provided for registered pupils at primary or secondary schools or full-time equivalent students at colleges of further education.

1.39 “Full Time Training Model” means:

- a) in the Professional Development Phase a programme of coaching and education whereby the Academy Player’s academic education shall be scheduled to enable four hours of coaching per day (which may be split into two sessions of two hours each) to take place within the Core Coaching Time; and
- b) in the Youth Development Phase, a programme which complies with the following:
 - i) The Academy Player shall receive within the Core Coaching Time a minimum of twenty hours of education.
 - ii) The Academy Player shall receive a significant amount of coaching within the Core Coaching Time. The exact amount of such coaching to take place within the Core Coaching Time is to be determined by the Club for each individual Academy Player. The Club shall demonstrate the amount of coaching is significantly more than the amount of coaching in the Core Coaching Time which the Club gives to its Academy Players engaged on the Hybrid Training Model. Full details must be set out in the Academy Player’s individual coaching plan referred to in Rule 118.
 - iii) No single coaching session shall endure for more than 90 minutes, and if there are two or more coaching sessions on a single day, there shall be a period of rest between each session sufficient to ensure that the Academy Player is fully rested, and of at least 90 minutes’ duration, unless the Academy Player’s individual coaching plan recognises that he may have shorter rest periods.
 - iv) The Club’s delivery of the Full Time Training Model must comply with these Rules.

1.40 “Futsal” means the variant of association football that is played in accordance with the Futsal Laws of the Game as published from time to time by FIFA (with any such variation thereto as the League may from time to time determine), the current such Laws being available at: <http://www.fifa.com/mm/document/affederation/generic/51/44/50/futsalawsofthegameen.pdf>

1.41 “Games Programme” means the Foundation Phase Games Programme, the Youth Development Phase Games Programme, or the Professional Development Phase Games Programme.

1.42 “Games Programme Schedule” means the period during which matches in the Games Programmes shall take place.

Guidance

The Games Programme Schedule incorporates two periods of “downtime” for matches in the Foundation Phase and Youth Development Phase Games Programmes. The first such period generally encompasses the last two weeks of July and the first two weeks of August, and the second encompasses two weeks over Christmas. The exact dates for each Season’s period of downtime will be set out in the Games Programme Schedule when it is published by the League in the preceding Season. A provisional date of 31 January in each Season has been set for the publication of the Games Programme Schedule (although it may be subject to amendment thereafter but before the start of the following Season to accommodate, for example, newly-classified or re-classified Academies).

the League will conduct at least two consultation meetings with Clubs per season to consider the Games Programme Schedule for the following season. The first of these will take place in the autumn, and the second in the early new year.

1.43 “Head of Academy Coaching” means the Official referred to in Rule 68.

1.44 “Head of Education” means the Official referred to in Rule 108.

1.45 “Head of Recruitment” means the Official referred to in Rule 109.

- 1.46** “**Hybrid Training Model**” means a programme of coaching and education whereby the coaching of an Academy Player primarily takes place outside of the Core Coaching Time save that, subject to the provisions of these Rules, he may be released from attendance at school during the School Day for a maximum of half a day a week (if he is in the Foundation Phase) or two days a week (if he is in the Youth Development Phase).

Guidance

Clubs’ attention is drawn to Rule 197.2, pursuant to which they must provide all necessary additional educational support so that the Academy Player’s education is not prejudiced as a result of being released from school to undertake coaching during the Core Coaching Time.

- 1.47** “**Individual Learning Plan**” means an individual plan for each Academy Player setting out measurable objectives for the development that he needs to undertake and the means by which he will obtain those objectives.

- 1.48** “**Intermediate First Aid for Sport Qualification**” means the qualification of that name issued by or on behalf of The Football Association.

- 1.49** “**ISO**” means the independent standards organisation to be appointed from time to time by the PGB for the purposes of undertaking the ISO Audits.

- 1.50** “**ISO Audit**” has the meaning set out in Rule 14.

- 1.51** “**Lifestyle Management Skills**” means the personal and social skills and knowledge which it is considered desirable for Academy Players to develop, and training in Lifestyle Management Skills shall include (without limitation) training or coaching in the following:

- a) dealing with the media;
- b) use of social media;
- c) anti-doping;
- d) Gambling, anti-corruption and other matters of sporting integrity;
- e) financial management;
- f) equality and diversity;
- g) wellbeing i.e. mental health and nutrition; and
- h) further education and careers advice.

- 1.52** “**Multi-Disciplinary Review**” means a review of all aspects of a Academy Player’s football, athletic and educational performance and development and which shall include:

- a) reports from all relevant Academy Staff (including from the coaching, education and sports science and medicine disciplines);
- b) for Academy Players on the Full Time Training Model or the Hybrid Training Model, reports and educational data from the Academy Player’s school (and where the League requests, all Academy Players on the Part Time Training Model);
- c) self-assessment by the Academy Player; and
- d) short, medium and long-term targets for the Academy Player’s football, athletic and educational performance and development.

- 1.53** “**Part Time**” means, when applied to a role specified under these Rules, one where the working hours are less than 35 hours per week. A Part Time role may be fulfilled by two or more Officials (e.g. on a job-share basis).

Guidance

No minimum number of hours is specified for Part Time roles required under these Rules. This is left to Clubs' discretion. However, the League and the ISO will require to be satisfied that the required outputs and results are achieved by a Club's staffing structure. See further, by way of comparison, Rule 52 and the Guidance thereunder.

- | | |
|-------------|---|
| 1.54 | "Part Time Training Model" means a coaching curriculum whereby the coaching of an Academy Player does not require him to miss any part of the School Day. |
| 1.55 | "Performance Analysis" means the analysis of the physiological, technical and tactical performance of each individual Player and, in a game, of the team as a whole. Performance Analysis shall be undertaken by means of such video and/or IT technology as the League shall from time to time determine. |
| 1.56 | "Performance Analysts" means the Officials referred to in Rules 104 and 105. |
| 1.57 | "Performance Clock" means the application utilised for recording, measuring, monitoring and evidencing all aspects of an Academy Player's progression, development and education in accordance with the format and procedures to be set by the League. |

Guidance

The Education Management System has been developed as a new function contained within the Performance Clock. It must be used for assisting the management of Academy Players' educational attainment data, and reference to the Performance Clock in these Rules, particularly in the context of education, should be read accordingly.

- | | |
|-------------|--|
| 1.58 | "Performance Management Application" means the online support service to be developed and maintained by the League and utilised by each Club for the purposes of assisting the management of the Academy and recording and analysing data. Such data shall include (without limitation): <ul style="list-style-type: none"> a) each Academy Player's Performance Clock; b) key data on Academy Staff such as records of qualification and Continued Professional Development; c) such information as the League may from time to time require for the purposes of national or Category-wide benchmarking; and d) data received from The Football Association in respect of an Academy Player who plays for, or who is coached by The Football Association with a view to playing for, an England representative side. |
| 1.59 | "PGB" means the Professional Game Board of The Football Association. |
| 1.60 | "Playing Philosophy" means a written statement which sets out: <ul style="list-style-type: none"> a) the principles, values, playing style and tactical approach of all of the Club's teams (including its first team); and b) profiles detailing, for each age group and the first team, the Club's desired technical, tactical, physical, psychological and social skills of players in each position on the pitch. |
| 1.61 | "Productivity Methodology" means the methodology developed by the League for analysing the registration and playing history of Players and, as a consequence thereof, for producing each Club's Productivity Profile. |

YOUTH DEVELOPMENT RULES OF THE EFL

- 1.62** “**Productivity Profile**” means an analysis, produced by the League using the Productivity Methodology, of each Club’s track record in developing Academy Players, that is to say:
- the extent to which Academy Players coached by or at its Academy have progressed to become established professional Players; and accordingly; and
 - the extent to which the Club is successful in contributing to the development of established professional Players.
- 1.63** “**Professional Development Leagues**” means the leagues of that name managed, organised and controlled by the Premier League (in the case of Clubs operating Category 1 and Category 2 Academies) or by the EFL (in the case of Clubs operating Category 3 and Category 4 Academies) and “Professional Development League 1”, “Professional Development League 2” and “Professional Development League 3” shall be construed accordingly.
- 1.64** “**Professional Development Phase**” means the Under 17 to Under 21 age groups inclusive.
- 1.65** “**Professional Development Phase Games Programme**” means the games programmes organised by the Premier League and the League for teams in the Professional Development Phase as set out in Rules 156 to 162.
- 1.66** “**Qualified Teacher Status**” means the accreditation which an individual must obtain in order to teach in state-maintained schools in England and Wales.
- 1.67** “**Scholarship Agreement**” means an agreement made between a Club and an Academy Player in YD11.
- 1.68** “**School Day**” means the times when the pupils of a school are required to attend that school as determined by its governors.
- 1.68A** “**Scout**” means any person employed or engaged by a Club (whether on a Full Time or Part Time basis and whether or not he is remunerated in any way for his services) whose duties include identifying to his Club players whose registration as Academy Players the Club may wish to secure.
- 1.68B** “**Scout Identification Card**” means a formal means of identification to be issued by each Club to each of its registered Scouts which shall include:
- the name of the Club which employs the Scout; and
 - a photograph of the Scout.
- 1.69** “**Senior Academy Physiotherapist**” means the Official referred to in Rule 99.
- 1.70** “**Senior Professional Development Coach**” means the Official referred to in Rule 76.
- 1.71** “**Sports Science and Medicine Programme**” means an integrated, interdisciplinary programme for the provision of sports science and medical, services and analysis as more particularly described in Rules 213 to 224.
- 1.72** “**Sports Therapist**” means a Person who holds at least an undergraduate degree in sports therapy.
- 1.73** “**Technical Board**” has the meaning set out in Rules 34 to 36.
- 1.74** “**Tournament**” means a grouping of competitive matches between three or more Clubs (or clubs whose results are given significance (e.g. there may be a winner of the Tournament) and which are typically played together at one venue and over a short period of time (e.g. one day or a few days).
- 1.75** “**Training Camp**” means an event for the Academy Players of one Club and which lasts for one or more days and at which a variety of coaching and other on-pitch and off-pitch activities takes place.

YOUTH DEVELOPMENT RULES OF THE EFL

- 1.76** “**Training Model**” means the Full Time Training Model, the Hybrid Training Model or the Part Time Training Model.
- 1.77** “**Trialist**” means a player playing in age groups Under 9 to Under 21 who is attending an Academy on trial under the provisions of Rules 236 or 237.
- 1.78** “**Vision Statement**” means a written statement of the Club’s desired culture, values, ambitions and strategic aims, and the behaviours and activities which the Club has adopted and will adopt (including within its Academy) in order to achieve the same.
- 1.79** “**Youth Development Phase**” means the Under 12 to Under 16 age groups inclusive.
- 1.80** “**Youth Development Phase Games Programme**” means the games programmes organised by the Premier League and the League for teams in each of the Under 12 to Under 16 age groups, full details of which are set out in Rules 141 to 155.
- 2** For the purposes of this section of these Rules:
- 2.1** Academy Players shall be placed in one of 13 age groups commencing with age group Under 9 and ending with age group Under 21; and
- 2.2** the age group into which each Academy Player shall be placed shall be determined by his age on 31 August in the year in question, save in the case of players in the Under 21 age group, who must be under the age of 21 as at 1 January in the year in which the Season concerned commences (i.e. for Season 2016/17 born on or after 1 January 1995).

General

- 3** If a Club engages in the training and development of young players then it must:
- 3.1** obtain a licence to operate an Academy; and
- 3.2** operate its Academy in accordance with this section of the Rules.
- 4** The maximum term of a licence to operate an Academy shall be three years, unless revoked earlier in accordance with these Rules or extended by the PGB at its sole discretion.
- 5** There shall be four Categories of Academy.

Applications to Operate Academies

- 6** Each Club which operates or applies to operate an Academy shall give the League and the ISO access to such facilities, personnel, documents and records as they reasonably require in order to undertake their responsibilities under these Rules.
- 7** A Club which wishes to operate (or continue to operate) a Category 1 Academy with effect from 1 July 2016 must:
- 7.1** have submitted to the PGB by 1 May 2015 a written application to do so, signed on behalf of the Club by an Authorised Signatory; and
- 7.2** submit to the League by 30 July 2015 evidence (in the form prescribed by the League from time to time) that it is compliant with the Core Conditions.

YOUTH DEVELOPMENT RULES OF THE EFL

8	The PGB, acting on the advice of the ISO, shall determine whether each applicant Club complies with the Core Conditions and notify each such Club of its determination by 1 September 2015.
9	The PGB shall determine that a Club either: 9.1 does not comply with the Core Conditions, in which event the PGB shall not grant it a licence to operate a Category 1 Academy; or 9.2 complies with the Core Conditions, in which event the Club must by 30 September 2015 complete the Audit Tool.
10	The ISO shall conduct an ISO Audit of each Academy at least once every three years (subject to any decision of the PGB that an ISO Audit shall be undertaken less frequently or any requirement of these Rules which provides for ISO Audits to be undertaken more frequently), the results of which shall be made available to the Club, the League and the PGB.
11	The ISO will undertake an ISO Audit between October 2015 and March 2016 of each Club to which Rule 9.2 applies.
12	Each applicant Club shall be given reasonable notice of the dates of its ISO Audit and may not change those dates save with the permission of the PGB, which shall only be granted if the PGB is satisfied there are exceptional circumstances which justify such a change.

Guidance

It is anticipated that the ISO will require to visit each Club for around three days in order to undertake its ISO Audit.

13	Save where Rule 9.1 applies, the PGB shall not determine the applications to operate Category 1 Academies with effect from 1 July 2016 until all the ISO Audits undertaken pursuant to Rule 11 have been completed.
14	In respect of each Club which applies for a licence to operate an Academy, the ISO shall undertake an analysis ("the ISO Audit") of the matters set out in Rule 1.11(a) to (c).
15	Where a Club which wishes to obtain a licence to operate (or continue to operate) a Category 2, 3 or 4 Academy 15.1 the Club shall: 15.1.1 submit to the League an application by the deadline stipulated by the League prior to the commencement of the relevant Season; 15.1.2 co-operate with the League's assessment (by whatever means) of the Club's compliance with the criteria applicable to the relevant Category; 15.2 where the League is satisfied, acting reasonably, that the Club will meet the criteria applicable to the Category applied for, the League shall recommend to the PGB that the PGB award a provisional licence to operate an Academy for that Category; 15.3 where the League is not satisfied that the Club will meet the criteria applicable to the relevant Category, the League may recommend to the PGB that the PGB award: 15.3.1 a provisional licence to operate an Academy for such lower Category as appropriate having regard to the criteria which are met by the Club as evidenced by the application; or 15.3.2 no provisional licence to operate an Academy at all;

15.4	The PGB shall give due consideration to: <ul style="list-style-type: none"> 15.4.1 a Club's application for a provisional licence to operate an Academy; and 15.4.2 the recommendation of the League in accordance with Rule 15.3, and shall determine the Category of each Academy in respect of which it grants a provisional licence to operate an Academy, if any. A Club shall only have the right to make representations to the PGB in connection with its application for a provisional licence if Rule 15.3 applies.
16	The ISO Audit shall utilise the Audit Tool by assessing and recording thereon a score in respect of the matters set out in Rule 1.11(a) to (c).
17	Prior to an ISO Audit being presented to the PGB, the ISO shall: <ul style="list-style-type: none"> 17.1 give to the Club a copy of it and of the ISO's recommendation as to whether the Club should be granted a licence to operate an Academy and if so what the Category of the Academy should be; 17.2 thereafter hold a meeting with Officials of the Club and representatives of the League to discuss it; and 17.3 consider any representations made by the Club or the League about the Club's ISO Audit and make all appropriate amendments to the ISO Audit consequent upon those representations.

Guidance

It is expected that the Club Officials who will attend the meeting with the ISO and the League referred to in Rule 17.2 will include the Academy Manager and the Chief Executive.

18	The PGB, having given due consideration to a Club's ISO Audit and recommendation and to the advice of the League, shall (where appropriate) issue all licences to operate Academies and shall determine the Category of each Academy in respect of which it grants a licence.
19	In determining the Category of each Academy the PGB will consider and rely upon an anonymised report from the ISO on all applications for the same Category, which shall include a comparison of the scores obtained by each applicant and their Malus Scores, and a recommendation by the ISO as to the Category to be awarded, together with reasons.
20	For the avoidance of doubt, a Club shall only have the right to make representations to the PGB in connection with its application for a licence to operate an Academy if it believes that the ISO Audit contains manifest error.
21	A Club may only appeal against the decision of the PGB not to issue it a licence to operate an Academy, or against the PGB's determination of the Category of its Academy, if that decision was: <ul style="list-style-type: none"> 21.1 reached as a result of fraud, malice or bad faith; or 21.2 reached as a result of procedural errors so great that the rights of the Club have been clearly and substantially prejudiced; or 21.3 reached as a result of a perverse interpretation of the law; or 21.4 one which could not reasonably have been reached by any tribunal which had applied its mind properly to the facts of the case.
22	Any appeal by a Club pursuant to Rule 21 shall be dealt with in accordance with Rule K (Arbitration) of the Rules of The Football Association.

- 23** A Club may not:
- 23.1** re-apply for a licence to operate an Academy within three years of the determination by the PGB of an application made by it unless:
 - 23.1.1** the PGB is satisfied that there are exceptional circumstances which justify a further application; and
 - 23.1.2** the Club bears any costs of the League, ISO and PGB reasonably incurred by any of those bodies in assessing and determining the Club's further application; or
 - 23.2** apply for a licence to operate an Academy higher than that which the Club is licensed to operate where those Clubs already operating in that higher Category are scheduled to be re-audited in the following Season.

Guidance

Whether there are exceptional circumstances which justify a further application will be entirely at the discretion of the PGB. By way of example only, the following may be considered to be "exceptional circumstances". However, each case will be judged on its own facts and accordingly there is no guarantee that even if the following apply the PGB will grant permission for a re-application.

The circumstances referred to above include a change in ownership or strategic priority within the Club leading to a significantly high level of commitment to and investment in the Academy. The Club would need to demonstrate an improvement in performance against targets, not simply plans to improve performance.

- 24** Upon a Club making a further application pursuant to Rule 23, the ISO shall conduct a further ISO Audit of the Club.
- 25** Any Club or Official making a false statement (whether made verbally or in writing) or falsifying a document in connection with:
- 25.1** an application for a licence to operate an Academy;
 - 25.2** the League's annual evaluation undertaken pursuant to Rule 38;
 - 25.3** an ISO Audit; or
 - 25.4** any other provision of these Rules;
- shall be in breach of these Rules and shall be liable to be dealt with in accordance with the provisions of Section 8 of the League's Rules.
- 26** If, in breach of Rule 3.2, a Club fails to comply with any Rule in this section, or if a Club or Official makes a false statement or falsifies a document as set out in Rule 25, then the PGB may:
- 26.1** revoke the Club's licence to operate an Academy; or
 - 26.2** suspend the Club's licence to operate an Academy for such time as it shall determine during which the Club shall have the opportunity to ensure it becomes compliant with the relevant Rule; or
 - 26.3** determine that the Club's Academy shall have a lower Category than its current Category;
 - 26.4** withdraw or suspend the Club's entitlement to any central funding provided for the purposes of youth development; and
- in any of the above cases require the ISO to undertake an ISO Audit of the Club's Academy as soon as reasonably practicable.

- 27** Without prejudice to Rules 26, 229A and 229B, any breach of Rules 3.2, 6, 25, 32.2, 42 to 50, 54, 55, 56.1, 116 to 120, 123.2, 127 to 129, 131, 132, 139, 140, 153 to 155, 162 to 164, 171, 172, 176, 177, 180 to 189, 193 to 204, 211, 216, 217, 220, 223 to 226, 226C, 226D, 226F, 227, 229, 243, 245, 246, 249 to 251, 257, 263, 266, 267, 278, 281, 284 to 286, 296, 297, 299, 300, 317 or 320 shall be liable to be dealt with under the provisions of Section 8 of the League's Regulations.

Guidance

Failure to comply with any of the Rules in this section, other than those specified in Rule 27 above, will not ordinarily lead to liability to disciplinary action under Section 8. However, such failure to comply may be dealt with pursuant to the terms and conditions of the Club's Academy licence and may lead to the revocation, suspension or downgrading of that licence, or the withdrawal or suspension of central funding, pursuant to Rule 26.

the League considers that the Rules specified in Rule 27 are of such a nature that breach should open the possibility of disciplinary action under Section 8 because they impact upon other people or entities, and in particular, Academy Players and/or other Clubs.

STRATEGY, LEADERSHIP AND MANAGEMENT OF THE ACADEMY

Strategic Documents

- 28** Each Club which operates an Academy shall document and make available to the League and to the ISO its Vision Statement, Playing Philosophy and Coaching Philosophy each of which shall be:
- 28.1** drawn up by the Technical Board; and
 - 28.2** annually reviewed and approved by the Club Board.

Academy Performance Plan

- 29** Each Club which operates an Academy shall prepare and make available to the League and to the ISO its Academy Performance Plan.

Guidance

See also Rule 9.2 which requires the Academy Performance Plan to be submitted as part of the Club's application to operate (or continue to operate) an Academy with effect from 1 July 2016.

- 30** The Academy Performance Plan shall be drawn up under the guidance of the Academy Manager in consultation with such Officials as the Club may consider appropriate (including, by way of example only, the Manager, the Chief Executive, the Academy Management Team and the technical director if the Club has appointed one and the Technical Board) and shall be reviewed annually by the Academy Manager.
- 31** The Club Board shall:
- 31.1** annually review and approve the Academy Performance Plan;
 - 31.2** ensure that the Academy Performance Plan is communicated to all relevant Officials; and
 - 31.3** measure the performance of the Academy each year against the objectives, strategy and specific performance targets set out in the Academy Performance Plan and ensure that appropriate action is taken if the performance targets have not been met.

Performance Management Application

- 32** Each Club which operates an Academy shall:
- 32.1** utilise the Performance Management Application from the date of its implementation by the League and record on it the data listed in Rule 1.58;
 - 32.2** ensure that the data held on the Performance Management Application which is within the Club's control is held securely and is only released to, or accessed by, those persons who require access to it pursuant to any of these Rules; and
 - 32.3** provide the League with such information as it may from time to time require for the purposes of analysing and benchmarking on a national or Category-wide basis any aspect of the performance of Academy Players or Clubs.
- 33** Each Club which operates an Academy shall ensure that the Performance Management Application is available for access by the following individuals:
- 33.1** relevant Academy Staff; and
 - 33.2** Parents of its Academy Players aged 17 and younger, and the Academy Players themselves, in relation to information contained on the Performance Management Application which relates to that Academy Player (but excluding information which in the Club's reasonable opinion ought not to be so disclosed).

Technical Board

- 34** Each Club which operates an Academy shall establish a Technical Board.
- 35** The membership of the Technical Board shall consist of such Officials as the Club Board deems necessary in order for the Technical Board to properly perform the functions with which it is tasked by these Rules, and accordingly may include:
- 35.1** the Chief Executive;
 - 35.2** the Manager;
 - 35.3** the Academy Manager;
 - 35.4** such Officials as can give input from the following functional areas:
 - 35.4.1** recruitment;
 - 35.4.2** coaching; and
 - 35.4.3** Professional Development Phase coaching; and
 - 35.5** any other Official that the Club deems appropriate.
- 36** The Technical Board shall provide technical advice and support in the development of the Club's Playing Philosophy, Coaching Philosophy and Coach Competency Framework, and in the development, implementation and monitoring of the Academy Performance Plan.

Guidance

The Club may wish to give consideration to tasking the Technical Board with involvement in the following functions, in addition to those listed in the above Rule:

- defining the profile/role of the Senior Professional Development Coach;
- management of the transition of players into the first team squad;
- defining the Club's recruitment strategy (e.g. home-grown players vs external recruitment);
- playing opportunities for Academy Players at first team level; and
- any other functions which the Club deems appropriate.

Each Club may wish to give consideration to employing a technical director. The employment of a technical director is not mandatory.

EFFECTIVE MEASUREMENT

Academies: Licensing, Evaluation and Audit

- 37** Each Club which operates an Academy shall conduct an annual self-assessment of its Academy which shall:
- 37.1** be led by its Academy Manager;
 - 37.2** assess the extent to which the Club meets and/or exceeds the criteria pertaining to the relevant Category of Academy set out in this section of the Rules and in the Audit Tool;
 - 37.3** utilise the Audit Tool; and
 - 37.4** be made available to the League, the ISO and, if required, the PGB.
- 38** the League shall conduct:
- 38.1** on-going monitoring of each Academy; and
 - 38.2** an annual evaluation of each Academy which shall:
 - 38.2.1** consider the Club's annual self-assessment referred to in Rule 37 and its most recent Academy Financial Information;
 - 38.2.2** assess the extent to which the Club meets and/or exceeds the criteria pertaining to the relevant Category of Academy set out in this section of the Rules and in the Audit Tool;
 - 38.2.3** utilise the Audit Tool; and
 - 38.2.4** be made available to the Club, the ISO and, if required, the PGB.
- 39** A Club shall be entitled to publish the results of its ISO Audit and the Category of its Academy.

Productivity Profile

- 40** Each year the League will provide each Club which operates an Academy with an up to date Productivity Profile, benchmarked (on an anonymised basis) against other Clubs (and, if appropriate, Premier League clubs).

PERFORMANCE MANAGEMENT, PLAYER DEVELOPMENT AND PROGRESSION

Performance Clock

- 41** Each Club which operates an Academy shall maintain a Performance Clock for each of its Academy Players and ensure that it is made available to:
- 41.1** the Academy Player;
 - 41.2** his Parent (and without prejudice to the generality of the foregoing the Club shall provide to the Academy Player and his Parent a copy of his Performance Clock if he ceases to be registered with the Club);
 - 41.3** the League; and
 - 41.4** the ISO.

Guidance

- 1** The Performance Clock records the player's progress throughout his development. The Performance Clock is an embedded application in the Performance Management Application. Information is carried forward year on year (and from club to club) to build into a comprehensive record of the player's development. The Performance Clock should provide a breakdown of the time spent in individual and team technical and practical development, matches played, sports science and medicine (including psychological and social development) and educational progression. The Performance Clock logs qualitative information and evidence documented by both coach and player relating to a player's successful progression in the above areas. The Performance Clock also evidences the Academy Player's Multi-disciplinary Reviews.
- 2** It should be noted that while there is scope within the Performance Clock for the Academy Player to give feedback and comments, the primary responsibility to maintain Performance Clocks lies with the Club. Any Club which fails to maintain its Academy Players' Performance Clocks, and make them available in accordance with Rule 41, may jeopardise its categorisation.

Individual Learning Plans and Multi-disciplinary Reviews

- 42** Each Club which operates an Academy shall ensure that it undertakes a Multi-disciplinary Review in respect of each Academy Player:
- 42.1** every 12 weeks (if he is in one of the Under 9 to Under 11 age groups);
 - 42.2** every 6 weeks (if he is in one of the Under 12 to Under 18 age groups); and
 - 42.3** with such frequency as is necessary according to his developmental needs (if he is one of the Under 19 to Under 21 age groups).

Guidance

Neither the Academy Player nor his parent need be present at the Multi-disciplinary Review. See however the Club's obligations under Rules 44, 45 and 47 to 49.

- 43** Each Multi-disciplinary Review shall assess the performance and development of the Academy Player against his performance targets set at previous Multi-disciplinary Reviews. At the end of each Multi-disciplinary Review the Club shall update the Academy Player's Individual Learning Plan to take account of conclusions reached at the Multi-disciplinary Review.

YOUTH DEVELOPMENT RULES OF THE EFL

44	Each Club which operates an Academy shall ensure that it conducts a meeting with each of its Academy Players: 44.1 at least every 12 weeks (if he is in one of the Under 9 to Under 11 age groups); 44.2 at least every 6 weeks (if he is in one of the Under 12 to Under 18 age groups); and 44.3 with such frequency as is necessary according to his development needs (if he is one of the Under 19 to Under 21 age groups).
45	At the meetings referred to in Rule 44, the Club shall: 45.1 discuss with the Academy Player his Individual Learning Plan; and 45.2 take all appropriate action (for example by way of amending his Individual Learning Plan to set mutually agreed performance targets and/or such individual coaching, athletic development or educational support as may be necessary).
46	Each Multi-disciplinary Review shall be recorded on the Academy Player's Performance Clock.
47	Each Club which operates an Academy shall meet with the Parent of each Academy Player under the age of 18 at least twice a year and provide to and discuss with the Parent a detailed review of all aspects of the Academy Player's performance and development based on his most recent Multi-disciplinary Reviews.
48	A written record of the discussion referred to in Rule 47 shall be given to the Parent and noted on the Academy Player's Performance Clock.
49	Each Club which operates an Academy shall, between 1 May and 30 June in each year, provide to the Parent of each Academy Player under the age of 18 an annual written report on all aspects of the Academy Player's performance and development over the preceding Season.
50	Each Club shall permit a representative of the League to attend Multi-Disciplinary Reviews if so requested by the League.

Guidance

It is recommended that one of the meetings referred to in Rule 47 is held at around the mid-season point and the other at the end of the season. The annual written report referred to in Rule 49 should form the basis of the end of season meeting.

Regular reviews of all aspects of an Academy Player's development are a key part of the Elite Player Performance Plan. Each periodic Multi-disciplinary Review will have input from each discipline within the Academy (coaching, education and welfare, and sports science and medicine).

The following best practice recommendations are made, which supplement the above minimum requirements.

- 1 Multi-disciplinary Reviews should not only measure the Academy Player's progression against his own performance targets, but also benchmark his development against that of his peers.
- 2 The procedure for undertaking Multi-disciplinary Reviews with Academy Players should follow a standard protocol. The meeting should involve the head coach for the Academy Player's Development Phase and the Head of Education (particularly if the Club is providing education to the Academy Player), plus any other relevant Academy Staff (e.g. sports scientists) as required.
- 3 Similar protocols may be adopted for the meetings with Parents. Thus, it is recommended that the meeting is attended by the head coach for the Academy Player's Development Phase, the Head of Education and any other relevant Academy Staff.

STAFF

General

51	Each Club which operates an Academy shall establish a staffing structure for its Academy which shall:
51.1	subject to Rule 52 include the mandatory posts required by this section of the Rules for the Category applicable to its Academy; and
51.2	have regard to the guidelines and best practice set out in the Elite Player Performance Plan.
52	Save for the Academy Manager and the coaches described in Rules 70 and 71, a Club need not employ those Academy Staff whose employment is mandatory for the Category of its Academy pursuant to these Rules provided that the Club is able to demonstrate to the reasonable satisfaction of the League, the ISO or the PGB (whichever body is appropriate), that its staffing structure includes the same expertise and achieves the same results as if all the mandatory posts required by this section of the Rules were filled.

Guidance

The functions covered by the mandatory posts must be delivered by all Clubs operating an Academy. However, the League acknowledges that Clubs should have flexibility in the organisation of their staffing structure provided that the structure that is adopted delivers the same outputs and results as if the mandatory posts were filled.

The exceptions to this are the post of Academy Manager and the coaches set out in Rules 70 and 71: a Club must employ a Full Time Academy Manager in accordance with Rules 59 to 65 and coaches in accordance with Rules 70 and 71.

53	The Club shall document its staffing structure in an organisational chart which shall:
53.1	show the reporting lines of each member of Academy Staff; and
53.2	be made available to Academy Staff, the League and the ISO.
54	The relationship between a Club and each member of its Academy Staff shall be appropriately documented by way of:
54.1	an employment contract; or
54.2	a statement of terms of employment pursuant to Section 1 of the Employment Rights Act 1996; or
54.3	in the case of a non-employee, a contract for services.
55	Each member of Academy Staff shall be given:
55.1	a written job description (which may be contained in the document referred to in Rule 54); and
55.2	an annual performance appraisal.
56	Each Club which operates an Academy shall:
56.1	provide Continued Professional Development to members of Academy Staff where required to do so pursuant to these Rules; and
56.2	take all reasonable steps to ensure that each member of Academy Staff who is required by these Rules to undertake Continued Professional Development does so.

Guidance

It is envisaged that CPD will be delivered partly by Clubs and partly externally (e.g. by The Football Association).

Academy Management Team

- 57** Each Club which operates an Academy shall establish an Academy Management Team which shall:
- 57.1** be led by the Academy Manager; and
 - 57.2** in addition to the Academy Manager consist of such other Officials as the Club Board deems necessary in order for the Academy Management Team to properly perform the functions with which it is tasked by these Rules and otherwise, and which may accordingly include the Head of Education, the Head of Sports Science and Medicine, the Head of Recruitment, the Head of Academy Coaching and the Academy Secretary.
- 58** The Academy Management Team shall assist the Academy Manager in running the operations of the Academy in accordance with the Club's Academy Performance Plan.

Guidance

This Section of the Rules should be read subject to Rule 52. If a Club does not employ one of the Officials described in Rule 57.2, Clubs should consider including representation from the relevant functional area on the Academy Management Team.

Academy Manager

- 59** Each Club which operates an Academy shall employ a Full Time Academy Manager.
- 60** The Academy Manager's appointment shall be approved by the Club Board.
- 61** The Academy Manager shall report to the Chief Executive or to such other senior administrative Official of the Club as the Club Board shall approve.
- 62** The responsibilities of the Academy Manager shall include (unless otherwise approved by the Board):
- 62.1** guiding the development of the Club's Playing Philosophy, Coaching Philosophy and Coaching Curriculum;
 - 62.2** drawing up the Academy Performance Plan as set out in, and subject to the provisions of, Rule 30;
 - 62.3** implementing the Academy Performance Plan;
 - 62.4** advising the Club Board on:
 - 62.4.1** whether the Academy has met the performance targets set out in the Academy Performance Plan; and
 - 62.4.2** the action to be taken by the Club if the Academy has not met those performance targets;
 - 62.5** ensuring the effective use by all appropriate Academy Staff of the Performance Management Application, Performance Clocks, and the Audit Tool, including ensuring that all relevant data is recorded thereon;
 - 62.6** the design, implementation and management of the Academy's Coaching Curriculum;
 - 62.7** conducting an annual self-assessment of the Academy in accordance with the provisions of Rule 37;
 - 62.8** providing all necessary assistance to the League in connection with its on-going monitoring and annual evaluations of the Academy and to the ISO in connection with the ISO Audits;
 - 62.9** ensuring that all Academy Staff undertake the Continued Professional Development required of them by this section of the Rules;

- 62.10** being the line manager of the Head of Education, Head of Coaching, and Head of Recruitment; and
- 62.11** liaising with the Club's Manager as appropriate.

Guidance

It is acknowledged that some Academy Managers may also have important roles as coaches and that the above responsibilities may limit the time they have for coaching. As a consequence, the Academy Manager will be entitled to delegate some of his functions to other staff at the Academy to enable him to continue to undertake coaching. In particular, if the Academy Manager also has coaching responsibilities, Clubs may wish to give consideration to appointing an Operations Manager, being a senior administrator who will have day-to-day responsibility for many of the executive and operational issues of the Academy. However, it should be borne in mind that the Academy Manager will remain ultimately responsible for all of the above matters regardless of any delegation.

- 63** Subject to Rule 64, each Academy Manager must hold:
 - 63.1** an up to date UEFA A Licence; and
 - 63.2** an FA Youth Award; and
 - 63.3** an FA Advanced Youth Award.

Guidance

An Academy Managers' development programme will be developed in conjunction with Clubs

Rule 63.3 will be complied with regardless of which of the age-specific specialist element of the Award the Academy Manager holds, so long as he holds one.

- 64** A Club may appoint as Academy Manager a person who does not hold the qualifications set out in Rule 63 provided that the Head of Academy Coaching:
 - 64.1** holds these qualifications;
 - 64.2** is tasked with overseeing the Coaching Curriculum; and
 - 64.3** is a member of the Academy Management Team and sits on the Technical Board.

Guidance

Consideration is being given to a specific course/qualification for Academy Managers who do not hold the required coaching qualifications. This may become mandatory for such Academy Managers. Further guidance will be given to Clubs in due course.

- 65** The Academy Manager must undertake Continued Professional Development organised by the Club. In addition, where the Academy Manager holds a qualification set out in Rule 63, he must attend such training provided by The Football Association as is necessary to maintain the validity of that qualification and at least five hours of in-service training to be provided by the League every year and hold a current Basic First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board.

Guidance

The Board will deem the current first aid qualification held by an Academy Manager to be an equivalent to BFAS until such time as the Academy Manager acquires the BFAS qualification. However, all Academy Managers must hold the BFAS qualification by the conclusion of Season 2015/16.

Academy Secretary

- 66** Each Club which operates an Academy shall appoint an Academy Secretary who shall be employed Full Time (in the case of a Club which operates a Category 1 or Category 2 Academy), and at least Part Time (in the case of a Club which operates a Category 3 or Category 4 Academy).
- 67** The Academy Secretary shall:
- 67.1** provide administrative support to the Academy Manager and the Academy Management Team;
 - 67.2** act as the point of contact between the Academy and the League for all administrative matters, including the submission of required information; and
 - 67.3** be familiar with all relevant provisions of these Youth Development Rules, as amended from time to time.

Guidance

This section of the Rules should be read subject to Rule 52.

Head of Academy Coaching

- 68** Each Club which operates an Academy shall employ a Head of Academy Coaching who shall:
- 68.1** report to the Academy Manager;
 - 68.2** subject to Rule 62.6, have responsibility for delivery of the Academy's Coaching Curriculum;
 - 68.3** be responsible for designing and delivering the Club's Continued Professional Development programme, which shall reflect the Club's Playing Philosophy and Coaching Philosophy and each coach's Coach Competency Framework for all the Club's Academy coaches;
 - 68.4** discharge the responsibilities with regard to Development Action Plans set out at Rules 84 to 86;
 - 68.5** hold at least an up to date UEFA A Licence, an FA Youth Award, and an FA Advanced Youth Award;
 - 68.6** hold a current Basic First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board;
 - 68.7** have recent and relevant experience of coaching Academy Players in an Academy (or of a comparable environment);
 - 68.8** be employed Full Time (in the case of a Head of Academy Coaching employed in a Category 1 or Category 2 Academy) or at least Part Time (in the case of a Category 3 or Category 4 Academy);
 - 68.9** attend at least five hours of in-service training to be provided by the League each year; and
 - 68.10** attend such training to be provided by The Football Association as is necessary to maintain the validity of the qualifications set out in Rule 68.5; and
 - 68.11** in conjunction with each of the Club's coaches, plan, deliver and monitor the delivery of individual development plans for each such coach.
- 69** In addition to the in-service training referred to in Rule 68.9, the Head of Academy Coaching must undertake Continued Professional Development organised by the Club.

YOUTH DEVELOPMENT RULES OF THE EFL

Guidance

It is recommended (and mandatory in the circumstances set out in Rule 64) that the Head of Academy Coaching will be a senior appointment in the Academy and a member of the Academy Management Team and sit on the Technical Board.

This section of the Rules should be read subject to Rule 52.

Coaches

- 70** Each Club which operates an Academy shall employ as a minimum the number of Full Time coaches for each Development Phase in accordance with the Category of its Academy as set out in the following table:

	Foundation Phase	Youth Development Phase	Professional Development Phase
Category 1	2	2	2
Category 2	1	2	2
Category 3	1	1	2
Category 4	N/A	N/A	2

Guidance

For those Clubs which operate a Category 3 or Category 4 Academy, the Academy Manager and Head of Academy Coaching may count towards the minimum numbers required under Rule 70. Further consideration will be given to this in due course as it is however best practice that they are not included in the count of coaches under Rule 70.

- 71** In addition to the coaches set out in Rule 70 each Club shall employ sufficient additional coaching staff (Full Time or Part Time) to ensure that the coach to Academy Players ratios set out in Rule 119 are maintained.
- 72** Each Club shall appoint one Full Time coach in each Development Phase who shall be the lead coach for that phase and be responsible for managing the delivery of coaching within it, and who shall hold at least an up to date UEFA A Licence.

Guidance

It is recognised that a number of Lead Foundation Phase Coaches do not currently (July 2015) possess the A-Licence qualification and no Club shall be penalised if such coaches do not hold this award provided an appropriate process is undertaken to attain. Such process may include consideration of updated course structures by The FA.

Goalkeeping Coaches

- 73** Each Club which operates an Academy shall employ, either on a Full Time or Part Time basis, such goalkeeping coaches as are necessary to ensure that each Academy Player who is a goalkeeper receives the required hours of coaching set out in Rule 116.

- 74** Each goalkeeping coach must:
- 74.1** attend at least five hours of in-service training to be provided by The Football Association each year;
 - 74.2** attend the first aid training for Academy coaches provided by The Football Association at least once every three years; and
 - 74.3** undertake Continued Professional Development organised by the Club.
- 75** Each goalkeeping coach must hold an up to date UEFA B Licence and an FA Goalkeeping Coaching B Licence.

Guidance

This section of the Rules should be read subject to Rule 52.

Senior Professional Development Coach

- 76** Each Club which operates a Category 1 or Category 2 Academy shall (and a Club which operates a Category 3 or Category 4 Academy may) appoint a Senior Professional Development Coach who shall:
- 76.1** report to the Academy Manager;
 - 76.2** liaise with the Manager;
 - 76.3** hold a UEFA A Licence and the FA Advanced Youth Award with the age specific specialist element relevant to the Professional Development Phase;
 - 76.4** oversee on a day-to-day basis the Coaching Curriculum for the Under 19 to Under 21 age groups;
 - 76.5** manage the transition of Academy Players to the Club's senior squad in accordance with the Club's procedure for the same described in Rule 78;
 - 76.6** contribute to the Multi-disciplinary Reviews of all Academy Players in the Professional Development Phase; and
 - 76.7** manage the Club's team which competes in the Professional Development League.
- 77** Each Club which operates a Category 3 or Category 4 Academy that does not appoint a Senior Professional Development Coach in accordance with Rule 76 shall assign a member of the coaching staff responsible for the coaching of the Club's professional players to act as a liaison coach who shall:
- 77.1** liaise with the Academy Manager;
 - 77.2** liaise with the Manager; and
 - 77.3** manage the transition of Academy Players to the Club's senior squad in accordance with the Club's procedure for the same described in Rule 78.
- 78** Each Club which operates an Academy shall develop, implement and provide evidence of a procedure to enable the transition of Academy Players to its senior squad.

Guidance

This section of the Rules should be read subject to Rule 52.

Coaches: Qualifications and Professional Development

79	Subject to Rule 80, each coach (excluding goalkeeping coaches to whom Rule 74 applies) must from the commencement of and throughout their employment hold: <ul style="list-style-type: none"> 79.1 an up to date UEFA B Licence (save where these Rules require a coach to hold an up to date UEFA A Licence); and 79.2 an FA Youth Award; and 79.3 an up to date FA Advanced Youth Award with the age-specific specialist element relevant to the Development Phase which he coaches.
80	A coach employed by a Club prior to 1 July 2015 who does not hold a qualification required by Rules 79.2 and 79.3 shall acquire it by 30 July 2017.

Guidance

These Rules require the following Academy Staff to hold an up to date UEFA A Licence:

- Head of Academy Coaching (Rule 68.5);
- Senior Professional Development Coach (Rule 76.3).

81	Each coach (including goalkeeping coaches) must attend at least five hours of in-service training to be provided by The Football Association or League each year and hold a current Basic First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board.
82	In addition to the in-service training referred to in Rule 81, each coach must undertake Continued Professional Development organised by the Club.

Guidance

the League, the Premier League and The Football Association will establish and maintain a national database of qualifications of coaches, and the in-service training they have undertaken.

83	Each Club which operates an Academy shall prepare a Coach Competency Framework, which must be approved by its Technical Board.
84	Each Club shall ensure that the Head of Academy Coaching provides to each of its Academy coaches (including goalkeeping coaches and the Senior Professional Development Coach) a Development Action Plan, that is to say the Head of Academy Coaching shall undertake an assessment of the competencies of each Academy coach and discuss this with him, and agree with him the competencies and behaviours which he needs to develop, and the activities which he will undertake in order to develop them, and the timeframe within which he will undertake them, and record the same in writing and give a copy to the coach.
85	The Club must record evidence that the actions referred to in the Development Action Plan have been undertaken, and review those actions within an appropriate period with the coach, and amend the Development Action Plan if necessary.
86	The Club shall ensure that the Head of Academy Coaching reviews, and if necessary amends, each coach's Development Action Plan with such frequency as is necessary.

Head of Academy Sports Science and Medicine

- 87** Each Club which operates a Category 1 and Category 2 Academy shall appoint a Full Time Head of Academy Sports Science and Medicine who shall report to either the Academy Manager or the Official who is responsible for Sports Science and Medicine for the entire Club (and whichever he reports to, he shall liaise closely with the other).
- 88** Each Club which operates a Category 3 or Category 4 Academy shall demonstrate to the reasonable satisfaction of the League, the ISO or PGB (whichever body is appropriate) that its Sports Science and Medicine Programme for Academy Players is appropriately managed and delivered.

Guidance

A Club which operates a Category 3 or Category 4 Academy may choose to buy in support for this function on a part time basis.

- 89** The Head of Academy Sports Science and Medicine shall be responsible for managing and delivering the Sports Science and Medicine Programme for all Academy Players registered with the Club.
- 90** The Head of Academy Sports Science and Medicine:
- 90.1** shall be either:
- 90.1.1** a registered physiotherapist member of the Health and Care Professions Council; or
- 90.1.2** a registered medical practitioner licensed to practise by the General Medical Council (and shall comply with the General Medical Council's requirements concerning annual appraisal, scope of practice, indemnity and revalidation of doctors) with a diploma in Sport and Exercise Medicine or equivalent or higher qualification; or
- 90.1.3** the holder of at least a master's degree in sports science (or other relevant discipline) from a recognised university and have or be working towards British Association of Sport and Exercise Sciences accreditation; and
- 90.2** shall have recent and relevant professional experience in a sports performance environment.

Guidance

Under Rule 90.1.2, where the Academy Doctor is not head of department the further qualification is still necessary if the doctor is providing independent unsupervised management in the area of Sport and Exercise Medicine. Under Rule 90.1.3, it is anticipated that British Association of Sport and Exercise Sciences accreditation will be a requirement for this post in 2016/17.

- 91** The Head of Academy Sports Science Medicine shall hold either:
- 91.1** if he is a registered physiotherapist member of the Health and Care Professions Council or a registered medical practitioner, a current Football Association Advanced Resuscitation and Emergency Aid certificate or an equivalent or higher qualification approved by the Board; or
- 91.2** if he is neither of the above, a current Intermediate First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board.

- 92** For the avoidance of doubt, if the Head of Academy Sports Science and Medicine is not a registered physiotherapist member of the Health and Care Professions Council or a registered medical practitioner (as set out in Rule 91.1 and 91.2 respectively) then the primacy of decisions regarding the clinical treatment of Academy Players shall rest with a physiotherapist or registered medical practitioner.
- 93** The Head of Academy Sports Science and Medicine must undertake Continued Professional Development organised by the Club or the League.

Guidance

It is envisaged that the person who is appointed to this role shall have had recent relevant experience (which will be assessed by the League and/or the ISO), including managerial experience in a sports science environment.

This section of the Rules should be read subject to Rule 52.

Lead Sports Scientist

- 94** Each Club which operates a Category 1 or Category 2 Academy shall appoint a Full Time Lead Sports Scientist who shall:
- 94.1** hold at least a bachelor's degree in sports science (or another relevant discipline) from a recognised university;
 - 94.2** have recent and relevant professional experience in a sports performance environment;
 - 94.3** co-ordinate and lead the sports science services for the Academy; and
 - 94.4** hold a current Basic First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board.
- 95** Each Club which operates a Category 3 or Category 4 Academy shall demonstrate to the reasonable satisfaction of the League, the ISO or the PGB (whichever body is appropriate) that it delivers sufficient and appropriate sports science services to its Academy Players.
- 96** The Lead Sports Scientist must undertake Continued Professional Development organised by the Club.

Guidance

For Clubs' obligations generally regarding the provision of sports science and medicine, see Rules 213 to 224.

It is envisaged that the person appointed to this role will have recent, relevant experience (which will be assessed by the League and/or the ISO). A Club which operates a Category 3 or Category 4 Academy may choose to buy in support for this function on a part time basis.

The Board will deem the current first aid qualification held by a Lead Sports Scientist to be an equivalent to BFAS until such time as the Lead Sports Scientist acquires the BFAS qualification. However, all Lead Sports Scientists must hold the BFAS qualification by the conclusion of Season 2015/16.

This section of the Rules should be read subject to Rule 52.

Lead Strength and Conditioning Coach

- 97** Each Club which operates a Category 1 or 2 Academy shall employ a Lead Strength and Conditioning Coach who shall:
- 97.1** in the case of a Category 1 Academy, be employed Full Time, and in the case of a Category 2 Academy, be employed at least Part Time;
 - 97.2** be responsible for providing to the Club's Academy Players appropriate strength and conditioning training and monitoring as part of the Sports Science and Medicine Programme;
 - 97.3** hold at least a bachelor's degree in sports science (or another relevant discipline) from a recognised university and have or be working towards British Association of Sport and Exercise Sciences accreditation;
 - 97.4** hold a current Basic First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board;
 - 97.5** have attended the following workshops run by the UK Strength and Conditioning Association (or equivalent workshops run by any equivalent body):
 - 97.5.1** Foundation Workshop and Certification (Level 1);
 - 97.5.2** Weightlifting Workshop;
 - 97.5.3** Plyometric, Agility and Speed Workshop;
 - 97.5.4** Planning Effective Programmes Workshop; and
 - 97.6** report to the Lead Sports Scientist.
- 98** The Lead Strength and Conditioning Coach must undertake Continued Professional Development organised by the Club.

Guidance

It is recommended that Category 2 Academies employ the Lead Strength and Conditioning Coach on a Full Time basis, but the League acknowledges that this may not always be possible, therefore, the minimum role is stated to be Part Time.

This section of the Rules should be read subject to Rule 52.

Senior Academy Physiotherapist

- 99** Each Club which operates an Academy shall appoint a Senior Academy Physiotherapist who shall:
- 99.1** be Full Time in the case of a Category 1, Category 2 or Category 3 Academy and at least Part Time in the case of a Category 4 Academy;
 - 99.2** be a registered physiotherapist member of the Health and Care Professions Council (save that a Club which operates a Category 3 or 4 Academy may continue to employ as its Senior Academy Physiotherapist any Person so employed at the time of these Rules coming into force who does not hold the qualifications specified in this Rule provided that he has successfully completed The Football Association's Diploma in the Treatment and Management of Injuries course or an equivalent or higher qualification. Any person appointed thereafter must hold the qualifications specified by this Rule);
 - 99.3** have recent and relevant professional experience in a sports performance environment;

- 99.4** with effect from the start of Season 2014/15 if employed by a Club which operates a Category 1 or Category 2 Academy hold a current Football Association Advanced Resuscitation and Emergency Aid certificate or if employed by a Club which operates a Category 3 or Category 4 Academy hold a current Intermediate First Aid for Sport Qualification (or in either case an equivalent or higher qualification approved by the Board);
- 99.5** co-ordinate and lead the physiotherapy service within the Academy;
- 99.6** ensure that Rules 223.1 and 224 are complied with; and
- 99.7** undertake Continued Professional Development organised by the Club.

Guidance

This section of the Rules should be read subject to Rule 52.

Physiotherapists and Sports Therapists

- 100** In addition to the Senior Academy Physiotherapist referred to at Rule 99, each Club which operates a Category 1 or Category 2 Academy shall employ at least one Full Time physiotherapist who shall be a registered physiotherapist member of the Health and Care Professions Council.
- 101** Any Sports Therapist employed by a Club must be subject to the management and supervision of a registered physiotherapist member of the Health and Care Professions Council.
- 102** Each physiotherapist and Sports Therapist employed pursuant to Rules 100 and 101 must undertake Continued Professional Development organised by the Club and each such physiotherapist shall hold a current Intermediate First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board.

Guidance

All Sports Therapists must have a doctor or paramedic registered with the Health and Care Professions Council working alongside them on match day in the Professional Development Phase. At Category 3 and Category 4 the foregoing shall apply unless a Sports Therapist holds a current Intermediate First Aid for Sport Qualification. For younger age groups, Rule 224 applies.

Sports Therapists are not currently eligible to be registered with the Health and Care Professions Council. It is likely that this may change in the year or two and that if and when it does, an amendment to the Rules will be proposed to require all Sports Therapists working within Clubs to be so registered.

Clubs should also note that IFAS is only a minimum requirement, and Clubs may wish to ensure medical staff undertake additional qualifications, e.g. AREA.

This section of the Rules should be read subject to Rule 52.

Academy Doctor

- 103** Each Club which operates an Academy shall appoint an Academy Doctor who shall:
- 103.1** be a registered medical practitioner licensed to practise by the General Medical Council (and shall comply with the General Medical Council's requirements concerning annual appraisal, scope of practice, indemnity and revalidation of doctors);
 - 103.2** be available to assess and, if appropriate, undertake the treatment of any playing injuries suffered by an Academy Player;
 - 103.3** undertake Continued Professional Development;
 - 103.4** be available for consultation at the Academy on at least one occasion per week (in addition to any attendance at matches); and
 - 103.5** be responsible for the preparation of each Club's Emergency Action Plan.

Guidance

- 1 Whether the Academy Doctor should be Full Time or Part Time has not been specified, it being recognised that the role may be fulfilled by a doctor who also has responsibilities for the professional squad, or who has other professional responsibilities outside the Club.
- 2 See also Rules 223 and 224 concerning the medical cover at coaching and matches.
- 3 the League will gather and share best practice in relation to Emergency Action Plans.
- 4 This section of the Rules should be read subject to Rule 52.

Performance Analysts

- 104** Each Club which operates a Category 1 Academy shall employ a minimum of two Full Time Performance Analysts.
- 105** Each Club which operates a Category 2 Academy shall employ a minimum of two Performance Analysts, one on a Full Time basis, and the other at least Part Time.

Guidance

For Category 2 Academies, the Performance Analysts could be, for example, a student undertaking a Master's degree in a sports science related field who is on a placement as part of their Master's course.

- 106** The Performance Analysts shall undertake Performance Analysis of Academy Players registered with the Club.
- 107** The Performance Analysts must undertake Continued Professional Development organised by the Club.

Guidance

This section of the Rules should be read subject to Rule 52.

Head of Education

- 108** Each Club which operates an Academy shall appoint a Head of Education who shall:
- 108.1** report to the Academy Manager;
 - 108.2** have responsibility for:
 - 108.2.1** the organisation, management and delivery of the Club's Education Programme;
 - 108.2.2** the educational progression of all Academy Players registered with the Club (subject to the duties of any educational establishment at which an Academy Player's education is taking place);
 - 108.2.3** ensuring that the education of an Academy Player engaged on the Hybrid or Full Time Training Model is not prejudiced as a result of his being so engaged;
 - 108.2.4** ensuring all documents and records relating to the education of Academy Players required by these Rules are in place and up-to-date;
 - 108.3** undertake benchmarking of the educational progression of each year group of Academy Players engaged on the Hybrid and Full Time Training Models against national data, and make the result of that benchmarking available to the League;
 - 108.4** ensure that the Academy's educational provision reflects the strategy and performance targets set out in the Club's Academy Performance Plan;
 - 108.5** hold Qualified Teacher Status and have relevant experience (in the case of Category 1 and 2 Academies) or, as a minimum, possess a teaching qualification or further education teaching qualification (in the case of Category 3 and Category 4 Academies);
 - 108.6** be Full Time (in the case of Category 1 and Category 2 Academies); and
 - 108.7** undertake Continued Professional Development organised by the Club.

Guidance

See also:

- 1** Rule 209 which requires each Club to nominate a member of Academy Staff to be responsible for the management and delivery of the Club's programme to educate Academy Players in Lifestyle Management Skills. It is recommended (although not mandatory) that the Head of Education and Welfare is tasked with this.
- 2** Rule 211 pursuant to which the Head of Education and Welfare or other appropriate Official must manage the Club's exit/release strategy.

This section of the Rules should be read subject to Rule 52.

Head of Recruitment

- 109** Each Club which operates an Academy shall employ a Head of Recruitment who shall:
- 109.1** report to the Academy Manager;
 - 109.2** have responsibility for the organisation, management and delivery of the Club's policies and procedures for the recruitment of Academy Players;
 - 109.3** have responsibility for the recruitment and training of the Club's Scouts (including taking all reasonable steps to ensure that they comply with the requirements regarding qualifications, registration and Continued Professional Development set out at Rules 225 to 226F);
 - 109.4** be in possession of such qualification as the League may require from time to time;
 - 109.5** undertake at least five hours of in-service training each year;
 - 109.6** undertake Continued Professional Development organised by the Club; and
 - 109.7** be Full Time in the case of Category 1 and Category 2 Academies, and at least Part Time in the case of Category 3 and 4 Academies.

Guidance

- 1** Ideally a Club's strategy for talent identification and recruitment should flow from its Vision Statement and Playing Philosophy and be fully integrated into its Academy Performance Plan and the multi-disciplinary approach to youth development envisaged by the Elite Player Performance Plan. Clubs may wish to document a recruitment strategy which sets out:
 - the profile of the players it seeks to recruit in each age group, having regard to the desired technical, tactical, maturation, social and psychological characteristics required at each age;
 - its target groups (e.g. local v national recruitment, players attending Development Centres or local schools/boys' clubs etc);
 - synchronisation between coaches and recruiters to ensure that, for example, assessment procedures match those by which the Academy's existing Academy Players are assessed, and that new recruits transit easily into the Academy environment;
 - a strategy for late developers (including the Academy's own Academy Players whose maturation rates are slow but who eventually catch up with their peers); and
 - ensuring accurate scouting records are maintained.

Clubs may then wish to develop an activity plan to implement the recruitment strategy.
- 2** With regard to Rule 109.4 above, it is envisaged that a new qualification for scouts will be developed in due course.
- 3** This section of the Rules should be read subject to Rule 52.

Minority Candidates

- 109A** Each Club which operates an Academy shall comply with the provisions of Regulation 109 of the League Regulation (Minority Candidates).

Interns

- 110** The Head of Academy Sports Science and Medicine must ensure that the Club records and, if requested, makes available to the League, the following details of every intern working within the Academy:
- 110.1** name, date of birth and contact details (phone number, address and email address);
 - 110.2** qualifications (both academic and sporting such as coaching qualifications);
 - 110.3** details of the intern's current course, including the institution at which he is enrolled, the name of the course, and the name and contact details of his tutor; and
 - 110.4** the contact details of a member of Academy Staff who is responsible for supervising the intern whilst he is at the Academy.

Guidance

Clubs' attention is also drawn to Appendix A of these Rules: Safeguarding. Clubs must ensure that these Rules are complied with in respect of any intern to whom they are applicable. Clubs must also ensure that they comply with all applicable legislation, including that concerning the national minimum wage.

COACHING

Coaching Programme

- 111** Each Club which operates an Academy shall prepare (and make available to the League and to the ISO on request) a Coaching Curriculum which shall have regard to:
- 111.1** the Club's Vision Statement, Coaching Philosophy and Playing Philosophy;
 - 111.2** the Club's Academy Performance Plan;
 - 111.3** sections 6.6 – 6.8 of the Elite Player Performance Plan (save as regards the reference to minimum hours of coaching, as to which see Rule 116); and
 - 111.4** these Rules.
- 112** The Club's Coaching Curriculum shall be drawn up by the Academy Manager (or, in the circumstances set out in Rule 64, the Head of Academy Coaching) who shall consult with all appropriate Club Officials (which may include the Manager, the Chief Executive, coaching staff, the Academy Management Team and the Technical Director if the Club has appointed one).
- 113** The Club's Technical Board shall approve the Club's Coaching Curriculum.

Guidance

Reference is made in the Rule to sections 6.6 to 6.8 of the Elite Player Performance Plan, which set out further detail about the Coaching Curriculum in each Development Phase.

It is recommended that the Coaching Curriculum gives particular consideration to desired outcomes and the coaching strategies needed to achieve them at each Development Phase.

See also Rule 62.6 (role of Academy Manager in the Coaching Curriculum) and Rule 68.2 (role of the Head of Academy Coaching).

YOUTH DEVELOPMENT RULES OF THE EFL

Coaching Hours

114 The coaching of age groups Under 15 and older in Category 1 and Category 2 Academies shall take place over 46 weeks of each year, such weeks to be determined by reference to the Games Programme Schedule (including the two periods set out therein during which no matches in the Foundation Phase and Youth Development Phase Games Programmes shall take place).

115 All other coaching in Academies shall take place over 40 weeks of each year.

116 Save as otherwise permitted by the PGB, the minimum hours of coaching to be delivered by Academies each week to each Academy Player (subject to his fitness) and the permitted Training Model per Category and per Development Phase are as follows:

		FOUNDATION PHASE	YOUTH DEVELOPMENT PHASE	PROFESSIONAL DEVELOPMENT PHASE
Category 1	Coaching hours per week	4 rising to 8 for older Academy Players	10 rising to 12 for older Academy Players	14 reducing to 12 for Academy Players who have commitments to the professional squad during the Professional Development Phase
	Permitted Training Model	Part Time, Hybrid	Part Time, Hybrid, Full Time	Full Time
Category 2	Coaching hours per week	3 rising to 5 for older Academy Players	6 rising to 12 for older Academy Players	14 reducing to 12 for Academy Players who have commitments to the professional squad during the Professional Development Phase
	Permitted Training Model	Part Time	Part Time, Hybrid	Full Time
Category 3	Coaching hours per week	3	4 rising to 6 for older Academy Players (See Guidance below)	12
	Permitted Training Model	Part Time	Part Time	Full Time
Category 4	Coaching hours per week	N/A	N/A	14 reducing to 12 for Academy Players who have commitments to the professional squad during the Professional Development Phase Games Programmes
	Permitted Training Model	N/A	N/A	Full Time

Guidance

- The above hours of coaching are the minimum the Rules require per week, subject to the Academy Player's fitness. It is acknowledged, however, that Academies can alter these hours as they see fit, provided that the above stated hours are achieved on average over each six or 12 week Multi-disciplinary Review period (as relevant). As regards "subject to fitness", this includes not only where an Academy Player is recuperating from injury, but also where in the opinion of the coaching staff and/or the medical and sports science staff, his coaching hours need to be reduced for him to receive adequate rest and recovery and/or avoid overuse injuries.

YOUTH DEVELOPMENT RULES OF THE EFL

Coaching in the above tables refers to on-the-pitch coaching (and for the avoidance of doubt excludes time in matches). It is expected that Clubs will need to spend additional time in other environments off the pitch in order to work with Academy Players to assist them in developing the key technical, tactical, physical, psychological and social skills.

Where an Academy falls short of providing its Academy Players with the above hours of coaching, the Academy will need to demonstrate that despite this, its Academy Players are being provided with a proper coaching curriculum. This can be demonstrated by the progression of the Academy Player at each stage of the development process.

- 2 For Category 3 Clubs in the Youth Development Phase, the hours stated above should be applied as follows:
- U12 and U13: 4 hours
 - U14: 5 hours
 - U15 and U16: 6 hours
- 3 A Club may be permitted to operate a Training Model in a particular Development Phase other than as set out in the table in Rule 116. This would need to be approved in advance by the PGB (who may take advice from the Education Advisory Group).

117	The maximum time in which Academy Players in the Foundation Phase can be engaged in a single coaching session is 90 minutes and there will be appropriate rest periods between each such session.
118	Each Club shall ensure that: <ul style="list-style-type: none">118.1 each Academy Player has access to an individual coaching plan tailored to his specific needs;118.2 each Academy Player is made aware of his individual coaching plan (and any changes thereto) as soon as reasonably practicable in advance of his being coached in accordance with it; and118.3 all coaching is recorded on the Academy Player's Performance Clock.
119	Each Club shall ensure that a coach to Academy Players and Trialists ratio of 1:10 is maintained for all coaching sessions (save that the ratio for Category 1 Academies using the Full Time Training Model shall be 1:8).
120	Each Club shall ensure that each Academy Player in age groups Under 9 and older participates at least once a year in a Festival (or other coaching event such as a Training Camp or a Tournament) which lasts for at least two days.
121	Each Club shall ensure that each of its coaches plans each coaching session by setting out the learning objectives which the session is designed to achieve and the coaching which will be given in order to achieve them.

Development Centres

122	Each Club which operates a Category 1, Category 2 or Category 3 Academy may operate one or more Development Centres, to be located within one hour's travelling time of the location of its principal venue for the provision of coaching and education to Academy Players.
123	A child being coached at a Club's Development Centre: <ul style="list-style-type: none">123.1 may not be registered for that Club;123.2 may not play in matches for that Club unless registered as a Trialist; and123.3 will be free to play for other teams.

YOUTH DEVELOPMENT RULES OF THE EFL

124	Clubs which operate Development Centres shall keep an attendance record of all the children who participate in coaching sessions thereat.
125	Each Development Centre operated by a Club may be inspected from time to time by the League and by the ISO.
126	Without prejudice to the generality of Rule 125, the inspection referred to in that Rule may include: 126.1 inspection of the facilities provided; and 126.2 assessment of whether the coaching provided at the Development Centre is in accordance with the Club's coaching syllabus.
127	No Club shall cause or permit a child whose registration is held by another Club (or club) or with whom another Club (or club) has entered into a pre-registration agreement which remains current to attend its Development Centre.
128	No Club shall cause or permit a team representing its Development Centre to play football against a team representing another Club (or a Premier League club).

Guidance Note

The above Rules are based on the existing provisions concerning Development Centres. It is proposed that further consultation is undertaken with Clubs to explore and redefine the future role of Development Centres.

GAMES PROGRAMME

General

129	Save as permitted by the Board, Clubs shall not affiliate to any other youth leagues or enter any cup competitions except The Football Association Youth Challenge Cup.
130	An Academy Player whose registration is held by a Club which operates an Academy shall play football only in a Games Programme or in Authorised Games and in coaching and training games (participation in which is limited to registered Academy Players and Trialists) organised by and played at an Academy.
131	A Club which operates an Academy shall not require, cause or allow an Academy Player whose registration it holds to play football except as permitted by Rule 130.
132	Each Club which operates an Academy shall record in each Academy Player's Performance Clock: 132.1 each match in which he has played; and 132.2 his playing time in each match.

Guidance

With regard to Rule 132.1, the matches which are to be recorded on an Academy Player's Performance Clock include all Authorised Games in which he plays.

The Performance Clock may be used to record other playing information about the Academy Player, e.g. substitutions, cautions, position played in. It forms part of the Performance Management Application.

Performance Analysis

133	Each Club operating a Category 1 or Category 2 Academy shall: <ul style="list-style-type: none"> 133.1 have such technical facilities as are necessary to undertake the Performance Analysis required of it by Rule 133.2; 133.2 undertake Performance Analysis (including, in the case of a Club which operates a Category 1 Academy, by undertaking GPS evaluation in the Professional Development Phase and in the Youth Development Phase if the Full Time Training Model is utilised) of training activity and matches in the Youth Development Phase Games Programme, the Professional Development Phase Games Programme and the Professional Development League; 133.3 use the results of such Performance Analysis in its monitoring of the coaching and development of Academy Players in the Youth Development Phase and the Professional Development Phase; and 133.4 make available to the League such Performance Analysis data as it reasonably shall require to undertake the benchmarking of data for that Academy against national trends.
134	Each Club operating a Category 3 or Category 4 Academy shall comply with Rule 133 but only in respect of players in the Under 17 to Under 18 age groups.
135	Subject to a Club complying with Rule 133 or 134 (as appropriate depending on the Category of its Academy), and to a sufficient number of Clubs (and Premier League Clubs) likewise complying, the League will make available to it benchmarked data derived from comparing the Performance Analysis data it has submitted to the League with that submitted by other Clubs (on an anonymised basis).

Guidance

The League will produce further detail of the proposed national programme of Performance Analysis for the older Academy age groups. The proposals in this regard will be presented to Clubs in due course. If Clubs approve these proposals, then (subject to Club approval) a requirement will be inserted in the Rules for Clubs to contribute information to this national programme.

Foundation Phase Games Programme

136	The Premier League will organise a games programme for teams in each of the Under 9 to Under 11 age groups of Clubs operating Category 1 and 2 Academies (and for the avoidance of doubt teams from both Categories shall participate together in this games programme).
137	The EFL will organise a games programme for teams in each of the Under 9 to Under 11 age groups of Clubs operating Category 3 Academies.
138	The games programmes referred to in Rules 136 and 137 shall consist of matches which: <ul style="list-style-type: none"> 138.1 shall be competitive but whose results (except in the case of Tournaments) shall not give any particular competitive significance between Academies (for example, no league table or the like shall be produced); 138.2 subject to Rule 138.3 shall be organised on a local basis so that, as far as reasonably possible no team has to travel more than one hour to an away match (save that longer travel times may be necessary in order that each Club can participate meaningfully in the games programme); 138.3 may be played in Festivals organised on a local, regional or national basis and each Club which operates a Category 1 Academy shall organise and host a minimum of three Festivals per Season;

YOUTH DEVELOPMENT RULES OF THE EFL

- 138.4** shall take place during the Games Programme Schedule;
- 138.5** may include matches against representative county schoolboy sides (being sides selected by the English Schools' Football Association);
- 138.6** shall be played outdoors, save in respect of:
- 138.6.1** Clubs operating Category 1 or 2 Academies when, during the second half of December and the whole of both January and February, they shall be played indoors; and
- 138.6.2** Clubs operating Category 3 Academies when, during the second half of December and the whole of both January and February, they may be played indoors.
- 138.7** shall consist of matches played in accordance with the following formats (save that some matches played indoors may be played as Futsal games):

Age group	Team size	Pitch size (yards)	Goal size (feet)	Ball size
Under 9	4v4, 5v5 or 7v7	30x20 to 40x30 (4v4 and 5v5) 50x30 to 60x40 (7v7)	12x6	3 (or 4 at the Home Club's option)
Under 10	4v4, 5v5 and 7v7	30x20 to 40x30 (4v4 and 5v5) 50x30 to 60x40 (7v7)	12x6 (4v4 and 5v5) 12x6 to 16x7 (7v7)	4
Under 11	7v7 or 9v9	50x30 to 60x40 (7v7) 70x40 to 80x50 (9v9)	12x6 to 16x7 (7v7) 16x7 (9v9)	4

The participating Clubs shall endeavour to agree which of the above formats shall be utilised, but in default of agreement the home Club shall decide.

Guidance

For Category 1 and 2 Academies the Premier League will organise a regional indoor programme during the second half of December, and the entirety of January and February. In particular, a programme of Futsal will be delivered for Category 1 and Category 2 Academies. Clubs will be free to apply to organise Authorised Games outside pursuant to Rule 139.2.

The Premier League will organise Tournaments (lasting more than one day) for each of the Under 9, Under 10 and Under 11 age groups in the May or June of each year (and in scheduling them it will be borne in mind that June is often the month when Academy "downtime" occurs). The Tournaments so arranged for the Under 11 age group will include teams from clubs in countries other than England and Wales.

In order to deliver the Foundation Phase Games Programme to all Clubs, the target travel time of 1 hour may be exceeded from time to time, in particular in order to accommodate those Clubs whose home "locality" is small.

Both Leagues will co-operate to create cross-Category festivals from time to time which shall include all Categories of Academy and be regionally based.

The Premier League will stage a six-week programme of festivals of Futsal and other small-sided indoor football for each age range in the Foundation Phase will be staged. This programme will run from November to February and be organised on a basis of five regions (North East, North West, Midlands, London and South West, and London and South East). A Futsal tournament involving a regional qualification process culminating in a national finals event will be organised for each of the Under 9, Under 10 and Under 11 age groups.

- 139** Each Club which operates a Category 1, Category 2 or Category 3 Academy:
- 139.1** must participate fully in the Foundation Phase Games Programme; and
 - 139.2** may organise and participate in additional Authorised Games of the types listed in paragraphs c), d), f) and g) of that definition only (which shall be notified to the Premier League (if the Club operates a Category 1 or Category 2 Academy) no later than 72 hours before they are scheduled to take place).

Guidance

The Games Programme Schedule will incorporate free weeks (in addition to those referred to in Rule 178) during which no fixtures will be arranged by the League or Premier League. This will allow Clubs to organise additional fixtures pursuant to Rule 139.2. In addition, Clubs will be able to rearrange fixtures in the Foundation Phase Games Programme in order to attend tournaments and Festivals provided suitable notice is given, the integrity of the Games Programme is maintained, and a suitable date for the rearrangement of the fixture is agreed.

- 140** Each Club shall ensure that each of its Academy Players in the Foundation Phase shall, subject to fitness, participate in at least half the playing time in any one Season of matches in the Foundation Phase Games Programme and any other matches organised by the Club pursuant to Rule 139.2 such playing time to be reasonably spread out over the Season.

Guidance

An Academy Player in the Foundation Phase may still play for his school team or school representative county side.

When assessing whether Rule 140 has been complied with, each Academy Player's playing time over the course of the Season will be assessed and an average calculated (i.e. the Academy Player need not play in half the time of every match). In addition, Rule 140 requires that the playing time is spread relatively evenly over the course of the fixture programme. This is to ensure Clubs do not try to backload playing time at the end of the Season simply to ensure the average is met.

Youth Development Phase Games Programme

- 141** The Premier League will organise a games programme for teams in each of the Under 12 to Under 14 age groups of Clubs operating Category 1 and 2 Academies (and for the avoidance of doubt teams from both Categories shall participate together in this games programme). The League will also organise a games programme for teams in the Under 15 age group of Clubs operating Category 1 Academies and of those Category 2 Academies wishing to participate.
- 142** The EFL will organise a games programme for teams in each of the Under 12 to Under 14 age groups of Clubs operating Category 3 Academies.
- 143** The games programme for Category 1 Clubs referred to in Rule 141 shall include the Under 13, Under 14 and Under 15 Premier League National Cups participation in which shall not be mandatory.
- 144** Each Club must inform the League by 30 April in each year whether it wishes to compete in the Under 13, Under 14 and Under 15 Premier League National Cups the following Season.

YOUTH DEVELOPMENT RULES OF THE EFL

- 145** The games programmes referred to in Rules 141 and 142 shall consist of matches which shall:
- 145.1** be competitive but whose results (save for matches in the Under 13, Under 14 and Under 15 Premier League National Cups) shall not be given any particular competitive significance between Academies (for example, no league table or the like shall be produced);
 - 145.2** (in the case of the games programme referred to in Rule 141) be organised on a regional basis so that as far as reasonably possible no team has to travel more than two hours to an away match save that longer travel times may be necessary:
 - 145.2.1** in order that each Club can participate meaningfully in the games programme; and
 - 145.2.2** for matches in the Under 13, Under 14 and Under 15 Premier League National Cups.
 - 145.3** (in the case of the games programme referred to in Rule 142) be organised on a local basis so that as far as reasonably possible no team has to travel more than one hour to an away match and/or regional basis so that as far as reasonably possible no team has to travel more than two hours to an away match (save that in both cases longer travel times may be necessary in order that each Club can participate meaningfully in the games programme);
 - 145.4** shall include one or more Festivals or Tournaments for each Club organised on a regional, national or international basis (which may include matches organised pursuant to Rule 150), with the number of such Festivals and Tournaments increasing for the older age groups in the Youth Development Phase;
 - 145.5** take place during the Games Programme Schedule;
 - 145.6** be played outdoors, except for matches for age groups Under 12 to Under 15 during the second half of December and the whole of both January and February involving teams of Category 1 and Category 2 Academies, which shall be played indoors; and
 - 145.7** consist of matches played in accordance with the following formats (save that some matches played indoors may be played as Futsal games):

Age group	Team size	Pitch size (yards)	Goal size (feet)	Ball size
Under 12	11v11 (or 9v9 if both Clubs so agree)	90x60 (11v11) 70x40 to 80x50 (9v9)	21x7 (11v11) 16x7 (9v9)	4
Under 13	11v11	90x60	21x7	4
Under 14	11v11	90x60 to 100x60	21x7 to 24x8	5
Under 15	11v11	110x70	24x8	5

Guidance

In order to deliver the Youth Development Phase Games Programme to all Clubs, the target travel time of two hours may be exceeded from time to time, particularly in order to accommodate those Clubs whose home geographical "region" is small.

YOUTH DEVELOPMENT RULES OF THE EFL

146	The Premier League shall organise a games programme for teams consisting of Academy Players in the Under 16 age group of Clubs operating Category 1 Academies, and another for teams of Academy Players in these age groups of Clubs operating Category 2 Academies.										
147	Save for any matches played abroad pursuant to Rule 150, the games programme for Category 1 Clubs referred to in Rule 146 shall: <ul style="list-style-type: none"> 147.1 be constituted either on a national basis or, if a majority of those Clubs (and Premier League clubs) which operate Category 1 Academies so determine by no later than 31 March in the preceding Season, on a regional basis (as that term is defined in Rule 148); and 147.2 be competitive but whose results shall not be given any particular competitive significance between Academies (for example, no league table or the like shall be produced). 										
148	The games programme for Category 2 Clubs referred to in Rule 146 shall be organised on a regional basis, that is to say so that as far as reasonably possible no team has to travel more than two hours to an away match (save that longer travel times may be necessary in order that each Club can participate meaningfully in the games programme).										
149	Matches in the games programmes for Category 1 and Category 2 Clubs referred to in Rule 146 shall, unless the board of the Premier League otherwise permits, be played on Saturdays and arranged so that as far as possible a Club's fixtures in it mirror those of its teams in the Professional Development Phase Games Programme.										
150	As part of the Youth Development Phase Games Programme, the Premier League shall organise matches (which may be organised as Tournaments) against teams from clubs in membership of a national association other than The Football Association or The Football Association of Wales. Such matches shall be organised regularly for Clubs operating Category 1 Academies and from time to time for Clubs operating Category 2 Academies.										
151	The EFL shall organise a games programme for teams consisting of players in the Under 15 and Under 16 age groups of Clubs operating Category 3 Academies, to be played on a regional basis so that as far as reasonably possible no team has to travel more than two hours to an away match (save that longer travel times may be necessary in order that each Club can participate meaningfully in the games programme).										
152	Matches played pursuant to Rules 146 to 151 shall, when played outdoors, be played in accordance with the following format:										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;"></th> <th style="width: 20%;">Team size</th> <th style="width: 20%;">Pitch size (yards)</th> <th style="width: 20%;">Goal size (feet)</th> <th style="width: 20%;">Ball size</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">11v11</td> <td style="text-align: center;">110x70</td> <td style="text-align: center;">24x8</td> <td style="text-align: center;">5</td> </tr> </tbody> </table>		Team size	Pitch size (yards)	Goal size (feet)	Ball size		11v11	110x70	24x8	5
	Team size	Pitch size (yards)	Goal size (feet)	Ball size							
	11v11	110x70	24x8	5							
153	Each Club which operates a Category 1, Category 2 or Category 3 Academy: <ul style="list-style-type: none"> 153.1 must participate fully in the Youth Development Phase Games Programme (save that participation in the Under 13 and Under 14 Premier League National Cups is voluntary); and 153.2 may organise and participate in additional Authorised Games of the types listed in paragraphs (c), (d), (f) and (g) of that definition only (which shall be notified to the Premier League (in the case of a Club operating a Category 1 or Category 2 Academy) no later than 72 hours before they are scheduled to take place). 										

Guidance

The Games Programme Schedule will incorporate free weeks (in addition to those referred to in Rule 178) during which no matches will be arranged by the League or Premier League. This will allow Clubs to organise additional matches pursuant to Rule 153.2.

154 Each Club shall ensure that each of its Academy Players in the Under 12 to Under 14 age groups shall, subject to fitness, participate in half the playing time of matches in the Youth Development Phase Games Programme and any other matches organised by his Club pursuant to Rule 153.2, the Academy Player's playing time to be reasonably spread over the Season.

155 Each Club shall ensure that each of its Academy Players in the Under 15 to Under 16 age groups shall, subject to fitness, participate in at least 20 matches per Season (being matches in the Youth Development Phase Games Programme or any other matches organised by his Club pursuant to Rule 153.2). Participation in a match shall for the purposes of this Rule mean playing at least 50% of the game time.

Guidance

An Academy Player in the Youth Development Phase may still play for his school team or school representative county side.

When assessing whether Rule 154 has been complied with, each Academy Player's playing time over the course of the Season will be assessed and an average calculated (i.e. the Academy Player need not play in half the time of every match). In addition, Rule 154 requires that the playing time is spread relatively evenly over the course of the fixture programme. This is to ensure clubs do not try to backload playing time at the end of the Season simply to ensure the average is met.

Professional Development Phase Games Programme

156 The Premier League will organise two games programmes, one for teams of Clubs operating Category 1 Academies and one for teams of Clubs operating Category 2 Academies.

157 The EFL will organise a games programme for teams of Clubs operating Category 3 and Category 4 Academies, and following such consultation determine with those Clubs in its absolute discretion what games programme(s) should be developed for those Clubs, Rules relating to the games programme and (subject to Rule 158.3) how that games programme should be delivered.

158 The games programmes organised by the Premier League and the EFL pursuant to Rules 156 and 157 will be constituted on the following geographical bases:

158.1 Category 1: a regional league, with some matches played on a national basis and some international matches against teams representing clubs in membership of national associations other than The Football Association or The Football Association of Wales (and such matches may be played either in England or abroad);

158.2 Category 2:

158.2.1 in two leagues, each of which shall be constituted on a geographical basis (for example one league of northern based teams and one of southern based teams), the exact constitution of each league to be determined by the Board in its absolute discretion having regard to those Clubs (and Premier League clubs) which operate Category 2 Academies;

158.2.2 where practical, international matches against teams representing clubs in membership of a national association other than The Football Association or The Football Association of Wales (and such matches may be played either in England or abroad); and

158.3 Categories 3 and 4:

158.3.1 in two or more leagues, each of which shall be constituted on a geographical basis (for example one league of northern based teams and one of southern based teams), the exact number of leagues and their geographical constitution to be determined by the EFL in its absolute discretion and having regard to those Premier League clubs (and Clubs) which operate Category 3 and 4 Academies.

YOUTH DEVELOPMENT RULES OF THE EFL

159	Matches in the Professional Development Phase Games Programme organised under Rule 156:
159.1	shall be played in accordance with the Laws of the Game (and for the avoidance of doubt shall be in the 11 v 11 format);
159.2	shall be for Players in the Under 18 age group (and younger) only, save that a Club may name in its team sheet a goalkeeper in the Under 19 age group;
159.3	shall only have five substitutes named on the team sheet (and for the avoidance of doubt up to three substitutes may enter the field of play);
159.4	shall consist of competitive leagues and Tournaments; and
159.5	may include of an optional Futsal programme organised by the Premier League (for Clubs operating Category 1 and Category 2 Academies) in the months of December, January and February.
160	Matches in the Professional Development Phase Games Programme organised under Rule 157:
160.1	shall be played in accordance with the Laws of the Game (and for the avoidance of doubt shall be in the 11 v 11 format);
160.2	shall be for Players in the Under 18 age group (and younger) only, save that up to 2 Players in the Under 19 age group may be named on the team sheet for a match provided they are:
160.2.1	a goalkeeper; or
160.2.2	registered as a Scholar and are only continuing as a Scholar beyond the age of 18 because of injury or other extenuating circumstances as approved by the League of which the Club is a member in accordance with that League's relevant procedures;
160.3	shall only have five substitutes named on the team sheet (and for the avoidance of doubt all five substitutes may enter the field of play);
160.4	shall consist of competitive leagues and/or Tournaments; and
160.5	may include an optional Futsal programme organised by the Premier League in the months of December, January and February.
161	Further provisions binding on Clubs competing in the Leagues referred to in Rule 159.4 shall be set out in the rules of those Leagues.
162	Each Club which operates an Academy:
162.1	must participate fully in the Professional Development Phase Games Programme;
162.2	may organise and participate in additional Authorised Games (which shall be notified to the relevant League no later than 72 hours before they are scheduled to take place).

Guidance

Each Academy Player who is eligible to participate in the Professional Development Phase Games Programme shall be given the opportunity to regularly participate in Authorised Games in each Season.

Professional Development League

163	Each Club which operates a Category 1 Academy shall compete in Professional Development League 1.
164	Each Club which operates a Category 2 Academy shall compete in Professional Development League 2 unless it is able to demonstrate to the League that its starting 11s in its first team matches during the preceding Season in the Premier League, the League Competition (including play off matches), the EFL Cup, The Football Association Challenge Cup, the EFL Trophy, the UEFA Europa League and/or UEFA Champions League included on average at least five Players in the Under 21 age group or younger.
165	Each Club which operates a Category 3 or Category 4 Academy may compete in the development league to be organised by the EFL.
166	The Premier League will organise Professional Development League 1, which shall consist of a national league competition played on a competitive basis.
167	The Premier League will organise Professional Development League 2, which shall consist of a league or leagues played on a competitive basis organised on a regional basis, the composition of such regional league(s) to be at the absolute discretion of the board of the Premier League who shall so far as reasonably possible determine the composition of each such league to ensure that each Club has to travel no more than three hours to each match (save that longer travel times may be necessary in order that each Club (or club) can participate meaningfully in Professional Development League 2).

Guidance

Clubs who operate Category 2 Academies have expressed a desire to have some element of their Games Programme in the Professional Development Phase organised on a national basis, and not just on a regional basis as set out in Rule 167. The Premier League will work to develop this proposal further.

168	The EFL will, if required, organise (or procure the organisation of, for example, through the Football Combination or Central League) Professional Development League 3, which shall consist of a league or leagues played on a competitive basis and organised on a regional basis, the composition of such regional league(s) and the minimum number of matches to be played by each Club to be at the absolute discretion of the EFL who shall so far as reasonably possible determine the composition of each such league to ensure that each Club (or club) has to travel no more than three hours to each match (save that longer travel times may be necessary in order that each Club (or club) can participate meaningfully in Professional Development League 3). For the avoidance of doubt teams of Clubs operating Category 3 and Category 4 Academies shall compete together in Professional Development League 3.
169	Eligibility in each of the Professional Development Leagues shall be limited to players in age group Under 21 or younger, save that each Club may nominate on its team sheet for any match in a Professional Development League no more than: <ul style="list-style-type: none"> 169.1 one older goalkeeper; and 169.2 the number of older outfield players determined pursuant to Rule 170.
170	The number of older outfield players referred to in Rule 169 shall be determined in respect of each Professional Development League by such number as a majority of the Clubs (and Premier League clubs) who compete in it so determine by no later than 31 March in the preceding Season (and in any case shall be no fewer than three and no greater than five).

- 171** At least three matches in the Professional Development League shall be played at the Club's ground registered pursuant to Regulation 13.6, and other matches may be played at an alternative ground subject to the approval of the League or the Premier League (as appropriate). Such alternative grounds may include a pitch at the Club's Academy provided that it is floodlit (where appropriate), has a fenced off pitch and provides a spectator area.

Guidance

The League's Executive or the board of the Premier League (as appropriate) will need to be satisfied, prior to approving any alternative ground (including one at an Academy) that it provides satisfactory facilities for the playing of matches in the Professional Development League. Such facilities include the pitch, floodlight levels, changing rooms for the teams and Match Officials, and spectator areas. Further consultation on these issues will be undertaken in due course.

- 172** Unless otherwise authorised by the Board, and subject to any transitional arrangements authorised by the Board in respect of Season 2012/13 pursuant to which some midweek matches may be scheduled, matches in the Professional Development Leagues shall be played on Saturdays, save that the home Club shall, subject to the rules of the Professional Development Leagues, have discretion to change the date and kick-off time of a match to Friday evening, or any time on Sunday or Monday.
- 173** Further provisions binding on Clubs competing in the Professional Development League shall be set out in the rules of those Leagues.
- 174** The Premier League will in addition organise international matches (which may take place by way of Tournaments) for teams competing in Professional Development Leagues One and Two.

Games Programme: Postponement etc. of Matches

- 175** A match in the games programme between Academy teams in age groups Under 9 to Under 16 inclusive shall not be cancelled, postponed or abandoned except with the written consent of the Board or on the instructions of the officiating referee (or if the officiating referee is a minor, the official of the county FA who has accompanied him to the match) who shall be empowered to instruct that such match be cancelled, postponed or abandoned only if he considers that the pitch is unfit for, or if adverse weather conditions preclude, the playing of the match in which event the Club at whose ground the match should have been played shall within seven days give to the League notice in writing to that effect.
- 176** Except in the case of an Under 9 to Under 16 games programme match which, without either participating Club being at fault, is cancelled, postponed or abandoned under the provisions of Rule 175, any Club which causes the cancellation, postponement or abandonment of such a match will be in breach of these Rules.
- 177** The Board shall have power to specify the equipment and facilities to be provided by Clubs for the playing of matches between Academies.
- 178** In consultation with The Football Association, a minimum of four weekends each Season will be identified by the League upon which there will be no fixtures for Academy teams, such weekends being devoted to international development, selected players' courses and in-service training of coaches and staff.

EDUCATION AND WELFARE

General

- 179** Each Club which operates an Academy shall establish an Education Programme which shall set out the activities to be undertaken by the Club to ensure that the education of its Academy Players and Players under the age of 21 is supported effectively and which:
- 179.1** is appropriate to the Category of its Academy;
 - 179.2** complies with all applicable requirements set out in this section of the Rules; and
 - 179.3** is evaluated by the Club within each Development Phase to ensure it is meeting its objectives as set out therein.
- 180** Each Club which operates an Academy shall ensure that each of its Academy Players receives a formal education programme which:
- 180.1** is appropriate to his age and Training Model;
 - 180.2** meets his specific academic needs;
 - 180.3** complies with all legal requirements;
 - 180.4** is structured to ensure that his academic development is not compromised as a result of his being coached by the Club's Academy;
 - 180.5** in the case of an Academy Player who is entered into a Scholarship Agreement with the Club, consists of either the advanced apprenticeship framework for sporting excellence (AASE) or any other programme of education approved in writing by the League;
 - 180.6** shall continue notwithstanding that the Academy Player signs a professional contract and which shall comply with the requirements of the Education and Skills Act 2008 with regard to education and training.

Guidance

In relation to Rule 180.5 any other programme of education approved in writing by the EFL will be in conjunction with the PFA.

- 181** Each Academy Player's educational progression under his Education programme shall be recorded on his Performance Clock.
- 182** Each Club which operates an Academy shall nominate a member of staff who shall be responsible for:
- 182.1** liaising with the school at which Academy Players are being educated;
 - 182.2** ensuring that any issues concerning an Academy Player's education arising from that liaison are addressed to the satisfaction of the school; and
 - 182.3** ensuring that for Academy Players on the Full Time and Hybrid Training Models (and where the League requests, for Academy Players on the Part Time Training Model) each Academy Player's school reports and educational data are obtained from his school and recorded on his Performance Clock.

Guidance

Clubs' attention is drawn to the Guidance note under Rule 1.57: the Education Management System is a function contained within the Performance Clock. It must be used for assisting the management of Academy Players' educational attainment data, and reference to the Performance Clock in these Rules, particularly in the context of education, should be read accordingly.

YOUTH DEVELOPMENT RULES OF THE EFL

183	Each Club shall take all reasonable steps to ensure that it protects the welfare of each of its Academy Players and Players under the age of 21 by offering support for his wellbeing and pastoral care generally.
184	The provisions of Appendix A of these Rules (concerning the Safeguarding of Vulnerable Groups and Safe Recruitment) apply to Academies and Development Centres.
185	Without prejudice to the generality of Rule 184 each Club shall appoint an Academy Safeguarding Officer who shall undertake the functions set out in Appendix A specifically with regard to the Academy.
186	Clubs and Academy Staff shall observe and comply with the requirements of the Code of Practice entitled "The Health and Safety of Academy Players on Residential Tours, Festivals, Tournaments and Visits" document as issued by the League from time-to-time and any breach thereof shall be treated as a breach of these Rules.
187	Clubs shall ensure that their Academy Players are insured in accordance with advice circulated by the League from time to time.
188	Clubs shall establish, maintain and, when necessary, implement a complaints procedure for Academy Players and Parents, a copy of which shall be submitted to the League.
189	The Code of Conduct as issued by the League from time-to-time shall be binding on Academy Players of compulsory school age attending Academies and their Parents and on Clubs and Officials and any breach thereof by such Academy Players or by Clubs or Officials shall be treated as a breach of these Rules.

Induction Events

190	Each Club shall arrange a pre-season induction event for Academy Players and their Parents and there shall be at least one such induction event per Development Phase.
191	The induction meeting referred to in Rule 190 shall provide such information to the Academy Players and their Parents as is necessary in order for them to understand the coaching and, if relevant, education that the Academy Player will receive from the Club.
192	Each Club which operates an Academy shall permit a representative of the League to attend such induction meetings on request.

Reports on Educational Progression

193	Each Club which operates an Academy shall provide progress reports to the Parent of each Academy Player to whom it provides a full time education programme.
194	The progress reports shall: 194.1 detail the educational progression of the Academy Player; and 194.2 be provided as and when necessary, but as a minimum at least once every 12 weeks.

Guidance

With regard to Rule 194.2, Rule 42.2 states that Academy Players in the Under 12 to Under 18 age groups shall receive a Multi-disciplinary Review every six weeks. The educational progress report need only be undertaken once every 12 weeks (i.e. not for each Multi-disciplinary Review) but must be undertaken as part of a Multi-disciplinary Review.

Delivery of the Education Programme

Part Time Training Model

- 195** Each Club which operates an Academy shall, in respect of each of its Academy Players being trained under the Part Time Training Model:
- 195.1** inform the Academy Player's school that he is being so trained;
 - 195.2** if the League so requests obtain from the Academy Player's school his school reports and, where possible, educational attainment data;
 - 195.3** use the information obtained (if any) to monitor the Academy Player's academic progression by reference to his school reports and, where possible, educational attainment data, and record it on his Performance Clock; and
 - 195.4** liaise with the school on a regular basis in order to discuss and address any issues concerning the Academy Player's education which have risen or may arise as a consequence of his being trained at the Club's Academy.

Guidance

The Part Time Training Model may be used by Category 1, 2 and 3 Academies in the Foundation Phase (Under 9 to Under 11), and by Category 2 and 3 Academies in the Youth Development Phase: see further Rule 116.

The Part Time Training Model envisages that coaching will take place outside the Core Coaching Time, but Clubs should nevertheless establish good communication with each Academy Player's school, obtain his school reports and, where possible, educational attainment data, monitor and record his academic progression on his Performance Clock, and address any relevant issues which arise as a result of the Academy Player being coached at the Academy (and in particular any conflict between the demands of his coaching and those of his education).

Hybrid Training Model

- 196** Each Club which operates the Hybrid Training Model must appoint a sufficient number of appropriately qualified teaching staff to provide the educational support referred to in Rule 197.2.
- 197** Each Club which operates an Academy shall, in respect of each of its Academy Players being trained under the Hybrid Training Model:
- 197.1** undertake all necessary liaison and co-operation with the Academy Player's school to ensure that the required element of coaching can take place within the Core Coaching Time;
 - 197.2** provide to the Academy Player such additional educational support (to be detailed in the written agreement referred to in Rule 197.5) as shall be necessary to compensate for teaching he has missed, and to ensure that his education is not adversely affected, as a result of being released from school to undertake coaching during the Core Coaching Team;
 - 197.3** obtain from the Academy Player's school his school reports and, where possible, educational attainment data;
 - 197.4** monitor the Academy Player's academic progression (including by use of the information obtained from the Academy Player's school pursuant to Rule 197.3) and record the information obtained pursuant to Rule 197.3 it on his Performance Clock in a timely fashion and at least every 12 weeks (to coincide with dates of his Multi-disciplinary Reviews);
 - 197.5** enter into a written agreement with the Academy Player's school and Parent which sets out details of the delivery of the Hybrid Training Model to the Academy Player, including weekly timetables, the likely impact on the Academy Player's education, and any additional educational support to be provided by the Club;
 - 197.6** liaise with the school at least every six weeks in order to discuss and address any issues concerning the Academy Player's education which may arise or have arisen as a consequence of his being so trained.

YOUTH DEVELOPMENT RULES OF THE EFL

Guidance

The Hybrid Training Model may be used by Category 1 Academies in the Foundation Phase (Under 9 to Under 11), and by Category 1 and Category 2 Academies in the Youth Development Phase: see further Rule 116.

Clubs' attention is drawn to the following comments in section 7.3.1 of the EPPP. Although these comments refer to the Foundation Phase, they are relevant to the Hybrid Training Model generally.

"It is assumed that the majority of the coaching will be delivered after school and at weekends. Flexing the season will also enable Academies to gain greater access to players. It is recommended that wherever possible and particularly in the case of Category 1 Academies where the contact time is highest, the after school sessions are established inside the Core Coaching Time and this may require some negotiation with schools and parents to establish the programme effectively. Close liaison with schools to ensure that players are managing the joint workloads is appropriate but no other specific education interventions are being proposed in this phase."

Full Time Training Model

198 Each Club which operates an Academy shall, in respect of each of its Academy Players in the Youth Development Phase being trained under the Full Time Training Model, ensure that it provides the Academy Player with coaching and education in accordance with a programme which complies with Rules 199 to 204 and which is approved in advance by the League.

199 The education element of the Full Time Training Model must comply with these Rules and be structured in accordance with one of the four options set out below or in accordance with such other proposals as the League may approve.

200 Each Club which operates the Full Time Training Model must:

- 200.1** enter into an agreement with any school at which its Academy Players are being educated setting out the obligations of the Club and the school in respect of the education of those Academy Players;
- 200.2** ensure that Academy Players in the Under 12, Under 13 and Under 14 age groups being educated at schools are fully integrated with other pupils of their age, which obligation shall include (without limitation) attending lessons with such other pupils according to the school's normal timetable (save where the Academy Players are being coached in the Core Coaching Time in accordance with these Rules);
- 200.3** ensure that there is in place a written agreement between the Club, each Academy Player engaged on the Full Time Training Model, his Parent and his school which sets out full details of his education and coaching curriculum;
- 200.4** ensure that the education programme of each such Academy Player provides him with a minimum of 20 hours' education during each week of the school term;
- 200.5** ensure that appropriate staff/student ratios are utilised for all educational activity in which the Academy Player is engaged;
- 200.6** ensure that each such Academy Player's education is tailored to his academic ability and attainment targets and meets national guidelines;
- 200.7** obtain from the Academy Player's school his school reports and, where possible, educational attainment data; and
- 200.8** monitor the Academy Player's academic progression (including by use of the information obtained from the Academy Player's school pursuant to Rule 200.7) and record the information obtained pursuant to Rule 200.7 on his Performance Clock in a timely fashion and at least every 12 weeks (to coincide with dates of his Multi-disciplinary Reviews).

Guidance

With regard to Rule 200.8, pursuant to Rule 42.2 Academy Players in the Under 12 to Under 18 age groups must receive a Multi-disciplinary Review every six weeks. The requirement in Rule 200.8 must be undertaken at every second such Multi-disciplinary Review.

YOUTH DEVELOPMENT RULES OF THE EFL

- 201** Without prejudice to the generality of Rule 38, each Club which operates the Hybrid or Full Time Training Model must in respect of each such Training Model:
- 201.1** not do so unless the PGB has pre-approved and annually certified its proposed delivery of the Training Model; and
 - 201.2** permit the League and PGB to monitor and assess its delivery of the Training Model, including in respect of an individual Academy Player, in order to ensure that it complies with these Rules; and
 - 201.3** forthwith implement any changes to its delivery of the Training Model that the League or PGB may require.

Guidance

The League and PGB may take advice from the Education Advisory Group (and utilise the Education Ombudsmen) in connection with the assessment pursuant to Rule 201.

In the case of concerns over a Training Model which has been previously approved, it is anticipated that in the first instance an action plan to address any issues would be drafted, and the Club Support Manager or Education Ombudsman would work with the Club over a specific period to put the recommendations in place. Accordingly, Rule 202 below would be regarded as a last resort.

- 202** If the League is not satisfied that a Club's delivery of the Hybrid or Full Time Training Model complies with these Rules:
- 202.1** it may refuse to an application to register an Academy Player on it; and
 - 202.2** the Board may exercise its powers set out in Rule 273.
- 203** If a Club wishes to engage an Academy Player on the Full Time Training or Hybrid Model (whether or not the Academy Player is already registered with the Club), it shall complete and submit to the League Form YD4A signed on behalf of the Club by an Authorised Signatory.
- 204** If the registration of an Academy Player on the Full Time Training Model is terminated by the Club or by the Board of its own volition, or if he changes to another Training Model, the Club shall, unless his Parent agrees otherwise, continue to provide to him until the end of the academic year in which he reaches the age of 16 education and accommodation in accordance with the arrangements made at the time of he was first engaged on the Full Time Training Model.

Guidance

The Full Time Training Model may be used by Category 1 Academies in the Youth Development Phase, and must be used by all Academies in the Professional Development Phase: see further Rule 116.

Form YD4A must be used for all Academy Players whom the Club wishes to engage on the Full Time Training Model. If the Academy Player is not already registered with the Club, Form YD4 (Academy Player Registration Application) must also be completed and submitted to the League (see Rule 257). If the Academy Player is already registered with the Club, Form YD4 need not also be submitted. Clubs' attention is drawn to the undertakings that they must give under YD4.

The four options referred to in Rule 199 are set out below. This list of options is not exhaustive, and Clubs are free to develop other models which deliver the same results as the options set out in the Elite Player Performance Plan.

Each Club's proposals for how it will deliver the Full Time Training Model must be approved in advance by the League. The League may also check each Club's delivery of the Full Time Training Model in order to verify that it is in accordance with these Rules and with the pre-approved proposals, and in order to verify that no Academy Player's education is being prejudiced as a result of his being prejudiced as a result of his being engaged on the Full Time Training Model. Clubs' attention is drawn to Rules 272 and 273 in this regard.

Option 1

Clubs may enter into contractual relationships with an identified school or schools at which Academy Players receive their education.

The relationship will need to be flexed in terms of the amount of time that Academies would require Academy Players to be available for daily coaching. The school day will need to be flexed to accommodate the Coaching Curriculum whilst ensuring that boy's educational development does not suffer.

Specific tutor support for the Education Programme will be required for all Academy Players engaged in the Full Time Training Model over and above the normal curriculum. Additional tutor support will need to be individually tailored to the Academy Players' needs.

Clubs will need to decide how and where Academy Players will be coached. The optimum environment is at the Club's dedicated training facilities but this will require a school in Education Option 1 to be in close proximity to the Club's training facility so that the Academy Players can move easily between the school and the Club. With the Full Time Training Model, the school will need to be in close proximity to the training ground or else the training will need to be accommodated at the school.

The other major consideration for Clubs which operate Category 1 Academies will be the need to provide dedicated housing, house parents and a secure environment in which to live and work whilst staying with the Club. This will need to apply to all Academy Players who live outside a short commute from their Club's training ground.

Option 2

In this option, Clubs may choose to develop and extend their own educational facilities at the training ground and, in effect, develop an onsite school facility. For Clubs which operate a Category 1 Academy, accommodation would still be required on or near the training ground to house the Academy Players and the associated social and welfare support would need to be factored into the delivery of this approach. Clubs may continue to contract an educational partner/provider but the schooling would take place at the Club.

Option 3

Clubs may wish to establish their own schools. These schools may be general in their recruitment with specialist classes or groups of classes catering for the Academy Players' specialist needs. In this Education Option the same issues regarding the location of the school on or near the training ground remain relevant as does the need to provide appropriate housing and care.

Option 4

Where two or three Academies are clustered together, especially in urban areas, it may be possible to identify a single school where each of the Clubs sends their Academy Players. This school would then become the hub for the Academies. The Coaching Curriculum may be split between the training ground and the school premises subject to the location of the school in relation to the Club.

Further guidance in respect of education in the Professional Development Phase, where all Clubs must utilise the Full Time Training Model, is set out in paragraph 7.3.3 of the Elite Player Performance Plan:

All Clubs in the Professional Development Phase will be required to deliver the Full Time Training Model. Academy Players will have access to training up to four hours a day in two separate sessions. The season will be developed increasingly to mirror the professional game so there will be less opportunity to flex the season for purposes of creating greater coaching contact time during the summer months.

Clubs which operate Category 1 and 2 Academies will have the necessary infrastructure at their training grounds to enable them to provide formal education provision for Academy Players in the Under 17 and Under 18 age groups which may be delivered principally at the training ground rather than offsite at a school or college.

YOUTH DEVELOPMENT RULES OF THE EFL

This approach envisages the delivery of the formal education components at the training ground in purpose built facilities and as part of an integrated flexible weekly programme which compliments and supports the Coaching Curriculum. The delivery of the formal education programme may be either through fully qualified in house staff or through an outside provider who is able to meet the needs and demands of the integrated programme. Delivering the Education Programme in this way will provide maximum flexibility allowing coaches to flex and stretch the Coaching Curriculum to suit the particular needs of each Academy Player.

Category 3 and 4 Academies will not necessarily be equipped to provide the formal education component at the training ground. Category 3 and 4 Academies may choose to deliver the formal education provision off site at a local education provider. This will require Heads of Education to ensure that as flexible an Education Programme as possible can be created in partnership with a school/college so that coaches can gain access to the required time for coaching.

- 205** Each Club which operates an Academy shall notify the League, in such a manner as the League shall from time to time specify, of the Training Model on which each of its Academy Players is engaged and, if an Academy Player changes to the Hybrid Training Model or Part Time Training Model, forthwith inform the League of the change and provide such evidence as the League may require to show that the Academy Player and his Parent consented to the change.

Welfare, Social Development and Lifestyle Management

- 206** Each Club which operates an Academy shall establish a programme to educate each of its Academy Players in Lifestyle Management Skills.
- 207** The programme referred to in Rule 206 shall ensure that each Academy Player trained under the Full Time Training Model and/or in the Professional Development Phase has the opportunity to engage in activities outside the Academy which will encourage him to take an active part in the community and develop an understanding of good citizenship.
- 208** Each Academy Player shall engage in the activities referred to in Rule 207 unless he has good cause not to do so and each Club shall take all reasonable steps to ensure that each of its Academy Players does so engage.
- 209** Each Club which operates an Academy shall nominate a member of Academy Staff to manage and deliver the said programme.
- 210** Each Club shall nominate an Official to be responsible for the welfare and supervision of Academy Players engaged on the Part Time Training Model or Hybrid Training Model, while they are present at the Club's facilities.

Player Exit/Release Strategy

- 211** Each Club which operates an Academy shall devise and implement a programme, to be managed by its Head of Education and Welfare or other appropriate Official to assist its Academy Players released from the Academy at completion of their Under 16, Under 17 or Under 18 year in circumstances where it appears they will not be joining another Club (or club).
- 212** Any such programme in respect of Academy Players being released at the completion of their Under 18 year shall be designed so that it dovetails with the support programme for such released Academy Players to be operated by the League.

SPORTS SCIENCE AND MEDICINE

Sports Science and Medicine Programme

213	Each Club which operates an Academy shall establish a Sports Science and Medicine Programme (in accordance with the criteria set out in these Rules which apply to the Category of its Academy) for the benefit of its Academy Players.
214	Each Club's Sport Science and Medicine Programme shall be managed by its Head of Academy Sports Science and Medicine (in the case of a Club which operates a Category 1 or Category 2 Academy) or by an appropriately qualified Official (in the case of the Club which operates a Category 3 or Category 4 Academy).
215	<p>The Sports Science and Medicine Programme of each Club should detail the planned provision to each of its Academy Players of at least the following areas:</p> <p>215.1 sports science (including physiology, biomechanics, physical testing and measurement);</p> <p>215.2 physiotherapy (including hydrotherapy and sports massage);</p> <p>215.3 medical services (including the prevention and treatment of injury and diet and nutrition);</p> <p>215.4 Performance Analysis; and</p> <p>215.5 psychology.</p>
216	The progress and development of each Academy Player under the Sports Science and Medicine Programme (including without limitation the results of the tests set out in Rule 217, and full details of any injuries, the treatment thereof, and the length of any period of rehabilitation) shall be noted in his Multi-disciplinary Review and recorded in his Performance Clock.
217	<p>Each Club which operates an Academy shall ensure that each of its Academy Players undergoes the following tests to measure physical and physiological fitness (as such tests are defined in the Audit Tool):</p> <p>217.1 age-appropriate medical and physical screening;</p> <p>217.2 anthropometric assessments;</p> <p>217.3 physiological/fitness testing;</p> <p>217.4 movement and posture/functional screening;</p> <p>217.5 predictive testing of size and shape/maturation measurement (save that a Club operating a Category 4 Academy shall not be obliged to conduct such tests);</p> <p>217.6 psychological profiling (Category 1 Academies only); and</p> <p>217.7 monitoring of physical exertion (Category 1 Academies only);</p> <p>and shall submit to the League such information as it may from time to time require in order to establish a national database of athletic development.</p>
218	Subject to a Club complying with Rule 217, the League will make available to it (on an anonymised basis) benchmarked data derived from the information provided to it by all Clubs.
219	Each Club which operates an Academy shall ensure that each of its registered Academy Players on the Full Time Training Model is registered with an NHS general practitioner for the provision of general medical services, using the address at which he resides.

YOUTH DEVELOPMENT RULES OF THE EFL

- 220** Each Club which operates an Academy shall ensure that details of all injuries suffered by its Academy Players and of all rehabilitation are recorded and provided to the League and the FA in order that a national audit of injury and rehabilitation may be maintained.
- 221** Subject to a Club complying with Rule 220, the League will make available to it benchmarked data derived from the national audit of injury and rehabilitation.
- 222** Each Club which operates an Academy shall ensure that it has in place an Emergency Action Plan, and that all relevant Academy Staff are aware of its contents, and that it provides a copy of it in advance of all its home matches in the Games Programmes to its opponents.

Guidance

See Rule 103.5: the Academy Doctor shall be responsible for the preparation of his Club's Emergency Action Plan. the League will assist with the sharing of Emergency Action Plans.

- 223** Each Club which operates an Academy shall ensure that there is available at all games involving Academy teams appropriate first aid or primary care provision and, without prejudice to the generality of the foregoing or to any Rules applicable to an Authorised Game, that:
- 223.1** a doctor who holds a current Football Association Advanced Resuscitation and Emergency Aid certificate or an equivalent or higher qualification approved by the Board or paramedic (in the case of a Club which operates a Category 1 or Category 2 Academy) or a physiotherapist who holds the Intermediate First Aid for Sport qualification or an equivalent or higher qualification approved by the Board (in the case of a Club which operates a Category 3 or Category 4 Academy) is present at each game in the Professional Development Phase Games Programme; and
- 223.2** a doctor or physiotherapist who holds the Intermediate First Aid for Sport qualification or an equivalent or higher qualification approved by the Board is present at each venue at which matches in the Foundation Phase and Youth Development Phase take place;
- 223.3** a defibrillator is maintained at each venue at which matches are played and at which coaching takes place and that at all times a member of staff qualified in its use is present during matches and coaching.

Guidance

Rule 81 requires each coach to hold a current Basic First Aid for Sport Qualification or an equivalent or higher qualification approved by the Board. Thus, all coaches attending matches in all of the Development Phases should hold this qualification. Knowledge of how to use a defibrillator is a requirement of the Basic First Aid for Sport Qualification. Accordingly, the net effect of these Rules is that there must be somebody present at all games who knows how to use a defibrillator.

Each Club's Emergency Action Plan should include details of the members of Academy Staff required by Rules 223.1 and 223.2.

- 224** A physiotherapist qualified as set out in Rule 99.2 or Rule 100 or a coach who holds The Football Association's Diploma in the Treatment and Management of Injuries or an equivalent or higher qualification or a member of staff who holds a current emergency first aid qualification awarded by the FA, the British Red Cross, St John Ambulance (or by another entity provided it is approved by the Health and Safety Executive as an emergency first aid qualification) shall be present at all coaching taking place in Academies (without prejudice to the requirements of Rule 223).

TALENT IDENTIFICATION AND RECRUITMENT

Scouts: Qualifications

225	Each Club which operates an Academy shall ensure that each of its Scouts: 225.1 is in possession of such qualification as the League may require from time to time; 225.2 understands and complies in full with these Rules and the Code of Conduct for Scouts; and 225.3 undertakes Continued Professional Development each year.
226	Each Club shall ensure that, where the relevant Scout's duties include those referred to in Rule 226, in addition to complying with the Scout registration requirements of these Rules, it provides evidence to the League within five days of employing or engaging the Scout that the Scout holds the qualification required by Rule 225.1, and the League shall register the Scout where it is satisfied that the registration requirements of this section of these Rules have been complied with and the Scout holds the qualification required by Rule 225.1.
226A	The League shall register a Scout and shall notify the applicant Club to that effect upon being satisfied that: 226A.1 the Scout holds the qualification required by Rule 225.1; 226A.2 the Scout is not currently registered as the Scout of another Club.
226B	At the start of each season each Club shall issue a Scout Identification Card to each of its registered Scouts.
226C	Except during the period of five days referred to in Rule 226, no Club shall employ a Scout who is not registered with the League pursuant to Rule 226A unless it has made an application to register him which has yet to be determined.
226D	Upon a Club which operates an Academy ceasing to employ or engage a registered Scout, it shall within five days thereof: 226D.1 give notice to that effect to the League who shall thereupon remove his name from the register; and 226D.2 return his Scout Identification Card to the League.
226E	Scouts shall conduct themselves in accordance with the Code of Conduct for Scouts set out in Appendix B.
226F	Each Club which operates an Academy shall take all reasonable endeavours to ensure that its Scouts comply in all respects with Rule 226E and the Code of Conduct for Scouts.

Scouts: Attendance at Matches

227	Each Club which operates an Academy shall permit the Scouts of other Clubs to attend at matches played in the Games Programmes provided that: 227.1 the Club which has employed or engaged the Scout notifies both Clubs involved in the match of the Scout's proposed attendance by no later than 12 noon on the last Normal Working Day before the published date of the match; and 227.2 the Scout is able to produce on demand to the home Club his Scout Identification Card.
------------	--

- 228** Each Scout shall inform the home Club of his arrival at a match.
- 229** Each Club which operates an Academy shall prepare and produce a document setting out the process of how Scouts employed by that Club should approach Academy Players (and other players) and the process thereafter. Such process should comply in full with these Rules and the Code of Conduct for Scouts and should build upon the training that the Scout received while obtaining the relevant scouting qualification referred to in Rule 225.1.

Scouts: Disciplinary Action

- 229A** Any breach by a Scout of Rule 226B shall amount to a breach of these Rules and the League shall be entitled to take disciplinary action against the Scout and/or his Club for such breach in accordance with Section 8 of the League's Regulations. In addition to the sanctions available under Section 8, an additional sanction of the removal of a Scout's registration shall also be available at the conclusion of the disciplinary proceedings, should a breach be held to exist.
- 229B** Any breach by a Club of Rule 226C or Rule 226F shall amount to a breach of these Rules and the League shall be entitled to take disciplinary action against the Club for such breach in accordance with Section 8 of the League's Regulations. In addition to the sanctions available under Section 8, an additional sanction of the removal of a Scout's registration shall also be available at the conclusion of the disciplinary proceedings, should a breach be held to exist.

Registrations and Provision of Information by the League

- 230** Upon receiving an application by a Club to register an Academy Player, the League shall immediately provide to the Academy Player's Parent a copy of these Rules and of the Parent's Charter.
- 231** Subject to Rule 232, the League will undertake the registration (which shall be backdated to the date of application) of the Academy Player if:
- 231.1** seven days have elapsed from the date the League receives the application referred to above; and
 - 231.2** during that time, the League has not been contacted by the Academy Player or his Parent to inform the League that he no longer wishes to be registered as an Academy Player for that Club.
- and in such circumstances, the Academy Player may be coached by and play for the Club during the period of seven days referred to in Rule 231.1. The provisions of Rules 296 and 299 shall apply during the period referred to in Rule 231.1
- 232** Without prejudice to its powers of inquiry under Section 8 of the Regulations, prior to undertaking any registration of an Academy Player, the League may, in its absolute discretion, request:
- 232.1** any Official of the Club seeking to register the Academy Player, any Official of a Club with which the Academy Player has previously been registered, the Academy Player himself and/or his Parent(s) to appear before it to answer questions; and
 - 232.2** such Persons or any Club (or club) to produce documents,
- in each case, to ensure that there has been no breach of Rules 296 to 299.
- 233** Where a request is made by the League in accordance with Rule 232, the League may, in its absolute discretion, stay the registration of the Academy Player until it is satisfied that there has been no breach of Rules 296 to 299 (and, in such circumstances, the Academy Player may not be coached by or play for the Club seeking to register him until the League notifies the Academy Player and the Club that the registration has been undertaken).

YOUTH DEVELOPMENT RULES OF THE EFL

234 If the Academy Player directly or indirectly contacts another Club, and such contact results in the Academy Player becoming registered with that other Club without the consent of the Club referred to in Rule 230, the other Club shall be presumed to have breached Rule 296.

Guidance

Rule 230

The League will where possible send the Rules and Charter to Parents by email with a read-receipt, or by recorded delivery if no email address is provided.

Rule 234

The presumption set out in this Rule is rebuttable if the new Club can establish to the satisfaction of the Board that it did not in fact breach Rule 296.

Time/Distance Rules

235 Subject to Rule 264, each Club which operates an Academy shall be permitted to register Academy Players who reside within the travel times measured from the location of the Club's principal venue for the provision of coaching and education set out in the following table.

	Permitted Recruitment time/distance		
	Foundation Phase	Youth Development Phase	Professional Development Phase
Category 1	1 hour	<ul style="list-style-type: none"> • No limit for Academy Players engaged in the Full Time Training Model; • 1 ½ hours for all other Academy Players in the Youth Development Phase. 	No limit
Category 2	1 hour	1 ½	No limit
Category 3	1 hour	1 ½	No limit
Category 4	N/A	N/A	No limit

Any question or dispute concerning the travelling time requirements in this Rule shall be determined by the Board.

Trials

236 Subject to the conditions set out in Rules 237 and 243, a Trialist may attend an Academy for up to six consecutive weeks in any one Season without being registered provided that:

236.1 at least seven days' prior written notice to that effect shall be given to any junior club of which such Trialist is a member; and

236.2 before the trial commences his particulars shall be notified forthwith to the League by sending to the League Form YD8 duly completed, together with proof of his home address and date of birth in such a form as is required by the League.

237 In the case of the Trialist in one of the age groups Under 9 to Under 16, a Club may apply to the League for permission to extend the period of six weeks referred to in Rule 236 for an initial additional period of six weeks, and then for a further period of six weeks thereafter.

YOUTH DEVELOPMENT RULES OF THE EFL

238	An application to extend a trial period must be: 238.1 made by the Club at least two weeks before the Trialist's trial period is due to expire; 238.2 accompanied by such information and assurances as the League may require; and 238.3 consented to by the Trialist and his Parent.
239	An application to extend a trial period shall only be granted by the League if it is satisfied as to arrangements put in place by the Club for the welfare and education of the Trialist.
240	A Trialist may not register with another Club (or club) during the initial 6 week trial period but may at any time terminate an extended trial period to which he is subject.
241	Rule 41 (Performance Clocks) and Rule 42 (Multi-disciplinary Reviews) shall apply with regard to Trialists.
242	Each Club shall give the League all such access to information and persons as it may require in order to monitor the welfare and progression of Trialists and to determine whether to grant an application to extend a trial period.

Guidance

The Education Ombudsman may be asked to advise on the actual and proposed arrangements put in place by the Club to provide for the educational progression on any Trialist in respect of whom an application under Rule 242 is made.

243	The conditions referred to in Rule 236 are as follows: 243.1 a trial may be offered or given by a Club to anyone in age groups Under 9 to Under 11 inclusive who has his permanent residence within one hour's travelling time of the Club's Academy; 243.2 a trial may be offered or given by a Club which is permitted to recruit nationally (because it operates a Category 1 Academy and is permitted to recruit nationally pursuant to Rule 235) to anyone in age groups Under 12 and Under 13; 243.3 a trial may be offered or given by any Club to which Rule 243.2 does not apply to anyone in age groups Under 12 and Under 13 who has his permanent residence within one and a half hours' travelling time of the Club's Academy; 243.4 a trial may be offered or given by a Club to anyone in age groups Under 14 to Under 16 inclusive; 243.5 subject to Rule 243.6.2 a trial may be offered or given by one or more Clubs to an Academy Player in age group Under 16 who has been informed by the Club holding his registration that it will not offer to enter into a Scholarship Agreement with him; any such trial or series of trials may not in the aggregate exceed six weeks; 243.6 a trial may not be offered or given to anyone: 243.6.1 who is on trial at another Academy; or 243.6.2 whose registration is held by another Club (or club) except with the written consent of such Club (or club) or in the case of an Academy Player who is exercising his entitlement under either Rule 268, Rule 269 or Rule 270 to seek registration as an Academy Player at the Academy of another Club (or club). Any question or dispute concerning the travelling time requirements in this Rule shall be determined by the League in its absolute discretion.
------------	---

YOUTH DEVELOPMENT RULES OF THE EFL

- 244** If a Trialist attending an Academy is injured so that he cannot be coached or play football or if the period of his trial is interrupted by any other occurrence, application may be made to the League in writing to extend the period of his trial, giving full reasons therefor, and the League shall have power to extend such period in such terms as it may think fit.
- 245** If before the date upon which a Trialist's trial period is due to end his trial is terminated, notice to that effect shall be given to the League by sending to the League YD8A duly completed.
- 246** Upon a Trialist commencing a trial, the League may provide to him and his Parent a copy of these Rules and such other information as the League considers relevant.
- 247** Where a Club makes an application to the League in Form YD4 that an Academy Player who is a Trialist with that Club at the time of the application be registered as an Academy Player with that Club, the relevant trial will be immediately deemed cancelled by the League and the provisions of Rules 230 to 234 shall apply

Pre-Registration Agreements

- 248** Subject to the provisions of Art. 19 of the FIFA Regulations for the Status and Transfer of Players, on or after 1st January in any Season a Club may enter into a pre-registration agreement with a player who does not reside within one and a half hours' travelling time of its Academy provided that such a player is then:
- 248.1** in his Under 16, Under 17 or Under 18 year; and
 - 248.2** in Full Time Education; and
 - 248.3** not registered with another Club or Premier League club.
- 249** A pre-registration agreement shall be in Form YD9 and shall include an undertaking by the Club to enter into a Scholarship Agreement with the player upon the Club having acquired the player's registration and:
- 249.1** in the case of a player in his Under 16 year, on or after the last Friday in June in the academic year in which the Academy Player reaches the age of 16; or
 - 249.2** in the case of a player in his Under 17 or Under 18 year, upon his ceasing Full Time Education.
- Unless authorised in writing by the Board, a breach of such an undertaking will constitute a breach of these Rules.
- 250** Clubs shall submit to the League copies of all pre-registration agreements within five days of their being entered into.
- 251** A written coaching curriculum shall be annexed to each pre-registration agreement and the player shall not be coached by or at the Club's Academy or participate in its matches, tours, Festivals, Training Camps or Tournaments until the programme has been approved in writing by the Board and then only to the extent set out in the programme.

Registrations

252 Except for Trialists attending trials in accordance with Rule 236, and players attending Development Centres and players with whom a Club has entered into a pre-registration agreement in accordance with Rule 248, no player shall be coached by or at an Academy or participate in matches, tours, Festivals, Training Camps or Tournaments in which the Club operating that Academy is involved unless that Club holds his registration.

Guidance

The League may introduce a scheme of player identification for matches that form part of the Games Programme and Academy coaching sessions to monitor compliance with Rule 252 (among others).

253 Subject to Rule 254, players in age groups Under 9, Under 10, Under 11, Under 12, Under 14 and Under 16 shall be registered for one year and those in age groups Under 13 and Under 15 for two years.

254 The:

254.1 registration of an Academy Player shall endure until the last Friday in June in the academic year in which he reaches the age of 16 if:

254.1.1 he is engaged in the Full Time Training Model; or

254.1.2 the Club has made an application to the Board to this end, having offered to engage the Academy player on the Full Time Training Model and the Academy Player having rejected this offer for sound educational reasons. In such a case the Board shall enquire into the circumstances and satisfy itself as to the bona fides of the application, and if so satisfied shall have the power to determine that the Academy Player's registration should so endure;

and

254.2 registration of Youth Players entered into prior to the date of implementation of these Rules (being with effect from 1st July 2012) shall endure for the original period of that registration.

255 The registration of Academy Players will be undertaken by the League.

256 Registrations of Academy Players undertaken by the Premier League which are held by Clubs relegated to the League shall be treated as having been undertaken by the League provided all circumstances surrounding that registration comply with these Rules, failing which the League shall be at liberty to reject that registration unless otherwise determined by the Board.

257 An application for the registration of an Academy Player at an Academy shall be made by completing and submitting to the League Form YD4 signed on behalf of the Club by an Authorised Signatory together with a copy of both the Code of Conduct referred to in Rule 189 and proof of both the Academy Player's home address and date of birth in such form as is required by the League.

Guidance

The League may introduce a scheme of player identification for matches that form part of the Games Programme and Academy coaching sessions to monitor compliance with Rule 252 (among others). Accordingly, the League may require that further information and/or documents be submitted at the same time as Form YD4 to facilitate such a scheme. Such information/documents may include, by way of example, a current photograph of (and/or biometric data relating to) the Academy Player.

YOUTH DEVELOPMENT RULES OF THE EFL

- 258** A Club shall request each Academy Player (or if he is a minor his Parent) to complete the ethnicity monitoring questionnaires at the same time that he completes Form YD4. If he does so the Club shall submit the completed ethnicity monitoring questionnaire to the League at the same time that it submits Form YD4. If the Academy Player or his Parents (as applicable) elects not to complete the questionnaire, he should nevertheless submit form YD4 to the League forthwith.
- 259** An application in YD4 shall be refused if it is made in respect of a player with whom a Club (or club), other than the applicant Club, has entered into a pre-registration agreement which remains current.
- 260** Except in the case of a Scholar, a player shall not be registered as an Academy Player unless he is in Full Time Education.
- 261** The Board may from time to time direct the minimum number of Academy Players to be registered by each Club in each age group, and each Club shall comply with any such direction.
- 262** The maximum numbers of Academy Players registrable by a Club at any one time are as follows:
Age groups Under 9 to Under 14 inclusive: 30 in each age group
Age groups Under 15 and Under 16 inclusive: 20 in each age group
Age groups Under 17 to Under 18: 30 across both age groups
Age groups Under 19 to Under 21 inclusive 15 in each age group
- 263** No application to register any Academy Player in the Under 9 age group, maybe signed by the Academy Player before the third Saturday in May immediately preceding his Under 9 year.
- 264** A player in age groups Under 14 to Under 16 inclusive who resides more than one and a half hours' travelling time from the nearest Academy may be registered as an Academy Player at the nearest Club which operates an Academy of the appropriate Category subject to the following conditions:
- 264.1** an application for registration of an Academy Player under the provisions of this Rule shall be accompanied by a written coaching curriculum which shall include full particulars of any coaching the Academy Player will receive at or in the locality of his place of residence;
- 264.2** the coaching curriculum shall be designed so as to ensure that it does not cause the Academy Player to be absent from school;
- 264.3** in the case of an Academy Player registered under the provisions of this Rule at an Academy, the Head of Education shall make enquiries of the Academy Player's school at least four times each Season during the currency of his registration so as to satisfy himself that the Academy Player's best interests are being served by the coaching curriculum and that it is not adversely affecting his education; the result of each enquiry shall be reported in writing to the Academy Manager who in the event of an adverse report shall apply to the Board for the cancellation of the Academy Player's registration; and
- 264.4** unless any other travelling arrangements have been submitted to and approved in writing by or on behalf of the Board, on the occasion of each visit by the Academy Player to the Academy at which he is registered he shall be accompanied on both the outward and the return journey by his Parent.

- 265** An application to register an Academy Player shall be refused if:
- 265.1** the Academy Player is in age groups Under 10, Under 11 or Under 12; and
 - 265.2** the registration of that Academy Player was held by another Club or Premier League club ("the former Club") within the period of 12 months prior to the making of the application; and
 - 265.3** the former Club had given notice to that Academy Player under the provisions of Rules 267.1 or 267.2 that it intended to retain his registration; and
 - 265.4** the Club making the application had within the said period of 12 months registered two Academy Players in age groups Under 10, Under 11 or Under 12 whose registrations had been held by the former Club,
- unless the Club making the application and the former Club agree otherwise.
- 266** On or before the third Saturday in May in every year each Club shall send to the League a list in Form YD5 containing the names of each of the Academy Players whose registration it then holds (other than those who have entered into a Scholarship Agreement whose names are included in the list required by Regulation 66.1), indicating which it retains, which it intends to retain and which it intends to terminate with effect from the first Saturday in June.

End of Season Procedure

- 267** Except in the case of an Academy Player who has been offered and has accepted a Scholarship Agreement in accordance with Rule 277:
- 267.1** on or before the third Saturday in May in every year in which his registration is held, each Club shall give or send to each of its Academy Players in age groups Under 9 to Under 11 Form 30 notifying him whether it intends to retain or to terminate his registration with effect from the first Saturday in June; and
 - 267.2** on or before the third Saturday in May, each Club shall give or send to each of its Academy Players in age groups Under 12 and Under 14 Form 30 notifying him whether it intends to retain his registration for the next two seasons or to terminate it with effect from the first Saturday in June.
- 268** An Academy Player who receives notification under Rule 267.1 or Rule 267.2 of his Club's intention to terminate his registration shall be at liberty following receipt of such notification to seek registration as an Academy Player at the Academy of any other Club (or club).
- 269** An Academy Player who receives notification under Rule 267.1 or Rule 267.2 of his Club's intention to retain his registration shall likewise be at liberty after the first Saturday in June to seek registration as an Academy Player at the Academy of any other Club (or club) provided that:
- 269.1** by the first Saturday in June he has given written notice to his Club and the League terminating his registration; and
 - 269.2** he has received the League's written acknowledgement of the same.
- 270** An Academy Player in age group Under 16 who has not received an offer to enter into a Scholarship Agreement by 1 March shall thereafter be at liberty to seek registration as an Academy Player at the Academy of any other Club (or club) and, in such circumstances (save where the Academy Player concerned remains in Full Time Education beyond his Under 16 year), the Club that holds his registration shall not be entitled to receive compensation from any Club (or club) that subsequently registers the Academy Player for its training and development of that Academy Player in accordance with Rule 325.

Termination of Registration

271	Subject to Rule 272, the registration of an Academy Player who has not entered into a Scholarship Agreement with a Club shall terminate upon the happening of the earliest of the following events: <ul style="list-style-type: none"> 271.1 the Academy Player completing his Full Time Education; or 271.2 the receipt by the League at any time of a mutual cancellation notification in Form YD7 or YD10 duly completed and signed by the Academy Player and his Parent and on behalf of the Club holding his registration; or 271.3 the receipt by the League of the Academy Player's notice duly given in accordance with the provisions of Rule 269.1; or 271.4 the first Saturday in June following the receipt by the League of Form YD30 upon which his Club has indicated its intention to terminate the Academy Player's registration; or 271.5 the expiry, surrender, suspension or revocation of the Academy licence of the Club holding the registration.
272	The Board shall have power at any time to cancel the registration of an Academy Player: <ul style="list-style-type: none"> 272.1 upon the written application of either: <ul style="list-style-type: none"> 272.1.1 the Academy Player or, if the Academy Player is a child, his Parent on his behalf (and one of the grounds, but not the only ground, on which such an application may be made is that the categorisation of the Club's Academy has been lowered pursuant to Rule 26.3); or 272.1.2 the Club holding his registration; or 272.2 of its own volition in the circumstances set out in Rule 273.
273	If the Board is not satisfied that a Club is complying with any one or more of the Rules concerning the Hybrid or Full Time Training Model, or if it is of the view that the education of an Academy Player engaged on the Hybrid or Full Time Training Model is being prejudiced as a result of his engagement thereon (regardless of whether the Club is in compliance with these Rules) it may, either of its own volition or on the written application of an Academy Player who is affected thereby (or of his Parent on his behalf if he is a child): <ul style="list-style-type: none"> 273.1 cancel the registration of the Academy Player; or 273.2 order that the Academy Player be deemed to be engaged on one of the other Training Models.
274	The Board will not exercise its powers set out in Rule 273 without having first given the Club, the Academy Player and his Parent the opportunity to make representations to it.
275	The Board shall determine such an application in such manner as it shall think fit and, in particular, shall have power to appoint one or more suitably qualified persons to enquire into all the circumstances of the application (adopting such procedures as are considered appropriate) and to report to the Board, recommending whether the application should be granted or refused. If the application is granted, the Board may impose conditions (e.g. as to compensation) on the cancellation of the registration.
276	Upon an Academy Player's registration terminating by virtue of the provisions of Rule 271.2, the League shall provide him with a copy of Form YD7 or YD10 as evidence thereof.

Scholarships

277	On or after 1 January in the year in which he attains the age of 14 years and in any event on or before 1 March in his Under 16 year, a Club may offer to enter into a Scholarship Agreement with an Academy Player whose registration it holds.
278	Failure by a Club to honour any offer of a scholarship made pursuant to Rule 277 without reasonable cause shall render that Club liable to disciplinary action pursuant to Section 8 of the League's Regulations.
279	A Club may likewise offer to enter into a Scholarship Agreement with an Academy Player in age group Under 16 who is seeking registration under the provisions of Rule 270.
280	A Club which operates a Category 4 Academy may only offer to enter into a Scholarship Agreement with: <ul style="list-style-type: none"> 280.1 anyone who is not an Academy Player; or 280.2 an Academy Player in age group Under 16 who is seeking registration under the provisions of Rule 270, but only on or after 1 January in his Under 16 Year.
281	Any offer made under the provisions of Rules 277, 279 or 280 shall be in Form 33, a copy of which shall be sent to the Secretary by the Club making the offer within five days of it being made.
282	An Academy Player receiving an offer in Form 33 shall respond thereto within 28 days by completing and submitting to the Club making the offer Form 34, a copy of which shall be sent to the League by the Club within five days of receipt. An Academy Player who does not accept the offer shall be at liberty after the first Saturday in June following his Under 16 year to seek registration at any other Club (or club).
283	An Academy Player who fails to respond as required by Rule 282 shall be deemed to have not accepted the offer.
284	A Club may enter into a Scholarship Agreement with an Academy Player if: <ul style="list-style-type: none"> 284.1 it holds his registration; or 284.2 his registration is not held by another Club (or club); and 284.3 (except in the case of an Academy Player who has entered into a Scholarship Agreement with another Club (or club) which has been cancelled by mutual agreement) he is under the age of 18 years; and 284.4 the Scholarship Agreement commences no earlier than the last Friday in June in the academic year in which the Academy Player reaches the age of 16.
285	An Academy Player who enters into a Scholarship Agreement with a Club shall be: <ul style="list-style-type: none"> 285.1 entitled to receive such remuneration as shall be determined by the Board from time to time; and 285.2 required to complete his Education Programme (as defined in the Scholarship Agreement).

- 286** The registration of an Academy Player who enters into a Scholarship Agreement with a Club shall be effected by completion of and submission to the League of Football Association Form G(4), signed on behalf of the Club by an Authorised Signatory, together with copies of the Academy Player's Scholarship Agreement, the initial duration of which must not exceed two years, and birth certificate.
- 287** If the parties to a Scholarship Agreement have agreed in writing that they will enter into a Standard Contract prior to or immediately upon the termination of the Scholarship Agreement, and provided that the written agreement between them specifies the length of the contract and full details of all the remuneration and benefits payable under it, the Club shall not be obliged to complete and sign a mutual cancellation notification upon the Academy Player's application for cancellation of his registration pursuant to clause 13.1 of the Scholarship Agreement. If the Club chooses not to cancel the Academy Player's registration, the Academy Player shall remain registered with the Club and the Scholarship Agreement shall remain in full force and effect.

Appeal against Termination

- 288** An appeal by an Academy Player under the provisions of clause 10.3 or by a Club under the provisions of clause 12.3 of the Scholarship Agreement shall be commenced by notice in writing addressed to the other party to the agreement and to the League.

Appeal against Disciplinary Decision

- 289** An appeal by an Academy Player under the provisions of paragraph 3.3.2 of the Schedule to the Scholarship Agreement shall be commenced by notice in writing addressed to the Club and to the League.
- 290** Appeals pursuant to Rule 288 or Rule 289 shall be referred to the Player Related Dispute Commission.
- 291** The Player Related Dispute Commission may allow or dismiss any such appeal and make such other order as it thinks fit.

Order for Costs

- 292** The Player Related Dispute Commission shall have power to make an order for costs:
- 292.1** in determining appeals under Rule 288 or Rule 289; and
 - 292.2** if any such appeal, having been commenced, is withdrawn.
- 293** The Player Related Dispute Commission shall have power to determine the amount of any such costs which may include, without limitation, those incurred by the Company in the conduct of the appeal.
- 294** Costs ordered to be paid as aforesaid shall be recoverable:
- 294.1** in the case of a Club, under the provisions of Article 80; or
 - 294.2** in the case of an Academy Player, as a civil debt.

Further Appeal

- 295** Within 14 days of a decision of the Board given under the provisions of Rule 291 either party may by notice in writing appeal against such decision to The EFL Appeals Committee in accordance with Regulations 71.2 to 71.17 inclusive, whose decision shall be final.

Approaches by and to Clubs and Inducements

- 296** A Club shall not, either directly or indirectly, make any approach to or communicate with:
- 296.1** an Academy Player registered with another Club (or club); or
 - 296.2** a player with whom another Club (or club) has entered into a pre-registration agreement which remains current.
- 297** A public statement made by an Official of or Agent for a Club expressing interest in an Academy Player whose registration is held by another Club (or club) or a player with whom another Club (or club) has entered into a pre-registration agreement which remains current shall be deemed for the purpose of Rule 296 to be an indirect approach in breach of that Rule.
- 298** Except as permitted by Rules 268 and 269, an Academy Player whose registration is held by a Club shall not, either directly or indirectly, make any approach to another Club (or club).
- 299** Except that a Club may, not earlier than 1 January next following the commencement of his Under 16 year, offer an Academy Player a contract as a Contract Player upon his attaining the age of 17 years and subject to Rules 248 and 277:
- 299.1** no Club shall induce or attempt to induce a player to become registered as an Academy Player by that Club by offering him, or any person connected with him, either directly or indirectly, a benefit or payment of any description whether in cash or in kind;
 - 299.2** no Club shall likewise induce or attempt to induce an Academy Player to enter into a Scholarship Agreement and in particular no Club shall pay or offer to pay to an Academy Player upon his entering into a Scholarship Agreement remuneration in excess of the remuneration referred to in Rule 285.1;
 - 299.3** no Academy Player shall, either directly or indirectly, accept any such inducement.

FACILITIES

Facilities

- 300** Each Club which operates an Academy shall ensure that:
- 300.1** it provides as a minimum the facilities and accommodation set out in Rules 302 to 313; and
- 300.2** if it operates a Category 1 Academy, such facilities and accommodation are available for the exclusive use of its Academy at all times when it requires access to them in order to comply with these Rules.

- 301** Save where otherwise indicated, or with the permission of the Board, the facilities and accommodation set out in Rules 302 to 313 shall be provided at the Club's principal venue for the coaching and education of Academy Players.

302 Grass pitches

Category 1	<p>a) A sufficient number of grass pitches of the appropriate sizes (as required by the Rules relating to Games Programmes and with goals sized as required by the Rules relating to Games Programmes) to enable the Club to play all its matches in the Games Programmes and fulfil its commitments under these Rules as regards coaching.</p> <p>b) One floodlit grass pitch enclosed with perimeter fencing and with designated areas for spectator attendance (save that if a Club is unable to obtain planning permission for floodlighting then the requirement for floodlighting shall be waived);</p> <p>c) A designated area (on grass) for the coaching of goalkeepers.</p>
Categories 2 & 3	<p>a) A sufficient number of grass pitches of the appropriate sizes (as required by the Rules relating to Games Programmes and with goals sized as required by the Rules relating to Games Programmes) to enable the Club to play all its matches in the Games Programmes and fulfil its commitments under these Rules as regards coaching.</p> <p>b) A designated area for the coaching of goalkeepers.</p>
Category 4	<p>a) A sufficient number of grass pitches of the appropriate sizes (as required by the Rules relating to Games Programmes and with goals sized as required by the Rules relating to Games Programmes) to enable the Club to play all its matches in the Games Programmes and fulfil its commitments under these Rules as regards coaching.</p> <p>b) A designated area (on grass) for the coaching of goalkeepers.</p>

- 303** Each Club shall take all reasonable steps to maintain each grass pitch used by its Academy at all times when such pitches are required by the Academy for matches or coaching.

- 304** The League shall inspect the Academy grass pitches of each Club which operates a Category 1 or Category 2 Academy at least twice a year, and of each Club which operates a Category 3 Academy from time to time.

- 305** Each Club shall take such steps as the Board may require if the Board is not satisfied that a pitch is being maintained to an adequate standard.

- 306** Without prejudice to the generality of Rule 303, each Club shall ensure that the quality of its pitches used for matches in the Games Programmes is not adversely affected by coaching taking place on them.

Guidance Note

Because of Rule 306, Clubs may need to have a greater number of pitches than the bare minimum necessary to fulfil matches in the Games Programme.

307 Artificial Surface pitch

Categories 1 and 2	One floodlit outdoor Artificial Surface pitch (save that if a Club is unable to obtain planning permission for floodlighting then the requirement for floodlighting shall be waived). It is recommended (and mandatory with effect from 1 July 2016) that this pitch measures 105 metres in length and 68 metres in breadth, unless otherwise permitted by the League.
Categories 3 and 4	Access to one floodlight outdoor Artificial Surface pitch (which need not be at the principal venue).

308 Indoor area for training and the playing of matches

Note: ideally a Club's indoor facility should be located at its principal venue for the coaching of Academy Players and any new facility must be located at the principal venue. It is accepted, however, that a number of Clubs have existing indoor facilities which are located elsewhere, or that it may be impossible for a Club's indoor facility to be located at its principal venue for planning reasons. In such cases, where the Board is satisfied that the Club's indoor facility may be located other than at its principal venue, there shall also be a requirement that the Rules relating to the maximum travel time from an Academy Player's residence to the coaching venue are complied with.

Categories 1 and 2	One indoor Artificial Surface pitch measuring a minimum of 60 yards by 40 yards which shall be owned by the Club (or alternatively the Club must have a legally enforceable agreement with the owner of the facility for its use by the Club, expiring not earlier than the end of the current Season) and which shall be for the exclusive use of the Academy at all times. <i>(Note: an indoor pitch which complies with the size requirements set out in Regulation 13 is recommended).</i>						
Categories 3 and 4	<p>Access to one indoor pitch measuring 60 yards by 40 yards during the months of November to April. Alternatively, the pitch may measure 30 yards by 20 yards but if so the Club shall only be permitted to coach the following maximum numbers of Academy Players at any one time:</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Age groups Under 9 to Under 14 inclusive:</td> <td style="text-align: right;">18 in each age group</td> </tr> <tr> <td style="padding-left: 20px;">Age groups Under 15 and Under 16 inclusive:</td> <td style="text-align: right;">15 in each age group</td> </tr> <tr> <td style="padding-left: 20px;">Age groups Under 17 to Under 21 inclusive:</td> <td style="text-align: right;">12 in each age group</td> </tr> </table>	Age groups Under 9 to Under 14 inclusive:	18 in each age group	Age groups Under 15 and Under 16 inclusive:	15 in each age group	Age groups Under 17 to Under 21 inclusive:	12 in each age group
Age groups Under 9 to Under 14 inclusive:	18 in each age group						
Age groups Under 15 and Under 16 inclusive:	15 in each age group						
Age groups Under 17 to Under 21 inclusive:	12 in each age group						

Guidance

The Premier League and the League are consulting on the requirements for Category 3 Clubs' indoor facilities to have an Artificial Surface.

309 Changing rooms and washing facilities

Category 1 to 4	<ul style="list-style-type: none"> a) suitably-sized changing rooms equal in number to the number of teams (including visiting teams) playing at the Academy at any one time so that each such team has exclusive use of a changing room. b) a sufficient number of washing and toilet facilities, of a suitable quality, for the exclusive use of all registered Academy Players; c) a sufficient number of separate washing and toilet facilities, of a suitable quality, for the use of visiting teams; d) a sufficient number of separate changing rooms and washing and toilet facilities, of a suitable quality, for the exclusive use of Match Officials (with separate male and female facilities in the case of Category 1 and Category 2 Academies only, with appropriate arrangements made at Category 3 and 4 Academies to facilitate the changing requirements of both male and female Match Officials); e) (in the case of Category 1 and Category 2 Academies only) a sufficient number of changing rooms and washing and toilet facilities, of a suitable quality, for the exclusive use of therapists and coaches employed at the Academy and other relevant Academy Staff;
------------------------	---

Guidance

Portacabins remain acceptable as dressing rooms at Category 1 Academies until 1 December 2017. Any structural work required to achieve Category 1 status will need to be completed by no later than 1 December 2017.

Sufficient and suitable facilities must be provided at all venues. Thus, if a Category 3 or Category 4 Academy utilises an Artificial Surface pitch or an indoor pitch which is located away from its principal venue, it must ensure that there is substantial compliance with this Rule 309 with regard to changing room and washing facilities.

A changing room may not be used as any of the other rooms (e.g. team meeting room) required by these Rules.

310 Team meeting room

Categories 1 to 4	A dedicated room large enough to hold 20 people and equipped with individual desks (one per person), audio/visual projection equipment and a large screen, internet access and computers.
--------------------------	---

Guidance

In Category 3 and 4 Academies, this room:

- a) need not be located at the principal venue; but
- b) if it is so located (but not otherwise), may also be used as the guest lounge described in Rule 311.

311 Guest lounge

Categories 1 to 4	<p>A guest lounge for the use of Parents at each training session and match that is open to Parents. The guest lounge shall be large enough to hold 50 people and have access to refreshments and toilet facilities.</p> <p>Note: in Category 3 and 4 Academies, this room may also be used as the team meeting room described in Rule 310 provided that it is large enough.</p>
--------------------------	--

312 Match analysis suite

Categories 1 and 2	A room large enough to hold 20 people and equipped with such appropriate video and IT technology as is necessary to undertake, and present the results of, Performance Analysis. If the facility is shared with the professional squad, access for the Academy sufficient for its purposes needs to be clearly demonstrated.
Categories 3 and 4	A match analysis suite is recommended but not mandatory.

313 Medical facilities

Such medical facilities as the Club requires to deliver its Sports Science and Medicine Programme.

Guidance

Each club should carefully consider provision of facilities suitable for the medical practice undertaken at each venue. In general, a medical consulting room should be not less than 16 square metres and should be larger if it includes a separate area for the examination couch.

There should be provision for:

- Privacy sufficient to ensure confidentiality of consultation;
- Desk, examination couch and equipment to facilitate medical examinations to include:
 - o Thermometer;
 - o Sphygmomanometer;
 - o Otoscope and ophthalmoscope;
 - o Stethoscope;
- Electronic or paper medical records in secure format;
- Secure/lockable filing system;
- Secure/lockable storage for any medicines;
- Sufficient provisions for all aspects of medical treatment to be undertaken including:
 - o Protocols and equipment for the provision of Basic Life Support and if not provided elsewhere;
 - o Protocols and equipment sufficient for Advanced Trauma and Life Support;
- Basin with hot and cold water, provision of hand cleansers, clinical taps, hand drying facilities and all necessary provision for effective infection control procedures;
- Provision of space and seating for person accompanying examinee;
- Flooring and fittings of materials which can be cleaned to meet infection control standards;
- Telephone.

314 Administration office space

Categories 1 to 4	<ul style="list-style-type: none"> a) Such office space and access to IT, email and the internet as each member of Academy Staff requires in order to perform the responsibilities set out in his job description; b) A private meeting room.
--------------------------	---

Guidance

For Category 3 and Category 4 Academies, these can be provided at a place other than the principal venue (e.g. at the Club's stadium).

315 Academy Player accommodation

Categories 1 to 4	<p>Sufficient and adequate accommodation for all registered Academy Players and Trialists under the age of 18 not residing with their Parents. Clubs shall comply with any guidelines about Academy Player accommodation published by the League from time to time and with all applicable legal requirements in relation to the provision of such accommodation.</p> <p>Such accommodation shall be located in as close proximity as is reasonably practicable to the Club's principal venue for the coaching and education of Academy Players and to the place at which Academy Players undertake their education (if this is not the principal venue).</p>
--------------------------	---

Guidance

Clubs may provide such accommodation by lodging students with private households (subject to compliance with all applicable legal requirements including as to DBS checks) or by operating their own dedicated facilities (such as hostels).

316 Classrooms

Category 1	<p>A minimum of three classrooms which shall each:</p> <ul style="list-style-type: none"> • contain sufficient desks for 20 students; • contain 20 computers with access to the internet; • conform in all respects with any requirements for classrooms issued by the Department for Education.
Categories 2	<p>A minimum of two classrooms which shall each:</p> <ul style="list-style-type: none"> • contain sufficient desks for 20 students; • contain 20 computers with internet access. <p>At least one of the classrooms must conform in all respects with any requirements for classrooms issued by the Department for Education.</p>
Category 3 & 4	<p>Access for Academy Players and Trialists to a study area large enough to hold 20 people and which contains at least 20 computers with internet access.</p>

Guidance

In Category 3 and 4 Academies, this may also be used as the team meeting room provided that the timetabling of lessons in the classrooms allows.

Flexibility will be accorded to a Club's provision of classrooms depending on the number of Academy Players that are engaged in each Training Model.

Clubs which operate a Category 3 or Category 4 Academy who have in place an artificial surface which does not meet the requirements of such a pitch as defined in Rule 1.10 may continue to use such a pitch until the end of its natural life. Thereafter however, they must use a pitch which complies with the definition.

FINANCE AND EXPENSES

Finance

317	Each Club which operates an Academy shall by 1 July in each year submit to the League its budgeted Academy Financial Information for its Academy for the following Season.
318	Each Club which operates an Academy shall by 1 September in each year submit to the League its actual Academy Financial Information for its Academy for the previous Season together with the budgeted Academy Financial Information for that Season.
319	The Academy Financial Information required by Rule 317 shall be submitted in the format required by the League.
320	The League may, at its discretion, require (and the Club shall deliver), such further information and explanations as it deems fit in connection with the Academy Financial Information submitted by the Club pursuant to Rules 317 and 319.
321	The League shall have the power to obtain an independent audit of a Club's Academy Financial Information submitted pursuant to these Rules.
322	Each Club's Academy Financial Information shall be assessed by the Board in order to determine whether to award to the Club a grant from the Professional Youth Game Fund.

Guidance

The League will produce benchmarked Club by Club information (on an anonymised basis) with regards to expenditure on youth development on an annual basis.

The League will keep the Academy Financial Information provided to it pursuant to Rules 317 and 319 confidential save that:

- 1 the League may disclose the Information if properly required to do so by law or by any regulatory authority;
- 2 the League may disclose the Information to the ISO or the PGB (and if it does so, the League shall use all reasonable endeavours to ensure that the ISO or PGB keeps the Information confidential);
- 3 the League may disclose the Information to any person or entity retained to undertake an audit of a Club's Academy Financial Information pursuant to Rule 321 (and if it does so, the League shall use all reasonable endeavours to ensure that the person or entity so retained keeps the Information confidential); and
- 4 the League may use the Information to develop and publish benchmarked information on an anonymised basis.

Expenses

323	Without prejudice to Rules 296 to 299, each Club that operates an Academy shall be permitted to reimburse Academy Players and their Parents for actual expenses legitimately incurred as a direct result of the Academy Player's participation in the activities of the Academy, in accordance with such guidance as is issued by the League to Clubs from time to time.
324	Without prejudice to Rules 296 to 299, no payment of any kind may be made by a Club to an Academy Player or his Parent (whether directly or indirectly) outside the terms of the guidance issued by the Board in accordance with Rule 323, without the express prior consent of the League.

COMPENSATION

Compensation

- 325** The registration of an Academy Player at an Academy shall impose an obligation on the applicant Club or Premier League club (“the Applicant Club”) to pay compensation for the training and development of that Academy Player to any Club or Premier League club or Former League Club which previously held his registration (“the Training Club”) provided that:
- 325.1** the Training Club had indicated in Form 30 (or, in the case of a Premier League club, the equivalent Premier League form) its intention to retain the Academy Player’s registration; or
 - 325.2** the Training Club had offered to enter into a Scholarship Agreement pursuant to Rule 277 with the Academy Player; or
 - 325.3** the Academy Player sought registration at the Applicant Club because he had moved residence outside the permitted travelling time from his last Training Club; or
 - 325.4** Save where Rule 270 applies, the Training Club and Academy Player mutually agreed to terminate the Academy Player’s registration pursuant to Rule 271.2 and agreed that the Training Club should retain the right to receive compensation should the Academy Player sign for another Club (or club); or
 - 325.5** the Board has made a determination to that effect pursuant to Rule 275; and
 - 325.6** in all the above cases, the Training Club held a valid licence to operate an Academy in accordance with these Rules (or to operate a Football Academy or Centre of Excellence in accordance with the Rules pertaining to youth development which these Rules replaced).
- 326** The amount of compensation referred to in Rule 325 shall be:
- 326.1** such sum as shall be due pursuant to this section of the Rules; or
 - 326.2** as regards the compensation payable by the Applicant Club to the most recent Training Club, such sum as shall have been agreed between them.
- 327** Rules 329 to 339 govern the compensation due in respect of an Academy Player who is in, or about to enter, any age group between Under 9 and Under 16 at the time when he is first registered with the Applicant Club save for an Academy Player to whom Rule 328.2 applies.
- 328** In default of agreement between the Applicant Club and the Academy Player’s most recent Training Club, the Professional Football Compensation Committee shall (in accordance with the provisions of Appendix 4 of the Regulations) determine the compensation payable to the latter in respect of an Academy Player:
- 328.1** who is in any age group between Under 17 and Under 21 when he is registered for the Applicant Club; or
 - 328.2** to whom the Training Club made an offer of a Scholarship Agreement pursuant to Rule 277.
- 329** The compensation due in respect of an Academy Player to whom Rule 327 applies shall consist of an initial fee payable to the most recent Training Club (and to be paid within seven days of the Academy Player being registered for the Applicant Club) and, if the Academy Player is in age group Under 12 or older, contingent compensation is payable to all qualifying Training Clubs in accordance with these Rules.
- 330** The initial fee referred to in Rule 329 shall be calculated by:
- 330.1** multiplying the applicable annual fixed fee (or fees) calculated in accordance with Rule 331 by the applicable number of years; and
 - 330.2** adding thereto any initial fee (capped at such sum as would have been payable when calculated in accordance with this section of the Rules) paid by the most recent Training Club when it acquired the registration of the Academy Player.

YOUTH DEVELOPMENT RULES OF THE EFL

331 In Rule 330:

331.1 the “applicable annual fixed fee” means the fee set out in the table in Rule 332 referable to:

331.1.1 the age group of the Academy Player during any year that he was registered with the Training Club; and

331.1.2 the Category of the Training Club’s Academy during that year; and

331.2 the “applicable number of years” means the number of years for which the Academy Player was registered for the Training Club (subject to Rule 338).

Guidance

There may be two “applicable fixed fees”. For example, if an Academy Player was registered with a Category 2 Training Club from the age of Under 9 to Under 16, then the applicable fixed fee is £3,000 for each of his initial three years of development (totalling £9,000) and £25,000 for each of the five subsequent years (totalling £125,000) making a total initial fee of £134,000.

332 The applicable annual fixed fees by reference to the age group of the Academy Player and the Category of Academy are as follows:

Age group of the Academy Player	Category of the Academy of the Training Club at the relevant time	Applicable Annual Fixed Fee
Under 9 to Under 11	All Categories	£3,000
Under 12 to Under 16	Category 1	£40,000
Under 12 to Under 16	Category 2	£25,000
Under 12 to Under 16	Category 3	£12,500

Guidance

In order to give effect to the compensation Rules under the EPPP, Clubs’ previous football academies and Centres of Excellence will have a “deemed”, retrospective categorisation to give effect to the provisions for fixed fee compensation in respect of the years up until the coming into force of the Rules. The following applies:

Status	Deemed retrospective Category for the purposes of calculating compensation (in respect of the period up until the end of Season 2011/12)
Club operated a licensed Football Academy which is placed into Category 1 under the new Rules (all Category 1 Clubs will be the subject of an ISO audit by no later than 31 May 2012)	Category 1
Club operated a licensed Football Academy which is not placed into Category 1 under the new Rules.	Category 2
Club operated a licensed Centre of Excellence.	Category 3

YOUTH DEVELOPMENT RULES OF THE EFL

333 The contingent compensation referred to in Rule 329 shall consist of:

- 333.1** appearance fees calculated by reference to the number of First Team Appearances (up to a maximum of 100) made by the Academy Player for the Applicant Club or any other Club or Premier League club for whom the Academy Player subsequently becomes registered (including, with effect from the commencement of Season 2015/16 only, by way of a Temporary Transfer or other loan) and to the divisional status of the relevant Club as set out in the table in Rule 334;
- 333.2** if the Academy Player's registration is transferred prior to his twenty-third birthday to a club affiliated to a national association other than The Football Association (save for any Welsh club which is a member of the League, the Premier League or the Premier Division of the National League), 20% of any Compensation Fee, Loan Fee and Contingent Sum that the Applicant Club receives which is in excess of:
- 333.2.1** any amounts of training compensation and/or solidarity payment paid to the Applicant Club and the Training Club pursuant to the FIFA Regulations for the Status and Transfer of Players; and
- 333.2.2** the actual sum (if any) paid by the Applicant Club to the Training Club to acquire the Academy Player's registration;
- 333.3** 5% of all Compensation Fees, Transfer Fees, Loan Fees and Contingent Sums paid in respect of:
- 333.3.1** all future transfers of the Academy Player's registration to Clubs (or clubs) in membership of the League, the Premier League or the Premier Division of the National League; and
- 333.3.2** all future transfers on loan to a club affiliated to a national association other than The Football Association (save for any Welsh club which is a member of the League, the Premier League or the Premier Division of the National League).

Guidance

Clubs will be obliged to pay contingent compensation as it falls due (payment within seven days of the triggering event).

334 The appearance fees referred to in Rule 333.1 are as follows:

Number of First Team Appearances	Divisional Status of the Club			
	Premier League Club	EFL Championship Club	EFL League One Club	EFL League Two Club
10	£150,000	£25,000	£10,000	£5,000
20	£150,000	£25,000	£10,000	£5,000
30	£150,000	£25,000	£10,000	£5,000
40	£150,000	£25,000	£10,000	£5,000
50	£150,000	£25,000	£10,000	£5,000
60	£150,000	£25,000	£10,000	£5,000
70	£100,000	£25,000	£10,000	£5,000
80	£100,000	£25,000	£10,000	£5,000
90	£100,000	£25,000	£10,000	£5,000
100	£100,000	£25,000	£10,000	£5,000

335	In Rule 333: 335.1 "First Team Appearance" means an appearance either in the starting eleven or as a playing substitute in a first team fixture in the Premier League, the EFL Championship and Leagues One and Two (including play-offs), the EFL Cup, the FA Cup, the EFL Trophy, the UEFA Europa League or the UEFA Champions League; 335.2 in the event that the Academy Player's registration at a Club (or Premier League club) is terminated (whether by effluxion of time, cancellation, transfer or otherwise) prior to his having made sufficient appearances to trigger one of the payments set out in Rule 334, that Club (or Premier League club) shall pay a pro rata amount to the relevant Training Club(s) and the obligation to pay future sums pursuant to that Rule shall transfer to any new Club (or Premier League club) for whom the Academy Player subsequently becomes registered; and 335.3 "Compensation Fee", "Transfer Fee", "Loan Fee" and "Contingent Sum" shall be interpreted to exclude compensation payable pursuant to Rule 325.
336	Reference in Rules 333 and 335 to the transfer or termination of an Academy Player's registration shall be interpreted to include transfers or terminations of his registration after he has ceased to be an Academy Player and Clubs who subsequently sign the Academy Player shall be bound to comply with Rules 333.1 and 333.3 and for the avoidance of doubt the original Applicant Club shall not be liable to the Training Club in respect of: 336.1 any appearance fees payable pursuant to Rule 333.1 and due in respect of appearances made by the Academy Player after he has ceased to be permanently registered for the Applicant Club; 336.2 sums payable pursuant to Rule 333.2 and 333.3 arising from transfers in respect of which the Applicant Club was not the Transferor Club.
337	Any agreement between a Club and another Club (or club) as to the compensation payable on the transfer of a registration, whether pursuant to Rule 326.2 or otherwise, may not take effect so as to vary the contingent compensation payable pursuant to this section of the Rules to any other Club (or Premier League club).
338	If an Academy Player has spent part only of any year at the Training Club, the amount of compensation in respect of that year shall be calculated pro rata (taking into account whether or not the Training Club's Academy was operational or not during the Close Season or any part of it).
339	If the Academy Player has been registered for a Training Club for part only of the period between the start of his Under 12 year to the conclusion of his Under 16 year, the amount of contingent compensation payable to that Training Club calculated in accordance with these Rules shall be paid pro rata to the Training Club.

Guidance

Rule 339 covers the following situations:

- 1 Where an Academy Player has been registered for only one Training Club but not for the entirety of the period from the start of his Under 12 year to the conclusion of his Under 16 year; and
- 2 Where the Academy Player has been registered for more than one Training Club during the period.

In either case, the Training Club(s) receive(s) contingent compensation pro rata to the period that it/ they held the Academy Player's registration.

YOUTH DEVELOPMENT RULES OF THE EFL

- 340** The compensation set by the Professional Football Compensation Committee in respect of an Academy Player to whom Rule 328 applies shall be determined in accordance with the Committee's Regulations (as set out at Appendix 4 of the Regulations).
- 341** The new registration of a Contract Player under Regulation 60 shall impose an obligation on the Club next holding his registration to pay to the former Club (or club) compensation for the training and development of that Player if the Club (or club):
- 341.1** had held that Player's registration as an Academy Player;
 - 341.2** had offered to enter into a Scholarship Agreement with him which offer he had not accepted; or
 - 341.3** had entered into a Scholarship Agreement with him and either:
 - 341.3.1** the Scholarship Agreement had been terminated at the Player's request; or
 - 341.3.2** in accordance with the terms thereof the former Club (or club) had offered him a contract as a Contract Player which offer he had not accepted.
- 342** The amount of compensation payable pursuant to Rule 341 shall be:
- 342.1** such sum as shall have been agreed between the applicant Club (or club) and the former Club; or
 - 342.2** such sum as the Professional Football Compensation Committee on the application of either Club (or club) shall determine pursuant to Rule 340.
- 343** Any agreement between Clubs or between a Club and a Premier League club as to the amount of compensation payable shall be in writing, and a copy provided to the League within 5 days of being entered into.
- 344** All compensation (including instalments thereof and contingent sums) payable to a Club, Premier League or the League Club shall be paid by the Applicant Club into the Transfer Fee Account.

Guidance

The fixed fees set out in Rules 332 and 334 are to be revised annually by the PGB.

The Regulations of the Professional Football Compensation Committee referred to in Rule 340 are in Appendix 4 of the EFL Regulations. They remain unchanged as regards the calculation of compensation for:

- Academy Players in the Under 18 and older age groups;
- an Academy Player with whom the Training Club had agreed to enter into a Scholarship Agreement; and
- an Academy Player with whom the Applicant Club enters into a Scholarship Agreement.

APPENDIX A – SAFEGUARDING

Part 1 – The EFL Child Protection Statement

The aim of The EFL is to:

- a) develop a positive and pro-active position in order to best protect all children and young people who play football, enabling them to participate in an enjoyable and safe environment.
- b) facilitate the provision of child protection awareness training at Clubs in conjunction with, and supported by, The Football Association and the NSPCC.
- c) demonstrate best practice in the area of child protection.
- d) promote ethics and high standards throughout football.

The key principles underpinning this Policy are that:

- a) the welfare of children and young persons is, and must always be, the paramount consideration.
- b) all children and young people have a right to be protected from all forms of abuse and unlawful discrimination regardless of their age, sex, gender reassignment, disability, race, culture, language, racial origin, heritage or sexual orientation.
- c) all suspicions and allegations of abuse will be taken seriously and responded to swiftly and appropriately.
- d) working in partnership with children and young people and their parents/carers is essential.

Children Services Departments have a statutory responsibility to ensure the welfare of children and young people. The EFL is committed to working together with Social Services Departments and Local Safeguarding Children Boards in accordance with their procedures.

Where The EFL believes circumstances exist which may harm a child or children or poses, or may pose, a risk of harm to a child or children, the League shall refer the matter to The Football Association for investigation and action in accordance with the appropriate Football Association Disciplinary Procedures for safeguarding children, or if appropriate the statutory agencies such as the Police, Children's Services Department or Local Authority Designated Officer (**LADO**).

Part 2 – Specific Requirements

- 1 For the purposes of this Part 2, **Regulated Activity** has the same meaning as given to it in Section 5 and Schedule 4 of the Safeguarding Vulnerable Groups Act 2006 as amended by the Section 64 of the Protection of Freedoms Act 2012, as amended, extended or re-enacted from time to time.
- 2 No person shall work in and/or be employed or retained by an Academy or Development Centre in a Regulated Activity unless:
 - 2.1 that person has completed and submitted to the Academy Manager of the Academy at which they seek to be employed, a self-certification form in Form YD2;
 - 2.2 they have obtained from the Disclosure and Barring Service an enhanced criminal records check at the appropriate level and to the satisfaction of The Football Association; and
 - 2.3 their particulars are held on the Academy's single central record of persons employed or retained by the Academy (**SCR**).
- 3 Academies shall ensure that any other individual employed, retained to work or working at the Academy obtains an enhanced criminal records check from the Disclosure and Barring Service where the role being fulfilled falls into any of those roles identified as requiring such a check in guidance as issued by the League and/or The Football Association from time to time. Any such individual's details shall be recorded in the Academy's SCR.

YOUTH DEVELOPMENT RULES OF THE EFL

- 4 There shall be made available for inspection by a duly appointed officer of the League, at all reasonable times, evidence to demonstrate compliance with paragraphs 2 and 3 above including a copy of the SCR.
- 5 At each Academy operated by a Club, a member of staff shall be assigned as the Designated Safeguarding Officer, and that person shall be trained in child protection issues and shall be given specific responsibility for the same and in particular shall:
 - 5.1 ensure there are written child protection policies and procedure based on the principles set out in guidance as issued and/or distributed by the League from time to time;
 - 5.2 ensure compliance by the Academy with paragraphs 2 and 3 above;
 - 5.3 ensuring all staff who work with children undertake appropriate safeguarding training for their role in accordance with guidance as issued by The Football Association and/or the League from time to time;
 - 5.4 liaise with Youth Players, parents, staff, the police, local authority statutory agents including the LADO, Social Services Departments, the League, The Football Association and other relevant persons and bodies in relation to child protection issues;
 - 5.5 promote awareness of child protection issues generally within the Academy and encourage and monitor the adoption of best practice procedures in that regard; and
 - 5.6 work together with designated safeguarding officers from other departments of the Club (under the leadership of the Safeguarding Senior Manager) to support a strategic approach to safeguarding within the Academy and the Club as a whole.
- 6 The minimum qualification for such member of staff shall be the satisfactory completion of The FA Safeguarding Children Workshop and annual attendance at Safeguarding Workshops approved by the League.
- 7 The name and contact details for the Designated Safeguarding Officer shall be notified to the League's child protection advisor at the commencement each Season and within 2 Working Days of any change in Designated Safeguarding Office at any other time.
- 8 Youth Rules 54 and 55 shall apply.

APPENDIX B – CODE OF CONDUCT FOR SCOUTS

- 1** The function of a Scout is to identify to his Club players with whom his Club may wish to enter into negotiations with a view to securing their registration. Scouts are not themselves entitled to enter into any such negotiations nor are they able to make promises to or offer inducements to any players whom they approach.
- 2** Scouts are employed by and represent their Clubs and are Officials within the meaning of the Regulations of the League by which they are bound.
- 3** Scouts must therefore be familiar with the Regulations and in particular these Rules relating to Youth Development. They must maintain an awareness of and at all times comply with the Regulations and Rules setting out the circumstances in which their Club may make an approach to a Player or Academy Player (as defined in the Regulations) whose registration is held by another football club.
- 4** When acting in the course of his duties a Scout shall at all times carry the formal means of identification issued to him by his Club and shall produce the same upon demand.
- 5** Scouts are responsible for the conduct of their contacts and shall be liable for any act or omission by a contact which constitutes a breach of the Regulations.
- 6** Scouts shall conduct themselves in a manner befitting their role as Officials of their Clubs and shall take all possible steps to promote the reputation of the game of association football and to prevent it being brought into disrepute.
- 7** A Scout shall forthwith disclose to his Club the nature and extent of any direct or indirect interest he may have in any transaction or arrangement involving his Club and he shall account to his Club for any benefit which either directly or indirectly he derives therefrom.
- 8** A Scout shall conduct himself at all times in an ethical and professional manner and shall observe the highest standards of integrity and fair dealing.

Councillor Alan Hall
London Borough of Lewisham
Laurence House
1 Catford Road
London
SE6 4RU

Date: 13 December 2016
Your ref:
Our ref: GRIMBLRJ\156536-000009
Direct: +44 20 7919 4983
Email: johngrimbley@eversheds.com

By Email Only (cllr_alan.hall@lewisham.gov.uk)

Dear Councillor Hall

NEW BERMONDSEY (FORMERLY SURREY CANAL TRIANGLE) PROPOSED COMPULSORY PURCHASE ORDER

We write on behalf of our client, Millwall Football Club Ltd ("the Club") in relation to tonight's meeting of the Overview and Scrutiny Business Panel.

Our client and advisors have obviously carefully noted the reasons for call-in given at the meeting of the Panel on 20 September and the report containing the officers' response to those issues included with the agenda papers for today's meeting. Our clients and their advisers share the grave concerns expressed by the Panel about the background and circumstances leading up to the decision by Mayor and Cabinet to make the compulsory purchase order and consider that the officers' response leaves fundamental points unanswered.

Appointment of Renewal as developer

There are many aspects of the transactions with Renewal which represent significant departures from what would reasonably be expected in the circumstances. For example:

- The Council appoints a company that it acknowledges has no track record in undertaking developments of the scale of the New Bermondsey Development – which would be amongst the largest in London;
- The founders of Renewal were the former leader and former senior officer of Lewisham Council;
- The parent companies of Renewal are registered in off-shore tax havens and the beneficial owners are anonymous;
- PWC was denied access to information about the parent companies in 2013 and was unable to do due diligence but the Council nevertheless proceeded to enter into a binding conditional sale agreement of the freeholds of the Club's and MCT's leasehold land;
- Given the above points, it frankly beggars belief that the Council considered it prudent not to have sought an open and transparent tendering process to ensure that the developer was one on whom the Council could rely and had the experience, skills and clear access to appropriate funding that would ensure delivery of the scheme;
- Having entered into a conditional sale agreement of the Council's interests in December 2013, it is apparent that the Council had not even conducted a viability assessment of

the scheme. According to paragraph 7.50 of the report to Mayor and Cabinet, GL Hearn did not initially report on viability until April 2014!

Some of these factors alone would be regarded as grounds for deep scepticism but, taken together, they represent a wholly extraordinary approach to delivery of a project. In any other sphere of its major operations and service delivery, would the Council have allowed such a set of circumstances to accumulate?

LSH Brochure

Section 7 of the officers' issues report deals with the question of the LSH brochure.

In that report it is stated that LSH advised that the LSH brochure was not publicised or made available to others. However, it is an inescapable fact that the brochure was sufficiently available for it to come into the hands of the *Guardian* newspaper.

It is highly improbable that a sales brochure with so much detail would be prepared without the client's knowledge or approval. We note the sales brochure contains information on a detailed corporate structure of Renewal – the very same structure that was redacted in the 2013 PWC report and remained so until the belated disclosure by the Council in the context of FoI proceedings in October 2016. We can only presume that that structure was deemed highly confidential by Renewal and the Council when it was evidently disclosed to LSH.

Has the Council verified the terms of engagement between IHL and LSH?

The inability of the Club to bid for freehold of the land they leased

In Mr Holmans' letter to Demos Kouvaris of the Club's parent company dated 29 January 2013, he stated, at paragraph 8, that the Council envisaged retaining its freehold interest in respect of the land leased to the Club and MCT.

However, without any communication to the Club between January and September 2013, Mayor and Cabinet resolved at its September 2013 meeting to dispose of those freehold interests to Renewal. This unexplained reversal was made in the teeth of officers' full knowledge of the Club's interest and concerns.

CBRE, on behalf of the Club, on 6 November 2013 stated that it wished to bid for those freehold interests. However, the Council, through Mr Holmans' letter of 13 November 2013 did not provide any terms or basis for which a bid could be made. In those circumstances, it was impossible for CBRE to advise the Club to make a bid.

Threat to future of MCT and Youth Academy

MCT has only received a derisory offer, which it has rejected and has not agreed terms to surrender its lease. There have been no further negotiations and we understand that MCT are still awaiting a response from Renewal.

The future of MCT in Lewisham is threatened by Renewal's proposal and will have a direct and serious impact on opportunities for young people in the Borough.

Alongside this threat to the future of the MCT, Millwall's Youth Academy is also threatened by the loss of the Lions Centre's indoor astroturf pitch. It is a mandatory requirement under the Elite Player Performance Plan (EPPP) for a youth academy such as ours to have full time exclusive access to such a facility.

Misleading statements about extent of land owned or controlled by Renewal

Much is made in the report to Mayor and Cabinet that Renewal owns or controls the majority of the interests in the site. This is in fact, far from the case. Very significantly, Renewal only has a conditional contract to acquire the freehold of the Club's and MCT's leasehold land. It therefore cannot deliver the scheme on this land without a compulsory purchase order

expropriating the Club's and MCT's interest. The development area for the scheme is approximately 27.2 acres and the Club's and MCT's leasehold interests together (excluding the stadium) is 11.5 acres. The Club's and MCT's areas therefore amount to fully 42% of the site. Taken with the other interests to be acquired, Renewal has ownership or control of something around only 50% of the land required for the scheme.

Yet, last Friday the Council is quoted in the South London Press as saying: "Lewisham council's Mayor and Cabinet has agreed to proceed with compulsory purchase orders on the remaining 10% of the land at New Bermondsey..."

In view of the above, we would ask that Mayor and Cabinet is recommended not to proceed to make a compulsory purchase order.

Yours faithfully



Eversheds LLP

Mayor Sir Steve Bullock
and Members of the Council's Cabinet
The London Borough of Lewisham
Civic Suite
Town Hall
Catford
SE6 4RU

HQ Building
Old Granada Studios
2 Atherton Street
Manchester
M3 3GS
DX 14393 Manchester 6

T 03700 86 5600
F 03700 86 5601

lisa.tye@shoosmiths.co.uk

Date 9 December 2016
Our Ref LT-M-00433767

Dear Sirs

NEW BERMONDSEY REGENERATION – PROPOSED USE OF THE COUNCIL'S COMPULSORY PURCHASE POWERS

We understand that a Report on the above is now to be reconsidered by the Council's Mayor and Cabinet on 15 December 2016, following the deferral of a decision on 28 September 2016.

We wrote to you on 16 February 2016 prior to consideration of this matter at the Council's Mayor and Cabinet on 17 February 2016. We also wrote to you on 2 September 2016 prior to further consideration of the matter on 7 September 2016. Copies of both our letters are enclosed.

To date we have not received the courtesy of an acknowledgment of those letters and have had no response whatsoever to the important issues raised, issues which relate to our clients' basic human rights and their ability to live and work in peace. The lack of contact from the Council leaves our clients in a position where the only dealings they have are with Renewal, a private development company. This is entirely unacceptable in the context of the use by a public authority of draconian powers which will enable them to deprive our clients of their homes and places of business.

Once again we would like members to be aware that no progress has been made in terms of discussion or meaningful negotiation with our clients since the February meeting. Ms Winston has requested a chance to speak at the meetings and will outline recent events from her perspective then but in summary she has had one visit from a Renewal representative who was not authorised to negotiate with her, and she has had one extremely derisory offer which would not enable her to remain in the area in which she has lived and worked for some years. Following the Aylesbury CPO decision these issues are critical and the failure to address her requirements could be fatal to the success of any CPO.

At the very least, even if the 7 September decision is reaffirmed, no CPO should be made until the Council (not Renewal – they are not the Acquiring Authority here) has properly engaged with all remaining third party landowners. As we set out in our previous letters there must be meaningful engagement by the Acquiring Authority. Renewal are not making the CPO, the Council are.

The points contained in our previous two letters, and to which we still await either an acknowledgment or a substantive response, remain valid and we would ask on behalf of our clients for a proper response from the Council before the previous decision is reaffirmed.

We look forward to hearing from you.

Yours faithfully

A handwritten signature in black ink that reads "Shoosmiths LLP". The signature is written in a cursive, flowing style.

SHOOSMITHS LLP

Mayor Sir Steve Bullock
and Members of the Council's Cabinet
Civic Suite
Town Hall
Catford
SE6 4RU

HQ Building
Old Granada Studios
2 Atherton Street
Manchester
M3 3GS
DX 14393 Manchester 6

T 03700 86 5600
F 03700 86 5601

lisa.tye@shoosmiths.co.uk

Date 2 September 2016
Our Ref LT-M-00433767

Dear Sirs

NEW BERMONDSEY REGENERATION – PROPOSED USE OF THE COUNCIL'S COMPULSORY PURCHASE POWERS

A Report on the above is to be considered by the Council's Mayor and Cabinet on 7 September 2016. We wrote to you on 16 February 2016 prior to consideration of this matter by the Council's Mayor and Cabinet on 17 February 2016. We have not at any stage received a response to that letter, or even an acknowledgement, although we note that the letter does appear to be referred to in the Report to the 7 September Mayor and Cabinet. A copy of our previous letter is attached.

We are instructed by the following individuals who all own properties and business premises which are to be acquired should the CPO proposals go ahead:

- Willow Winston (Unit 17 Excelsior Works)
- Sylavnus Woodcraft Limited (Unit 35, Bolina Industrial Estate)
- Hai Van Hguyen (Unit 31, Bolina Industrial Estate)
- Van Thi Ngoc Huynh (Unit 32, Bolina Industrial Estate)

Our clients remain concerned that the Council has not made any attempt to assess their needs or requirements. The Report sets out at Paragraph 7.10 "information provided by Renewal". The Council has not engaged with my clients at all, the Report simply sets out what the Council has been told. This cannot in any way amount to meaningful engagement by the Acquiring Authority. Renewal are not making the CPO, the Council are.

The points contained in our previous letter on the pre-conditions remain valid. To reiterate:

Condition (i) – Negotiations with landowners

There have been no meaningful discussions with any of our clients and no attempt to understand their requirements. The 'Relocation Strategy' approved by the Council pursuant to their Section 106 Agreement is an entirely meaningless document which does nothing to assess the needs of any of the

businesses within the CPO area. Nowhere in the Report does it discuss the business needs of our clients.

Condition (iii) – Compelling case in the public interest

Whilst the Report attempts to address points made in our previous letter, it still falls way short of the balancing exercise required. The Report states that Officers have “*carefully considered the balance to be struck between individual rights and the wider public interest*”. In order to do this Officers need to have considered the individual rights of those affected by the proposed CPO. The relevant paragraphs still do not provide a clear or concise summary or description of the individual rights which are likely to be affected by the proposed CPO.

Article 8 of the ECHR sets out that there shall be no interference by a public authority with the right to respect for private and family life except (amongst others) in the interests of the economic wellbeing of the country and that such interference is necessary in a democratic society. In determining whether such interference is necessary, it is not just about whether discretion has been exercised reasonably, it is also important to consider whether the interference is proportionate.

The Report provides no detail as to whether the resulting loss of our clients’ properties is a reasonable and proportionate interference of their rights under Article 8. In order to do so, there would need to be a full evaluation of our clients’ respective needs. It can only be when this information is available that Officers will be reasonably informed to be able to carry out a balancing exercise to decide whether there is a compelling case for the CPO.

Condition (iv) – Viability/delivery mechanism/Condition (v) – Business Plan/Funding Strategy

The Report now sets out more detail of the assessments carried out by PWC. However, we still consider that the lack of any development obligations is a serious failing which will be of paramount concern to the Secretary of State in considering whether or not to confirm any CPO.

We also still consider that the CPO is simply being used to deliver profit for a private sector party – this is entirely contrary to the ‘public purposes’ for which CPO should be used.

In conclusion we remain concerned and still cannot see how Members can make a decision to forge ahead with the use of compulsory purchase powers at this time.

Yours faithfully

SHOOSMITHS LLP

Mayor Sir Steve Bullock
and Members of the Council's Cabinet
Civic Suite
Town Hall
Catford
SE6 4RU

HQ Building
Old Granada Studios
2 Atherton Street
Manchester
M3 3GS
DX 14393 Manchester 6

T 03700 86 5600
F 03700 86 5601

daniel.murphy@shoosmiths.co.uk

Date 16 February 2016

Dear Sirs

NEW BERMONDSEY REGENERATION – PROPOSED USE OF THE COUNCIL'S COMPULSORY PURCHASE POWERS

A Report on the above is to be considered by the Council's Mayor and Cabinet committee on 17 February 2016.

We are instructed by the following individuals who all own properties and business premises which are to be acquired should the CPO proposals go ahead:

- Willow Winston (Unit 17 Excelsior Works)
- Sylvanus Woodcraft Limited (Unit 35, Bolina Industrial Estate)
- Hai Van Hguyen (Unit 31, Bolina Industrial Estate)
- Van Thi Ngoc Huynh (Unit 32, Bolina Industrial Estate)

Our clients are all extremely concerned that the Council are now seeking to use CPO powers when there has been no assessment of their needs or requirements. Although the Report suggests that human rights implications have been taken into consideration the comments made are extremely generic and at no stage of the Report is the impact of the proposed CPO on our clients assessed. There are also serious inaccuracies in the Report and misinformation about the true extent of the attempts made by Renewal to acquire the outstanding interests. In the case of our clients these attempts have been lacklustre at best and there have been no genuine efforts to engage our clients in any meaningful discussion. There has certainly been no 'negotiation'.

Turning to the Report, it sets out the pre-conditions identified by the Mayor on 7 March 2012. This date is almost 4 years ago and yet the Report contains no assessment of whether these remain the right pre-conditions. Leaving that point to one side the Report goes through each of the pre-conditions and reaches a view that they have all now been met.

We do not agree in relation to the following pre-conditions for the following reasons:

Condition (i) – Negotiations with landowners

As stated above there have been no meaningful discussions between Renewal and any of our clients and no attempt to understand their requirements. Renewal point to their 'Relocation Strategy' approved by the Council pursuant to their Section 106 Agreement. The Relocation Strategy is an entirely meaningless document which does nothing to assess the needs of any of the businesses within the CPO area.

Condition (iii) – Compelling case in the public interest

In order to assess this a balancing exercise is required. The Report states that Officers have "*carefully considered the balance to be struck between individual rights and the wider public interest*". In order to do this Officers need to have considered the individual rights of those affected by the proposed CPO. From our clients' perspective, Officers have not considered their specific individual rights. The relevant paragraphs within the Report are generic, broad brush comments which, even at a minimum, do not provide a clear or concise summary or description of the individual rights which are likely to be affected by the proposed CPO.

By way of example one of our clients, Ms Winston, lives and works at her premises. This is not referred to anywhere in the Report and in the draft Statement of Reasons it is stated that there is only one residential property within the CPO area which is Bridge House. This illustrates the lack of concern over the needs of individuals and demonstrates how the Report has failed to take account of the actual individuals who are affected. Without this then the balancing exercise cannot be said to have been exercised in the right way.

Article 8 of the ECHR sets out that there shall be no interference by a public authority with the right to respect for private and family life except (amongst others) in the interests of the economic wellbeing of the country and that such interference is necessary in a democratic society. In determining whether such interference is necessary, it is not just about whether discretion has been exercised reasonably, it is also important to consider whether the interference is proportionate.

The Report provides no detail as to whether the resulting loss of our clients' properties is a reasonable and proportionate interference of their rights under Article 8. In order to do so, there would need to be a full evaluation of our clients' respective needs. It can only be when this information is available that Officers will be reasonably informed to be able to carry out a balancing exercise to decide whether there is a compelling case for the CPO.

Condition (iv) – Viability/delivery mechanism/Condition (v) – Business Plan/Funding Strategy

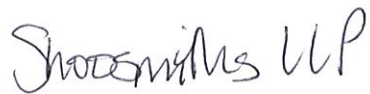
The Report sets out the reasons why it is believed that there is sufficient profit in the development to ensure that Renewal carries out the development. However, as acknowledged in the Report, there is no delivery mechanism in place other than this. We have been provided with a heavily redacted copy of the CPO Indemnity Agreement. There are no development obligations contained in there at all so that the Council will use its CPO powers to acquire the land and is then obliged to pass the land to Renewal without any commitment from Renewal whatsoever to deliver any part of the scheme. This is a serious failing which will be of paramount concern to the Secretary of State in considering whether or not to confirm any CPO.

We also note that the proposal now is that Renewal will not carry out the comprehensive development but intend to sell off chunks of the development. This waters down even further any prospect of control by the Council over the nature of the development, its timing or its quality. The CPO is simply being used to deliver profit for a private sector party – this is entirely contrary to the 'public purposes' for which CPO should be used.

In conclusion we are concerned that neither the Council nor Renewal have sought to consider the needs of the individuals affected by the CPO, including those of our clients. We also have concerns about the use of CPO powers to deliver profit.

In the circumstances we cannot see how Members can make a decision to forge ahead with the use of compulsory purchase powers at this time and we would ask that the decision be deferred for these issues to be considered properly.

Yours faithfully

A handwritten signature in black ink that reads "Shoosmiths LLP". The signature is written in a cursive, slightly stylized font.

SHOOSMITHS LLP

From: "Richard Slack" <rjbsl@btinternet.com>

Date: 12 December 2016 at 00:36:08 GMT

To: <cllr_abdeslam.amrani@lewisham.gov.uk>, <cllr_alan.hall@lewisham.gov.uk>, <cllr_alan.smith@lewisham.gov.uk>, <cllr_alan.smith@lewisham.gov.uk>, <cllr_alicia.kennedy@lewisham.gov.uk>, <cllr_amanda.deryk@lewisham.gov.uk>, <cllr_amanda.deryk@lewisham.gov.uk>, <cllr_amanda.deryk@lewisham.gov.uk>, <cllr_andre.bourne@lewisham.gov.uk>, <cllr_bill.brown@lewisham.gov.uk>, <cllr_brenda.dacres@lewisham.gov.uk>, <cllr_carl.handleley@lewisham.gov.uk>, <cllr_chris.barnham@lewisham.gov.uk>, <cllr_chris.best@lewisham.gov.uk>, <cllr_colin.elliott@lewisham.gov.uk>, <cllr_crada.onuegbu@lewisham.gov.uk>, <cllr_eva.stamirowski@lewisham.gov.uk>, <cllr_gareth.siddorn@lewisham.gov.uk>, <cllr_helen.klier@lewisham.gov.uk>, <cllr_hilary.moore@lewisham.gov.uk>, <cllr_jacq.paschoud@lewisham.gov.uk>, <cllr_james-j.walsh@lewisham.gov.uk>, <cllr_janet.daby@lewisham.gov.uk>, <cllr_joan.millbank@lewisham.gov.uk>, <cllr_jamie.milne@lewisham.gov.uk>, <cllr_joan.reid@lewisham.gov.uk>, <cllr_joe.dromey@lewisham.gov.uk>, <cllr_jonathan.slater@lewisham.gov.uk>, <cllr_kevin.bonavia@lewisham.gov.uk>, <cllr_liz.johnston-franklin@lewisham.gov.uk>, <cllr_luke.sorba@lewisham.gov.uk>, <cllr_maja.hilton@lewisham.gov.uk>, <cllr_mark.ingleby@lewisham.gov.uk>, <cllr_obajimi.adefiranye@lewisham.gov.uk>, <cllr_olurotimi.ogunbadewa@lewisham.gov.uk>, <cllr_pat.raven@lewisham.gov.uk>, <cllr_paul.maslin@lewisham.gov.uk>, <cllr_paul.upex@lewisham.gov.uk>, <cllr_pauline.morrison@lewisham.gov.uk>, <cllr_peter.bernards@lewisham.gov.uk>, <cllr_rachel.onikosi@lewisham.gov.uk>, <cllr_roy.kennedy@lewisham.gov.uk>, <cllr_simon.hooks@lewisham.gov.uk>, <cllr_susan.wise@lewisham.gov.uk>, <cllr_susan.wise@lewisham.gov.uk>

Subject: FW: CPO of leaseholds held by Millwall Football club

Dear Councillors

Once again the question of the CPOs of leasehold interests held by Millwall Football Club by renewal is back for discussion. Renewal have an agreement in principle to purchase the freehold of these pieces of Land from L B Lewisham but are seeking also to have the leaseholds held by Millwall.

When this issue was brought up in September, the Labour group voted against confirming the CPOs at a meeting addressed by the chief executive. In spite of this the Cabinet voted in favour. The scrutiny panel subsequently expressed their dissatisfaction of the cabinet's decision by calling the decision in. In the meantime reporting both in "The Guardian" newspaper, "Private eye" and elsewhere have probed more at the background of the issues and have found that "renewal" are far from transparent as to their structure, ownership and intentions and demonstrate grounds to doubt that they are intending to develop the site themselves or sell it on to another party to carry out the redevelopment.

The report presented to Cabinet this week resolves none of these issues

- 1) The identity of the ultimate beneficial owner of Renewal, via a web of companies leading to the British Virgin Islands remains a mystery and, it seems the council are paying legal fees to ensure that it remains unknown. While, as the report says, this is not essential for the deal to go through it is, one would have thought a matter that a Labour Council, or anyone concerned with open-ness in public life should be concerned about, particularly as public money will almost certainly be involved. The position of the Executive Mayor is also troubling in that he seems to have interests to declare

- 2) It seems less than likely that Renewal will actually undertake to manage the regeneration themselves and will simply sell on to a further developer. Such information as is available about Renewal's finances indicate a company negative net worth.
- 3) There is little, if any information on how the "Sporting Village" which was integral to the scheme is to be financed either in terms of Capital or revenue and whether or how the facilities at the Millwall Community Scheme, which is held in high renown, will operate.

The function of a Compulsorily Purchase order, as normally understood, is to prevent land-holders stopping a development which has overwhelming public good by un-reasonably refusing to sell land and which otherwise would be able to go ahead. The redevelopment here is a long way away from this, nowhere near the whole site has been assembled let alone cleared for rebuilding. It seems more that the CPOs are sought because they will enable renewal to purchase land at minimal value and then be able to revalue it as development land making their assets look more healthy and, I would suggest make it easier for them to sell on. The advantage of working with Renewal was that they appeared to be a known entity who could work with the Council and stay within the terms of the planning consent; if renewal sell on then the Council will be faced with difficulties in ensuring that the developers stick to the planning brief and not use financial constraints as a reason for not providing the planning gain indicated in the planning consent.

Sorry to have written at length but you as Lewisham Council, should be fully aware of the situation you are bringing about and its dangers, not just to Millwall Football Club who have been a constant feature of life in that part London for over a century but the area involved as well. You should use your powers very carefully.

You should

- 1) Debate this at the Labour Group meeting and call for the CPOs not to be granted.
- 2) If this is agreed make a public statement to that effect and state that if the Cabinet approve the CPOs a full council meeting will be requisitioned to discuss the matter and if necessary overrule the Cabinet's decision

Sincerely

Richard Slack
48 Henniker Point
Leytonstone Rd
London
E15 1LQ

020 8555 9710

07766544744

From: SHIRLEY KEHOE [<mailto:shirley.kehoe@btinternet.com>]

Sent: 09 December 2016 12:10

To: Mayor; Smith, Cllr Alan; Best, Cllr Chris; Bonavia, Cllr Kevin; Daby, Cllr_Janet; Dromey, Cllr_Joe; Egan, Cllr Damien; Maslin, Cllr Paul; Millbank, Cllr Joan; Onikosi, Cllr_Rachel

Cc: Adefiranye, Cllr Obajimi; Coughlin, Cllr_John; McGeevor, Cllr_Sophie; Dacres, Cllr_Brenda; Maslin, Cllr Paul; Hall, Cllr Alan; vicky.foxcroft.mp@parliament.uk; mayor@london.gov.uk; tom.watson.mp@parliament.uk

Subject: Opposition to new Bermondsey Proposed CPO

Dear Lewisham Mayor and Cabinet members

I understand at the call-in meeting on 15th December Lewisham Mayor and Cabinet members will once again be voting on the proposed CPO for New Bermondsey, following the call-in by the Scrutiny Committee. Having read the latest documents, and as a longstanding Lewisham resident, voter, and council taxpayer, I am writing to express my opposition to this CPO and ask that Lewisham Cabinet Members, the senior body of our elected officials, do not vote for the Recommendations detailed in the published Officers Report (Response to Call-in). My request is based on the grounds that firstly I have serious concerns about the developer Renewal, and secondly I do not believe there is a compelling case in the public interest to warrant the use of a CPO. I address each of these grounds in more detail below:

1) CONCERNS ABOUT RENEWAL

I have very serious concerns about both the secrecy of the ultimate off shore ownership of Renewal and also any special treatment they may have received due to their current/previous links with Lewisham council officers and members. I am also concerned they have no previous experience of delivering a scheme of this size.

One of Lewisham's core values listed on the councils website is that '**we are open, honest and fair in all we do**'. From the published council papers and other articles I have read, I believe you have not been open, honest and fair in this case, particularly around the ultimate ownership/shareholders of Renewal and also about past relationships with individuals involved with Renewal.

Ownership of Renewal

Paragraph 6.2.2 of the latest report states that details that the names of the trusts "have not been made public because to do so would enable the individual beneficiaries of those trusts to be identified would result in a breach of data protection" I am no expert in data protection, but fail to see how disclosing this information cannot be in the public interest. Indeed as recently reported in the Guardian at the Labour Party conference the shadow chancellor, John McDonnell, spoke about the party's commitment to curtailing the influence of offshore companies operating behind a veil of secrecy. "We will ensure that all British Crown Dependencies and Overseas Territories introduce a full, public register of company owners and beneficiaries," McDonnell said. Renewal is owned by companies registered in the Isle of Man and the British Virgin Islands but the identity of its ultimate owners has still not been made public.

If this information still can't be disclosed despite the Shadow Chancellors' comments, can Lewisham Council please confirm if the legal ownership/shareholders have any

previous relationship with Lewisham Council ie are they ex-employees or Councillors?

Renewal's Past Links with Lewisham Council Officials

Could you also please confirm if any of the council officers involved in working on this project and preparing the paperwork have declared any interests i.e. any previous longstanding relationship with current members of Renewal or its ultimate shareholders/owners? Or have any of the Cabinet Members (aside from the Mayor declaring he is a Director of the Surrey Canal Sports Foundation)?

From what I have read/researched, I understand Renewal was set up by: the former Mayor of Lewisham David Sullivan (and ex board member of Millwall FC) who I understand sold his shares to an unnamed offshore organisation and is no longer a Renewal Director; and a previous senior officer at Lewisham council Mushtaq Malik who I understand also subsequently resigned as a director and sold shares, but is now I believe Chief Executive and his daughter Jordana is now listed as the Director of Renewal. I understand that this company Renewal set up by these two senior Lewisham officers has been buying pockets of land in this area for a number of years - obviously having had a lot of inside knowledge about areas ripe for regeneration/development.

Whilst this may be perfectly legal and above board, and I am no expert in regeneration or planning, it seems to me a humble council tax payer, highly suspect that you are granting this CPO in favour of a company Renewal set up by previous senior Lewisham council officials, some of whom may stand to earn significant amounts of money from this development. Indeed it seems an absolute disgrace this is happening whilst at the same time local residents will lose their homes, local businesses their livelihoods, and the future of the marvellous Millwall Community Trust, and Millwall Football Club (both of whom have been at the heart of this community for years) will be seriously affected!

Indeed the council's relationships with individuals at Renewal have even been documented as a positive point in the documentation - the Guardian newspaper reported the following was in the PWC report "The London Borough of Lewisham have a longstanding relationship with Mushtaq Malik. He was a former senior officer and latterly an outsourcing provider ... [next sentence redacted] ... Based on the longstanding relationship between the Council and Mushtaq the Council benefits from previous knowledge of working with this individual".

I also note in the minutes from the Scrutiny Panel of 20th September that Ms Willow Winston (a resident affected by the CPO) had mentioned that a former Council Officer Abdul Qureshi was now being paid by Renewal. I can see from LinkedIn that Abdul Qureshi was former Head of Strategy & development at Lewisham Council and lists the Surrey Canal Development (now New Bermondsey) as one of his achievements!

So how many people actually working at, or getting paid from Renewal are ex Lewisham Council officials or councillors, or had strong family links with council officials (and are now set to greatly financially benefit from the use of this CPO)? It seems this company is so embedded within the council, to the extent that no other

options for developing this land are being given a look-in! – Indeed Renewal have been the only developer/organisation offered the council's freehold interest.

If you truly have the values of being **open honest and fair** I believe before any CPO can be approved you should:

- i) Make public the ultimate ownership of Renewal
- ii) Please confirm if any of the officers involved in working on this project and preparing the paperwork, or cabinet members have declared any interest with Renewal or its ultimate shareholders/owners

2) LACK OF COMPELLING CASE IN THE PUBLIC INTEREST

One of key reasons for a CPO is there must be a compelling case in the public interest. I fail to see that in this scheme. From the latest report I understand only 12% of houses are classed as affordable (which isn't even affordable to most people) and only 25% of these ie only 3% of the whole scheme to be social housing or really affordable rent (ie 60% market rent). All other increases in affordable housing are not guaranteed and are dependent on sales figures exceeding targets. So as I see it out of the **2400** new homes only 3% ie **72** homes will be social housing or what's classed as really affordable. I hardly think this is a compelling case in the public interest! Also I am unclear how many of these 72 homes are actually on the land covered by the CPO? Excuse me I am not an expert in these matters and found it difficult to determine this from the maps and paperwork? Couldn't the wider development go ahead without the CPO? I read in the paperwork that the overall wider project is not financially viable without the land covered by the CPO but I fail to understand how a developer cannot make money from building homes on the land it already owns in an area so close to central London!

So if the amount of affordable homes is not a compelling case in the public interest, then what is? Much has been made in the council papers about the benefits of new sports complex, which looks great, but I fail to see any reassurance as to how this will be affordable and accessible for current local residents? Some mention is made of facilities available to local people at discounted rates – but how do we know this discount won't be nominal and that the facilities will actually be affordable for current local residents? How do we know that this whole new complex isn't really just aimed at the **2328** new residents that will be moving in to the new housing and can afford the sky high market rents?

I also have serious concerns that the Surrey Canal Sports Foundation is not really putting the fantastic charity the Millwall Community Trust (MCT) at the heart of its future plans. I have seen it mentions they are working with other organisations, but no mention is made of the MCT. The MCT has been doing a fantastic job for years in this borough, my daughter has been involved in their activities so have witnessed their work first hand, and as a charity worker myself I greatly admire what they have achieved in the borough to help disadvantaged young people.

I also read that the Surrey Canal Sports Foundation was set up to be independent of Renewal, but how can this be the case when Jordana Malik is trustee? Also it has received a large loan from Renewal which needs to be repaid – at what level of interest? So again I do not at the moment see the Sports complex as a compelling case in the public interest for granting this CPO.

I'm sorry this email is so long but there are so many unanswered questions that I do not believe the CPO should progress and I do hope you take my concerns into consideration at Thursdays' meeting. As I have mentioned I am not an expert in these matters, and apologies if I have misinterpreted anything, but I would appreciate a response in any case to some of my specific questions. Whilst I don't oppose the wider regeneration of the area, I oppose the use of a CPO to enable a private company (which has considerable links with Lewisham Council) to profit greatly from the CPO without there being a clear compelling case in the public interest. I personally think the best way forward would be to scrap the CPO and get the interested parties together (i.e. MFC, MCT, local residents and businesses, Renewal and the Council) with a truly independent organisation to find a way forward that meets the needs of the public and the various interested parties – and not just the maximum profits for Renewal.

I have copied in the Mayor of London as he is providing funding for this scheme and think he needs to be aware of local residents concerns. I am also copying my local MP and councillors, as well as the Deputy Leader of the Labour Party Tom Watson who has previously tweeted his concern about the CPO.

I look forward to your response.

Yours sincerely
Shirley Kehoe
Resident of New Cross (Brockley Ward)

From: Mushtaq Malik
Date: Monday, 12 December 2016 14:50
To: Janet Senior <janet.senior@lewisham.gov.uk>
Cc: Barry Quirk <barry.quirk@lewisham.gov.uk>
Subject: New Bermondsey CPO

Private & Confidential

Dear Janet,

Following recent comments in the press, I would like to clarify a number of matters. This email is marked private & confidential (and not for circulation) but I am happy for you to relay the facts set out below to members of the Council.

Ownership

The ultimate owners of Renewal are:

(1) Independent Advisors Incorporated, which is ultimately owned and controlled by a family trust established by my parents (during my late teens) solely for the benefit of myself and my dependents.

(2) Incorporated Holdings Limited, which is ultimately owned and controlled by a charitable trust, for which the principal beneficiary is the Jack Petchey Foundation, a UK registered charity. Please see attached letter from IHL confirming their ownership.

Millwall Community Trust

The intention and principle behind the relocation package offered to MCT is that it will be no worse off financially as part of its move from the Lions Centre to Energize.

Renewal has also confirmed to MCT that they will not be liable to repay any historic grant funding paid to it in respect of their current facilities at the Lions Centre.

It is also worth noting that there will be no obligation upon MCT to vacate from the Lions Centre unless and until the new facilities at Energize are completed. Finally, Renewal will have no involvement in the ownership or running of Energize. The Surrey Canal Sports Foundation (an independently constituted charity) will be responsible for owning, running and operating Energize, and they will be the party with whom MCT will have an ongoing relationship.

Relationship with the Council

I can categorically confirm that no officers nor members of the Council (whether current or former) are involved with Renewal or either of its shareholders – whether as participants, owners, investors, beneficiaries or similar – with the exception of myself.

Between July 2002 and August 2007, Dave Sullivan was a director and minor shareholder in Renewal companies primarily engaged in projects other than Surrey Canal Road / New Bermondsey.

He had a minor involvement in early site acquisitions at Surrey Canal Road, between November 2004 and August 2007. He sold all his shareholdings in all Renewal companies to Independent Advisors Incorporated between August 2005 and June 2006, and he formally resigned as a director from all Renewal companies in August 2007. Since then Dave has had no involvement with Renewal or its shareholders.

During Dave's time at Renewal, he did not attend any meetings in respect of the scheme with Council officials or the GLA. It is also of note that the planning pre application discussions for Surrey Canal Triangle with the Council commenced in earnest in November 2007 after Dave Sullivan had left and ceased to have any involvement.

For completeness, I confirm that Dave Sullivan does not, and has not had any involvement of any nature (whether as director, shareholder or otherwise) in Independent Advisors Incorporated or Incorporated Holdings Limited.

Sir Steve Bullock is a Director and Trustee of the Surrey Canal Sports Foundation Ltd (co. no. 07523847; charity no. 1141811). He was appointed as a director on 3 December 2012. The Surrey Canal Sports Foundation is a wholly independent registered charity established to deliver, and thereafter run and manage Energize.

I trust this clarifies any ambiguities.

Best Regards
Mushtaq

Mushtaq Malik
Chief Executive

RENEWAL



www.newbermondsey.com

INCORPORATED HOLDINGS LIMITED

Telephone:
Fax:

*All correspondence to
Registered Office:
8 St. George's Street,
Douglas, Isle of Man.
IM1 1AH*

Our Ref: DJM/HK/223

12th December 2016

Janet Senior
Executive Director of Resources and Regeneration
London Borough of Lewisham
Laurence House
Catford
SE6 4RU

Private & Confidential

Dear Ms Senior,

New Bermondsey – Ownership

Incorporated Holdings Limited is an Isle of Man property investment company, owned by a charitable Trust. All profits are ultimately for wholly charitable purposes, for which the principal beneficiary is the Jack Petchey Foundation, a UK registered charity, which supports the personal, social, emotional and physical development of young people (aged 11-25) in London and Essex.

Although this letter is marked private and confidential, I am happy for you to disclose the above information to members of the Council.

Yours sincerely



**D J Morgan
Director**

1914

1915

1916

1917

1918

1919

1920

1921

1922

1923

1924

Chief Officer Confirmation of Report Submission		
Cabinet Member Confirmation of Briefing		
Report for: Mayor		v
Mayor and Cabinet		
Mayor and Cabinet (Contracts)		
Executive Director		
Information <input type="checkbox"/>	Part 1 <input checked="" type="checkbox"/>	Part 2 <input type="checkbox"/>
Key Decision		

Date of Meeting	15 th December 2016
------------------------	--------------------------------

Title of Report	New Bermondsey Housing Zone - Memorandum of Understanding
------------------------	---

Originator of Report	Kplom Lotsu	Ext. 49283
-----------------------------	-------------	-------------------

At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	V	
Legal Comments from the Head of Law	V	
Crime & Disorder Implications		
Environmental Implications		
Equality Implications/Impact Assessment (as appropriate)		
Confirmed Adherence to Budget & Policy Framework		
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed:  Executive Member

Date: _____

Signed:  Director/Head of Service

Date: 5/12/16

Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

MAYOR & CABINET		
Report Title	New Bermondsey Housing Zone - Memorandum of Understanding	
Key Decision	Yes	Item No.
Ward	New Cross	
Contributors	Executive Director for Resources & Regeneration, Head of Law	
Class	Part 1	Date: 11 January 2017

1.0 Purpose of report:

- 1.1 To provide Mayor & Cabinet with an update on the New Bermondsey (formerly Surrey Canal Triangle) Housing Zone and to seek approval to the terms of the Memorandum of Understanding between London Borough of Lewisham and Greater London Authority (GLA) for the Zone.

2.0 Recommendations:

Mayor & Cabinet is recommended to:

- 2.1 note the update on the New Bermondsey Housing Zone.
- 2.2 approve the attached Memorandum of Understanding with the Greater London Authority for the Housing Zone designation for the scheme.
- 2.3 note that further reports will be brought to Mayor and Cabinet in due course on the terms of the specific Borough Intervention Agreement for the new Overground Station at Surrey Canal Road that will be entered into with the GLA as set out in this report and any subsequent Borough Intervention Agreement.

3.0 Policy context

- 3.1 A number of strategies and plans are relevant to the New Bermondsey regeneration scheme.
- 3.2 Lewisham's overarching Sustainable Communities Strategy sets out a vision for the future of the borough. One of the priorities laid out in the strategy is to develop, build and grow communities that are dynamic and prosperous – where people are part of vibrant communities and town centres, well connected to London and beyond.

- 3.3 'Shaping our future' identifies 'Active healthy citizens as a key priority – where the Council is committed to ensuring that people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities'.
- 3.4 Strengthening the local economy is a corporate priority, emphasising the importance of 'gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- 3.5 'People, prosperity, place', Lewisham's regeneration strategy 2008-2020, (refreshed in 2015) also sets out the Council's aspiration for a vibrant, dynamic Lewisham focussed around the themes of people - investing in the individuals and communities which are Lewisham's greatest asset - prosperity - fostering the skills and economic opportunities for Lewisham to flourish and thrive - and place - developing high quality public spaces, sustainable buildings and protecting the areas which are sensitive to change. The strategy identifies the area as a strategic site within the Borough. The strategy is also placed within the framework of the key national and regional policies which affect the Council's work around regeneration of the borough, including the London Plan.
- 3.6 Lewisham's new Housing Strategy for 2015-2020 identifies four priorities: helping residents at times of housing need; security and quality for private renters; improving our residents' homes; building the homes our residents need. The Council's assets can play a role in this, creating opportunities to develop new housing supply of all tenures, making land available for the construction of new homes and by using an understanding of the borough to improve the way service delivery connects with communities at a local level.
- 3.7 The Council's Local Development Framework sets the vision, objectives, strategy and policies that will guide development and regeneration in the Borough up to 2025. The Lewisham Core Strategy, the Lewisham Development Management Local Plan, the Lewisham Site Allocations Local Plan and the Lewisham Town Centre Local Plan, together with the London Plan form the statutory development plan for the Borough.

4.0 **Background**

- 4.1 In August 2014 the Department for Communities & Local Government (DCLG) and the GLA announced their plans to create twenty 'Housing Zones' across the capital. The aim of Housing Zone designation for an area is to boost the housing supply in London by unlocking and accelerating housing delivery through a range of planning and financial measures/interventions.
- 4.2 The Government and the GLA jointly committed a total of £400m of funding for the initial twenty zones. Half of the funding (£200m), was

made available in the form of loan funding which is accessible to private sector organisations only. The remainder of the funding was available in flexible funding forms, including grant funding. The Housing Zone process seeks to encourage co-operation between local authorities, central government and developers.

- 4.3 New homes developed in Housing Zones are expected to be geared towards meeting a range of housing need and address the affordability challenge currently facing many Londoners. This requires a mix of open market homes that are affordable for Londoners with an obligation, where possible, to prioritise the sale of individual homes to Londoners purchasing for owner-occupation. It also includes new long term market rent homes, as well as affordable homes for rent and low cost home ownership.
- 4.4 The GLA identified Opportunity Areas as 'ideal candidates' for Housing Zone designation. Opportunity areas are often (but not always) places with relatively low land values, sometimes with an historic industrial use, and are usually characterised by some form of market failure that requires substantial intervention. Whilst identified as challenging they can provide opportunities for the public and private sector working collaboratively to regenerate areas and create new neighbourhoods and places. It is envisaged that through Housing Zone designation some of the challenges identified could be addressed unlocking schemes and accelerating the delivery of the planned housing.
- 4.5 In addition to investment, Housing Zones are designed to offer focused, planning, place-making and intensive engagement with a wide range of delivery partners important to delivery of housing such as utility companies, Network Rail and Transport for London etc.
- 4.6 The initial aim was to create twenty Housing Zones in London and build 50,000 new homes by 2025. Due to the success of the first phase in securing commitments for approximately 53,000 new homes in London (with approximately a third being affordable housing), a second phase of the programme was launched in 2015 taking the total number of Housing Zones to 31 and a target housing provision of 75,000 new homes. The programme is also designed to provide 150,000 associated jobs in the course of the 10 year delivery programme.
- 4.7 The GLA raised the opportunity to bid for Housing Zone designation with the Council's Strategic Housing team following the announcement in August 2014 and identified the potential of the New Bermondsey regeneration scheme as a possible candidate for designation.
- 4.8 Following further consultation with the GLA, the developer (Renewal) and officers in Strategic Housing, Planning and Regeneration departments, it was agreed that the New Bermondsey site met the criteria for Housing Zone and could benefit from designation to bring forward the delivery of housing and infrastructure on the site.

- 4.9 A bid was submitted by Renewal to the GLA on 30th September 2014. On 20 February 2015, the Mayor of London and the Chancellor of the Exchequer announced that the New Bermondsey regeneration scheme had been designated as one of the first of the Mayor of London's Housing Zones. As one of the first Housing Zones, the site was recognised as a key development in London and as one of the few regeneration projects that has the capacity to deliver homes for Londoners faster by accelerating the development programme.
- 4.10 Following the Housing Zone designation, the GLA allocated in principle funding of £20 million towards delivery of key infrastructure associated with the scheme, including the new Overground Station at Surrey Canal Road.
- 4.11 The GLA initially proposed that the allocated sum would be advanced to Renewal as loan funding. In a revised approach, however, the GLA now proposes that a grant agreement (known as a Borough Intervention Agreement) is entered into between the Council and the GLA whereby the GLA will provide grant funding of approximately £12 million which will be passed by the Council to TfL with a requirement that TfL deliver the new Overground Station at Surrey Canal Road and open it within a set period. The GLA has proposed this route because it is unable to directly transfer the grant to TfL under their current governance structure. The balance of the £20 million allocation will remain available for Renewal to take up through a second intervention, following due diligence and subject to contract.
- 4.12 A clear benefit of this approach is that as the new station will now be grant funded, this enables the sum which would otherwise be paid by Renewal towards the new station to be applied to the provision of additional affordable housing within the scheme. Thus, not only will the GLA's current funding approach allow early delivery of the station and development of the first two phases of the scheme (Phases 1A and 2) to proceed ahead of schedule delivering 532 new homes, it will also secure delivery of more additional affordable homes than were originally to be provided within the scheme.
- 4.13 The revised arrangements in relation to the Housing Zone funding which mean the new station works will be grant funded by the GLA, mean that the benefit received by Renewal will be applied to the delivery of additional affordable housing. The funding could directly deliver between approximately 40 (10 social rent or affordable rent and 30 shared ownership based on the current 75:25 tenure split) and 75 (based on 100% shared ownership) additional affordable units in the early phases depending on the tenure of those homes. The Council would also be seeking to ensure that any income from those affordable units would go back into the scheme to deliver additional affordable housing. Discussions with the GLA regarding tenure are continuing, but it is understood that they wish to ensure that best endeavours are made to maximise the number of affordable units, which will then influence the final tenure mix.

- 4.14 Accepting the Housing Zone status requires the Council to enter into an agreement with the GLA on the funding arrangement. The first agreement that the Council must enter into is the Memorandum of Understanding (MoU). This sets out the general principles upon which it has been agreed that Housing Zone funding is to be made available by the GLA and is followed in due course by the individual Borough Intervention Agreement that will subsequently be entered into between the parties to enable the funding to be paid to the Council. The terms of this Borough Intervention Agreement will be reported back to Mayor and Cabinet for approval.
- 4.15 In agreeing to officers supporting the Housing Zone bid for New Bermondsey on 25 March 2015, Mayor and Cabinet also required that the Memorandum of Understanding with the GLA, in connection with the New Bermondsey Housing Zone bid, be reported back to Mayor and Cabinet for approval.
- 4.16 Council officers have worked with counterparts at the GLA to agree a draft form of the MoU, attached as **Appendix 1** of this report. Officers are therefore seeking Mayor and Cabinet approval to the draft MoU in order to secure the £20M Housing Zone allocation.

5.0 Financial implications

- 5.1 There are no specific financial implications for the Council directly arising from this report. The Memorandum of Understanding sets out the overarching principles upon which Housing Zone Funding may be made available to the scheme and the council's role in supporting delivery of the Housing Zone outputs. The Memorandum does not impose any financial responsibility on the Council.
- 5.2 Following the Housing Zone designation, the GLA has allocated in principal funding of £20m towards delivery of key infrastructure associated with the scheme. The GLA proposes that in due course a grant agreement (known as a Borough Intervention Agreement) is entered into between the Council and the GLA whereby the GLA will provide grant funding of approximately £12m which will be passed by the Council to TfL with a requirement that TfL deliver the new Overground Station at Surrey Canal Road and open it within a set period. The balance of the £20m allocation will remain available for Renewal to take up through a second intervention.

6.0 Legal implications

- 6.1 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent)

overlaps the general power. The Council can therefore rely on this power to participate in the New Bermondsey Housing Zone bid.

- 6.2 The proposed Memorandum of Understanding between the GLA and the Council will not be legally binding but will contain commitments between the public sector partners. The terms of the specific Borough Intervention Agreements will be reported back to Mayor & Cabinet for approval.

7.0 Equality Implications

- 7.1 There are direct equality implications associated with the recommendations of this report.

8.0 Environmental Implications

- 8.1 There are no immediate environmental implications associated with the recommendations of this report.

9.0 Crime and disorder implications

- 9.1 There are no immediate implications associated with the recommendations of this report. The planning report referred to in the background papers has the implications concerning the scheme.

Short title of document	Date	File Location	Contact Officer
New Bermondsey Housing Zone	25 th March 2015	Laurence House	Kplom Lotsu

Appendices:

Appendix 1: Memorandum of Understanding

If there are any queries on this report please contact Kplom Lotsu, SGM Capital Programme Delivery on 020 8314 9283.

Dated

2016

Greater London Authority

and

London Borough of Lewisham

Memorandum of Understanding

New Bermondsey Housing Zone

DRAFT

Clause	Page
1 Introduction	1
2 Principles of the provision of Zone Funding	1
3 State Aid	2
4 Zone Outputs	2
5 Borough Role and Responsibilities	2
6 Notifications, reporting and audit	3
7 Change in financial circumstances	4
8 Public relations and publicity	4
9 Reputation of the parties	4
10 Confidentiality and freedom of information	5
11 Data Protection Act	8
12 No fettering of discretion/statutory powers	8
13 Dispute Resolution	9
14 Disclaimer	9
15 Status	9
16 Governing law	9
Schedule 1 –Zone Plan	10
Schedule 2 – Zone Outputs	0
Schedule 3 – Borough Contribution	1
Schedule 4 – Governance Arrangements	2
Schedule 5 - Key Performance Indicators (KPIs)	4

Memorandum of Understanding (MoU)

dated 2016

Parties

- (1) **Greater London Authority** of City Hall, The Queen's Walk, More, London SE1 2AA (the **GLA**);
- (2) **London Borough of Lewisham** of Laurence House, Catford Road, London SE6 4RU (the **Borough**);

1 Introduction

- 1.1 The **Borough**, in partnership with the developer, Renewal Group Limited, (**Renewal**), submitted proposals to the GLA for funding and designation as part of the Housing Zones Programme in respect of the proposed construction and/or delivery of a number of outputs (the **Zone Outputs**) within the Zone.
- 1.2 The proposed Zone is the area shown edged red on the plan in Schedule 1. The proposed Zone Outputs are detailed in Schedule 2.
- 1.3 The GLA has agreed in principle to make funding available in respect of the Zone, subject to further due diligence, availability of GLA resources and subject to contract, to enable the delivery of the Zone Outputs.
- 1.4 This Memorandum of Understanding sets out the overarching principles upon which Zone Funding may be made available to the Borough and or Renewal (as appropriate), and the Borough's role in supporting delivery of the Zone Outputs. Legally binding intervention agreements between the GLA, the Borough and or Renewal (as appropriate) will set out the detailed terms and conditions upon which specific amounts of Zone Funding will be advanced by the GLA.

2 Principles of the provision of Zone Funding

- 2.1 The GLA has agreed in principle during the period until March 2018 to make available funding to facilitate the delivery of the Zone Outputs in an aggregate principal amount equal to £20,000,000 (**Zone Funding**). The Borough and Renewal acknowledge that this allocation is an indicative amount only and may be adjusted by the GLA.
- 2.2 The parties acknowledge and agree that the provision of any Zone Funding by the GLA is subject to:
 - 2.2.1 due diligence (including financial and legal due diligence) having been carried out by the GLA and the results of which being satisfactory to it;
 - 2.2.2 the availability of GLA resources; and
 - 2.2.3 a legally binding contract having been concluded between the GLA, the Borough and or Renewal (as appropriate) setting out the detailed terms and conditions pursuant to which the Borough or Renewal agrees to deliver or procure the delivery of the capital works or other outputs (as specified in the relevant

agreement) which secure the delivery of the Zone Outputs (the **Intervention Agreements**).

2.3 The parties acknowledge that:

2.3.1 the GLA will enter into a Borough Intervention Agreement with the Borough for up to £12,000,000 out of the Zone Funding; and

2.3.2 subject to clause 2.2 above, there will be further Intervention Agreements with the Borough and or Renewal (as appropriate) for every other intervention in the proposed Zone Outputs detailed in Schedule 2.

3 **State Aid**

3.1 The Borough acknowledges that Zone Funding will be given under each Intervention Agreement on the basis that such Zone Funding is compliant with State Aid requirements. The grounds for such compliance will vary depending on the particular circumstances of the Zone Outputs under each proposed Intervention Agreement but State Aid compliance is likely to be based on one or more of the following grounds:

3.1.1 the funding is compatible aid given in accordance with an EU measure (including a Service of General Economic Interest or in accordance with the General Block Exemption Regulation);

3.1.2 the funding does not constitute State Aid;

3.1.3 the funding is provided for a public function which is not an economic activity; and

3.1.4 such other grounds as may be applicable.

4 **Zone Outputs**

4.1 The Borough acknowledges that the GLA has (subject to clause 2 above) allocated the Zone Funding on the understanding that the Zone Outputs will be delivered in accordance with the details in Schedule 2.

4.2 The Borough must take reasonable steps to support the delivery of the Zone Outputs in accordance with the terms and timescales set out in Schedule 2.

4.3 If and to the extent that any variation is agreed in relation to an Intervention Agreement which has the effect or ought to have the effect of varying the Zone Outputs in Schedule 2 or the Zone Funding allocation (as set out in clause 2.1 above and detailed in Schedule 2), the parties must amend this MoU, such amendment to be recorded in writing, to reflect the variation of the Intervention Agreement's terms.

5 **Borough Role and Responsibilities**

5.1 The Borough will:

5.1.1 ensure that:

(a) in relation to the Zone a Planning Performance Agreement is in place in relation to each of the sites on which the Zone Outputs are to be

constructed (the **Sites**) and, as and when requested by GLA, that GLA is a party to reach agreement in relation to any Site which is referable to it; or

- (b) an alternative arrangement (acceptable to GLA acting reasonably) is in place to ensure efficient and prompt decision-making in relation to planning matters; and
- (c) no change is made to the arrangements contemplated in this clause without the GLA's prior written consent;

5.1.2 ensure the delivery of a number of related objectives and outcomes, which will help deliver the Zone Outputs, previously referred to as the "something-for-something" offer in their Housing Zone proposals, (the **Borough Contribution**) in the form, quantum and timescales referred to in Schedule 3;

5.1.3 comply with the provisions of the Governance Arrangements detailed in Schedule 4 and not make any changes to the same without the prior written consent of the GLA; and

5.1.4 take all reasonable steps to meet the Key Performance Indicators (KPIs) listed in Schedule 5.

6 **Notifications, reporting and audit**

6.1 The Borough shall notify the GLA:

6.1.1 immediately upon any change (whether actual or proposed) required to the Zone Outputs;

6.1.2 immediately upon becoming aware of any event which:

- (a) prejudices or might prejudice the delivery of the Zone Outputs or any; or
- (b) prejudices or might prejudice the Borough's ability to provide the Borough Contribution; or
- (c) has resulted in or might give rise to the making of a report under Section 114(3) or Section 114A of the Local Government Finance Act 1988 or Section 5 of the Local Government and Housing Act 1989 or a direction by the Secretary of State under Section 15 of the Local Government Act 1999.

6.1.3 as soon as reasonably practicable on becoming aware of any claim brought against the Borough arising out of or relating to the activities of the Borough and/or the Zone Funding or pursuant to any documents entered into (or to be entered into) by the Borough in relation to a Zone; or

6.1.4 immediately upon failing to comply with clauses 5.1.2, 5.1.3 or 5.1.4.

6.2 The GLA and the Borough shall attend a review meeting within ten (10) business days of each quarter date (31 March, 30 June, 30 September and 31 December) (or within such longer period as the GLA may at its absolute discretion agree) to discuss (but without

limitation) progress in achieving the Zone Outputs and such other matters relevant to the Housing Zones Programme as are notified by any party to the others in writing at least five (5) business days prior to the date of the review meeting. Renewal will be expected to attend this meeting and will be given reasonable notice to attend.

6.3 The GLA or the Borough may also call a review meeting at any time outside of the quarterly cycle provided that the party requesting the meeting gives reasonable prior written notice to the others of such meeting.

6.4 The GLA may also request (whether on behalf of itself or any Government office) at any other time information from the Borough in respect of the delivery of the Zone Outputs or such other matters relating to the Housing Zones Programme and the Borough shall promptly respond to any such request.

6.5 The Borough shall, as and when requested by GLA, make available on a transparent and full disclosure basis, in good faith and in a timely manner to GLA where required in connection with this MoU or the Zone Outputs a copy of each of: all data, materials, documents and accounts of any nature created, acquired or brought into existence in any manner whatsoever by or on behalf of the Borough (including by its officers, employees, agents or consultants) for the purposes of the Housing Zone Programme.

7 Change in financial circumstances

The Borough shall notify GLA immediately where there is or has been any reduction or withdrawal in relation to the Borough Contribution.

8 Public relations and publicity

8.1 The Borough will ensure that the GLA's requirements from time to time in relation to public relations and publicity for capital projects (including site signage) as notified to the relevant Borough from time to time are observed and implemented in respect of the Zone and/or the Zone Outputs.

8.2 The Borough will not, and will procure that, no officer, employee or agent will not communicate with any representative of any press, television, radio or other communications media on any matter concerning the Zone and/or the Zone Outputs without GLA's prior written consent.

8.3 The GLA will have the right to approve any announcement by the Borough in relation to the Zone and/or the Zone Outputs before it is made.

8.4 The Borough shall grant GLA a non-exclusive, royalty free licence (to the extent that it can grant such a licence) to use any photographs, records, images, articles or illustrations in relation to the Zone undertaken by or for the Borough for use in any publicity or advertising, whether published alone or in conjunction with any other person.

9 Reputation of the parties

9.1 The Borough will not, and will use all reasonable endeavours to procure that all officers, employees or agents will not knowingly do or omit to do anything in relation to the Zone, Zone Outputs or in the course of their other activities that may bring the standing of the

Mayor, the GLA or any functional bodies or subsidiaries of the GLA into disrepute or attract adverse publicity for GLA.

9.2 No party will publish any statement, orally or in writing, relating to another party which might damage that other party's reputation or that of any of its officers or employees.

10 **Confidentiality and freedom of information**

10.1 **Confidentiality**

10.1.1 Subject to clauses 10.1.2 to 10.1.5 below, no party shall disclose to any third party any Confidential Information without the prior written consent of the other relevant party.

10.1.2 Clause 10.1.1 shall not apply to any Confidential Information which:

- (a) is or becomes public knowledge (otherwise than by breach of clause 10);
- (b) is lawfully in the possession of the disclosing party, without restriction as to its disclosure, before they receive it from another party;
- (c) is received by the disclosing party from a third party who lawfully acquired it and who is under no obligation restricting its disclosure;
- (d) a party discloses in response to a Request for Information.

10.1.3 Clause 10.1.1 shall not prevent any party from disclosing, without the other relevant party's consent, any Confidential Information to the extent that it is required to be disclosed:

- (a) by law, including the FOIA Legislation, or by a court, arbitral or administrative tribunal or regulatory body in the course of proceedings before it or a regulatory body acting in the course of its duties;
- (b) to enable the disclosing party to perform its obligations under any Development Facility Agreement; or
- (c) in order to give proper instructions to any professional adviser of that party who also has an obligation to keep any such Confidential Information confidential.

10.1.4 Nothing in this clause 10 shall prevent the GLA:

- (a) disclosing any Confidential Information for the purpose of the examination and certification of GLA's accounts or any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which GLA has used its resources; or
- (b) disclosing any Confidential Information obtained from the Borough to any other department, office or agency of the Crown or to any person engaged in providing any services to GLA for any purpose relating to or ancillary to this MoU or the Housing Zones Programme or any person conducting an Office of Government Commerce gateway review;

provided that in disclosing information under clause 10.1.4(b) the GLA discloses only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.

- 10.1.5 Nothing in this clause 10.1 shall prevent the GLA from publishing information relating to Zone Funding allocations, locational characteristics of a Housing Zone and/or Zone Outputs.

10.2 Freedom of information

- 10.2.1 Each party to this MoU acknowledges that the GLA and the Borough are FOIA Authorities and:

- (a) are subject to legal duties which may require the release of information; and
- (b) FOIA Authorities may be under an obligation to provide Information subject to a Request for Information.

- 10.2.2 The FOIA Authority in receipt of or to receive the RFI (**Relevant FOIA Authority**) will be responsible for determining in its absolute discretion whether:

- (a) any Information is Exempted Information or remains Exempted Information; and/or
- (b) any Information is to be disclosed in response to a Request for Information;

and in no event shall any party, other than the Relevant FOIA Authority, respond directly to a RFI except to confirm receipt of the RFI and that the RFI has been passed to the Relevant FOIA Authority unless otherwise expressly authorised to do so by the Relevant FOIA Authority.

- 10.2.3 Subject to clause 10.2.4 below, each party acknowledges that the Relevant FOIA Authority may disclose Information:

- (a) without consulting them (or any one of them); or
- (b) following consultation with them (or any one of them) and having taken (or not taken, as the case may be) its (or their) views into account.

- 10.2.4 Without in any way limiting clauses 10.2.2 and 10.2.3, in the event that the Relevant FOIA Authority receives a RFI, the Relevant FOIA Authority will, where appropriate, as soon as reasonably practicable notify the other parties.

- 10.2.5 Each party will assist and co-operate as requested by the Relevant FOIA Authority to enable the Relevant FOIA Authority to comply with its disclosure requirements under FOIA and EIR within the prescribed periods for compliance and in particular without limitation will (and will procure that its agents and sub-contractors will), at their own cost:

- (a) transfer any RFI received to the Relevant FOIA Authority as soon as practicable after receipt and in any event within two (2) Business Days of receiving a RFI;
 - (b) provide all such assistance as may be required from time to time by the Relevant FOIA Authority and supply such data or information as may be requested by the Relevant FOIA Authority;
 - (c) provide the Relevant FOIA Authority with any data or information in its possession or power in the form that the Relevant FOIA Authority requires within five (5) Business Days (or such other period as the Relevant FOIA Authority may specify) of the Relevant FOIA Authority requesting that Information; and
 - (d) permit the Relevant FOIA Authority to inspect any records as requested from time to time.
- 10.2.6 Nothing in this MoU will prevent the Relevant FOIA Authority from complying with any valid order, decision, enforcement or practice recommendation notice issued to it by the Information Commissioner under FOIA and / or EIR in relation to any Exempted Information.
- 10.2.7 Each party acknowledges and agrees that GLA may in its absolute discretion redact all or part of the Information prior to its publication. In so doing and in its absolute discretion GLA may take account of any EIR Exemptions and FOIA Exemptions. GLA may in its absolute discretion consult with the relevant party (or parties) regarding any redactions to the Information to be published pursuant to this clause 10. GLA will make the final decision regarding publication and/or redaction of the Information.
- 10.3 The obligations in this clause 10 will survive the expiry or termination of this MoU and any Development Facility Agreements for a period of two (2) years or, in respect of any particular item of Confidential Information, until such earlier time as that item of Confidential Information reaches the public domain otherwise than by reason of a breach of this clause 10 or of any other duty of confidentiality relating to that information.
- 10.4 In this clause 10, the following words and expressions have the following meanings:
- 10.4.1 **Business Day** means any day other than a Saturday, Sunday or statutory bank holiday in England;
 - 10.4.2 **Confidential Information** means in respect of GLA all information relating to GLA or the existence or terms of this MoU or any agreement associated with this MoU (**Associated Agreement**) in respect of which any party hereto becomes aware in its capacity as a party to this MoU or which is received by such party in relation to this MoU or an Associated Agreement from either GLA or any of its advisers or from any third party if the information was obtained by that third party directly or indirectly from GLA or any of its advisers in whatever form in either case (including information given orally and any document electronic file or other means of recording or representing information which includes derives or is copied from such information) and in the case of the Borough means such

specific information as the Borough shall have identified to GLA prior to the date hereof as confidential information for the purposes of this MoU;

- 10.4.3 **EIR** means the Environmental Information Regulations 2004, and any subordinate legislation made under this statutory instrument from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation;
- 10.4.4 **EIR Exemption** means any applicable exemption to EIR;
- 10.4.5 **Exempted Information** means any Information that is designated as falling or potentially falling within the FOIA Exemptions or the EIR Exceptions;
- 10.4.6 **FOIA** means the Freedom of Information Act 2000, and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation;
- 10.4.7 **FOIA Authority/Authorities** means a public authority as defined by FOIA and/or EIR;
- 10.4.8 **FOIA Exemption** means any applicable exemption to the FOIA;
- 10.4.9 **Information** means:
- (a) in relation to the FOIA has the meaning given under section 84 of the FOIA and which is held by GLA or the Borough at the time of receipt of an RFI; and
 - (b) in relation to the EIR has the meaning given under the definition of “environmental information” in section 2 of the EIR and which is held by GLA the Borough at the time of receipt of an RFI;
- 10.4.10 **Information Commissioner** has the meaning set out in section 6 of the Data Protection Act 1998 as amended or updated from time to time;
- 10.4.11 **Request for Information/RFI** shall have the meaning set out in the FOIA or any request for information under EIR which may relate to the Zone, this MoU, any Development Facility Agreement or any activities or business of GLA;

11 **Data Protection Act**

The parties will co-operate with one another in order to enable each party to fulfil its statutory obligations under the Data Protection Act 1998 as amended or updated from time to time.

12 **No fettering of discretion/statutory powers**

Nothing contained in or carried out pursuant to this MoU or any Development Facility Agreement and no consents given by GLA or the Borough will unlawfully prejudice GLA's or the Borough's rights, powers or duties and/or obligations in the exercise of its functions or under any statutes, byelaws, instruments, orders or regulations.

13 **Dispute Resolution**

Any dispute as to the interpretation or application of this MoU shall be directed to senior representatives of the parties who will meet within ten (10) business days (or such longer period not exceeding twenty (20) business days as the parties may agree) of receipt of a notice from the party who considers that a dispute exists and use their reasonable endeavours to resolve such dispute amiably and in good faith.

14 **Disclaimer**

GLA will not be liable to the other party for any advice given by a representative of GLA. In addition, GLA gives no assurance as to the suitability or viability of any Housing Zone and no endorsement of the same.

15 **Status**

15.1 Except as expressly specified in clause 15.2 below, this MoU is not intended to be legally binding and no legal obligations or legal rights shall arise between the parties as a result of this MoU. The parties sign the MoU intending to honour all their obligations.

15.2 Clauses 8.4 (public relations and publicity), 10 (confidentiality and freedom of information), 15.2 and 15.3 (status) and 16 (governing law) are legally binding and the obligations of each party under these clauses are made in consideration of the obligations of each other party under these clauses.

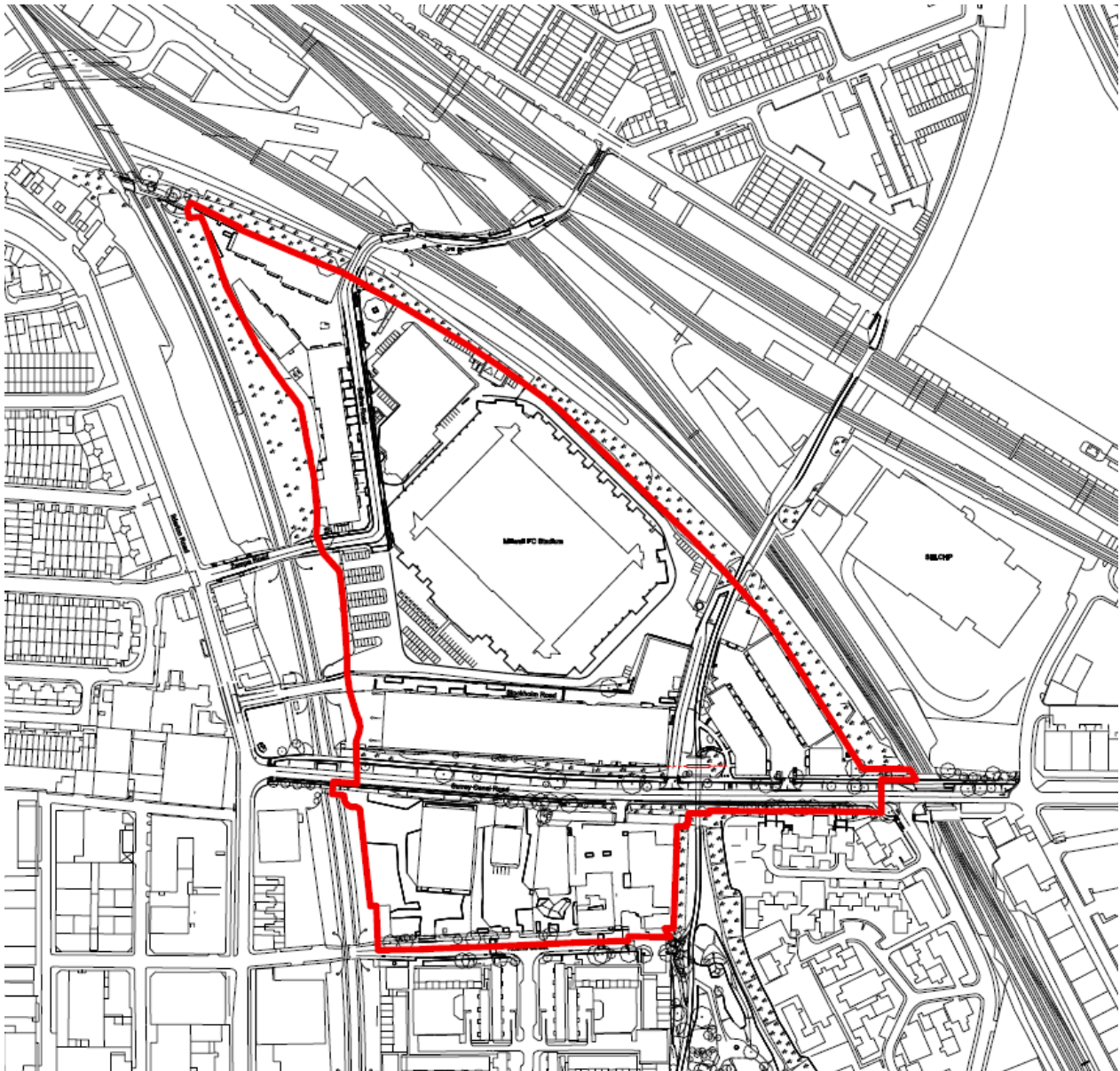
15.3 Except as otherwise expressly provided no person who is not a party shall be entitled to enforce any of the legally binding terms of this MoU solely by virtue of the contracts (Rights of Third Parties) Act 1999.

15.4 Nothing in this MoU is intended to, or shall be deemed to establish any partnership or joint venture between the parties, constitute any party as the agent of any other party, or authorise any of the parties to make or enter into any commitments for or on behalf of the other party.

16 **Governing law**

This MoU shall be governed by and construed in accordance with the laws of England and Wales and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

Schedule 1 –Zone Plan



Schedule 2 – Zone Outputs



Lewisham-New
Bermondsey_HZ_mou

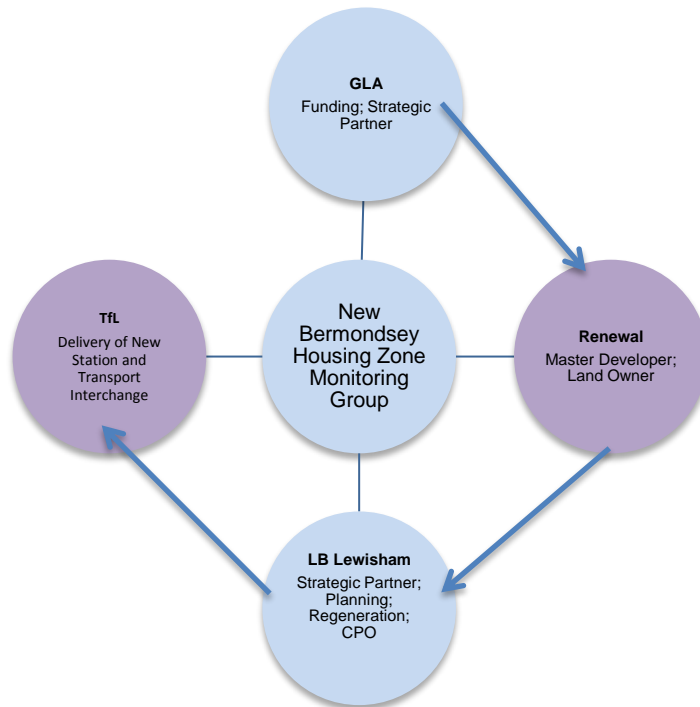
Schedule 3 – Borough Contribution

London Borough of Lewisham's 'something for something'

In 2012 LBL committed £2m funding which enabled the delivery of passive provision to the station and three surrounding underpasses. In addition to this historic contribution, the Borough has also committed £500k towards Energize and on 7 September 2016 resolved to make the CPO.

Schedule 4 – Governance Arrangements

Delivery structure for the New Bermondsey Housing Zone



Details of the proposed contractual agreement between entities and a summary of what purpose those agreements serve.

Section 106 Agreement

Renewal is the Master Developer (“the Developer”) and landowner of the overall New Bermondsey regeneration scheme.

Renewal has signed a section 106 agreement, dated 31 March 2012, relating to the New Bermondsey outline planning consent. Signatories of the 31 March 2012 s106 agreement include Renewal (using the former company name Cragside), LB Lewisham and TfL.

A revised s106 agreement, following the resolution to grant the s73 amendment to the masterplan on 12 December 2013, was completed on 18 December 2015 to release the s73 consent.

Pre Planning Agreements

For the outline planning application and the s73 application the Developer and the Council entered into a Pre Planning Agreement (PPA). It is proposed that the Developer and the Council will enter into a PPA for prior to the submission of planning applications for phase 1A and phase 2.

New Bermondsey Housing Zone Memorandum of Understanding

As the scheme is Developer led and not Council led, the Memorandum of Understanding between the Council and the GLA formalises the Borough’s continued commitment to the delivery of the New Bermondsey regeneration scheme.

The Memorandum of Understanding will include the following assurances:

- Continued collaborative approach with public and private sector partners (GLA, TfL, Renewal) to facilitate the delivery of the wider New Bermondsey regeneration scheme;
- participation in Housing Zone governance structure (i.e: representation on the New Bermondsey Housing Zone delivery board);
- continued assistance in completion of site land assembly and agreement to consider use of Compulsory Purchase Powers should this be required.

The final terms of the Memorandum of Understanding will be reported back to LB Lewisham's Mayor and Cabinet for approval.

Reporting process

In the New Bermondsey Housing Zone bid addendum, 21 November 2014, it was proposed that *“a reporting process will be agreed with the Developer to enable the Council to have regular updates on the delivery of phase 1A and 2 and early notification of any issues arising that may impact on delivery of the Housing Zone commitments.”*

There will be monthly New Bermondsey Housing Zone Monitoring Group meetings, attended by the Developer, LB Lewisham and the GLA to monitor the progress of the New Bermondsey Housing Zone; TfL will be invited as and when required.

The first of Monitoring Group meeting took place on the 5 March 2015.

Schedule 5 - Key Performance Indicators (KPIs)

Planning Performance Agreements

KPI 1 The Borough will enter into a Planning Performance Agreement with the developer and GLA in respect of any of the sites referable to it.

Planning Committee

KPI 2 Any relevant reports to planning committee will be copied to the GLA and the GLA will be invited to attend pre application briefings to this committee in respect of any of the Sites referable to the GLA.

Planning Team and Joint Working with the GLA

KPI 3 Joint pre-application meetings will be held and joint pre-application advice will be issued in respect of any of the sites on which the Zone Outputs are to be constructed referable to the GLA and the Borough will put in place a dedicated resource to manage Housing Zone planning applications.

Planning Conditions

KPI 4 The Borough will agree draft planning conditions with applicants in respect of Housing Zone applications prior to applications being heard at planning committee (and provided that developer and or any other third party co-operates). The Borough agrees, subject to the receipt of all requisite information, provided that it is satisfactory to the LPA, to discharge planning conditions within 6 weeks of receipt of this information.

Determination Periods

KPI 5 The Borough will determine Housing Zone planning applications within statutory timescales unless otherwise agreed with the applicant.

Section 106

KPI 6 For Housing Zone planning applications, the Borough will agree s106 heads of terms with applicants prior to planning committee, subject to third party cooperation, and will issue draft s106 agreements as soon as reasonably possible after resolution to grant planning permission and no later than 8 weeks from the date of the resolution by the planning committee. The Borough will comply with the PPA with regard to the timescales from completion of the s106 agreement to an applicant.

Signed for and on behalf of GLA

Signature:

Name:

Position:

Date:

Signed for and on behalf of LBL

Signature:

Name:

Position:

Date:

HOUSING ZONE Schedule

HZ Version: Contract Schedule

v4 - March 2016

HOUSING ZONE NAME:	New Bermondsey
PARTICIPATING BOROUGH:	LB Lewisham
OTHER NAMED PARTNERS:	Renewal Group, Transport for London
BOROUGH LEAD OFFICER	Kplom Lotsu
GLA LEAD BOROUGH OFFICER	Jonathan Goldstraw
For contract schedule only: enter name of organisation the GLA is contracting with	LB Lewisham / Renewal Group Limited

SUMMARY: Housing Zone Pre Contract Monitoring Proforma: Outputs, Payments, Repayments Summary

1) Direct homes completions delivery	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
MARKET RENT homes	0	0	0	0	0	0	0	0	0	0	0	0
AFFORDABLE RENT homes	0	0	0	0	0	0	0	0	0	0	46	46
MARKET SALE homes	0	0	0	0	0	0	0	0	0	0	1,657	1,657
FIRST STEPS homes	0	0	0	0	0	0	0	0	0	0	137	137
TOTAL homes	0	0	0	0	0	0	0	0	0	0	1,840	1,840

2) Direct homes starts on site delivery	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
MARKET RENT homes	0	0	0	0	0	0	0	0	0	0	0	0
AFFORDABLE RENT homes	0	0	0	0	0	0	0	0	0	0	0	0
MARKET SALE homes	0	0	0	0	0	0	0	0	0	0	0	0
FIRST STEPS homes	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL homes	0	0	0	0	0	0	0	0	0	0	0	0

3a) Indirect homes - completions	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total	Rent	Home Ownership	Total
Affordable Indirect (in other GLA progs)	0	0	235	0	0	0	0	0	0	0	0	235	0	0	0
Affordable Indirect (borough autonomous)	0	0	14	0	0	0	0	0	0	0	46	60	0	0	0
Open Mrkt Indirect (in other GLA progs)	0	0	243	0	0	0	0	0	0	0	1,657	1,900	0	0	0
Open Mrkt Indirect (borough autonomous)	0	0	40	0	0	0	0	0	0	0	137	177	0	0	0
TOTAL Indirect homes (completions)	0	0	532	0	0	0	0	0	0	0	1,840	2,372	0	0	0

3b) Indirect homes - starts on site	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
Affordable Indirect (in other GLA progs)	0	0	0	235	0	0	0	0	0	0	0	235
Affordable Indirect (borough autonomous)	0	0	0	14	0	0	46	0	0	0	0	60
Open Mrkt Indirect (in other GLA progs)	0	0	0	243	0	0	1,657	0	0	0	0	1,900
Open Mrkt Indirect (borough autonomous)	0	0	0	40	0	0	137	0	0	0	0	177
TOTAL Indirect homes (starts)	0	0	0	532	0	0	1,840	0	0	0	0	2,372

4) GLA funding payment profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2025	Beyond 2025	Total
Grant payments :	£0	£12,000,000	£0	£0	£0	£0	£0	£0	£12,000,000
Recoverable Grant payments:	£0	£0	£0	£0	£0	£0	£0	£0	£0
Financial Transactions Equity:	£0	£0	£0	£0	£0	£0	£0	£0	£0
Financial Transactions Loan:	£0	£0	£0	£8,000,000	£0	£0	£0	£0	£8,000,000
TOTAL payments	£0	£12,000,000	£0	£8,000,000	£0	£0	£0	£0	£20,000,000

5) Repayment profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2025	2025-30	Beyond 2030	Total
Recoverable Grant repayment:	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
FT Equity Stake repayment	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
FT Loan repayment	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
FT Loan Interest payments	£0	£0	£0	£0	£0	£0	£0	£0	£8,000,000	£8,000,000
TOTAL repayment	£0	£0	£0	£0	£0	£0	£0	£0	£8,000,000	£8,000,000

Summary of Sites for Housing Zone	
1	New Bermondsey Station, London Overground
2	New Bermondsey Transport Interchange

1) Direct output completions delivery: Please provide details of direct housing outputs to be delivered through GLA funding

1 Direct completions delivery profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
Please enter site name :	New Bermondsey Station, London Overground											
MARKET RENT homes												0
AFFORDABLE RENT homes												0
MARKET SALE homes												0
FIRST STEPS homes												0
TOTAL homes	0	0	0	0	0	0	0	0	0	0	0	0
Other direct deliverables on this site. Please specify:												

Additional table for each site to be inserted below

1 Direct completions delivery profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
Please enter site name :	New Bermondsey Transport Interchange											
MARKET RENT homes											0	0
AFFORDABLE RENT homes											46	46
MARKET SALE homes											1,657	1,657
FIRST STEPS homes											137	137
TOTAL homes	0	0	0	0	0	0	0	0	0	0	1,840	1,840
Other direct deliverables on this site. Please specify:												

2) Direct output Starts on Site delivery: Please provide details of direct housing starts to be delivered through GLA funding

2 Direct SoS delivery profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
Please enter site name :	New Bermondsey Station, London Overground											
MARKET RENT homes												0
AFFORDABLE RENT homes												0
MARKET SALE homes												0
FIRST STEPS homes												0
TOTAL homes	0	0	0	0	0	0	0	0	0	0	0	0
Other direct deliverables on this site. Please specify:												

Additional table for each site to be inserted below

2 Direct SoS delivery profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
Please enter site name :	New Bermondsey Transport Interchange											
MARKET RENT homes												0
AFFORDABLE RENT homes												0
MARKET SALE homes												0
FIRST STEPS homes												0
TOTAL homes	0	0	0	0	0	0	0	0	0	0	0	0
Other direct deliverables on this site. Please specify:												

3) Indirect output delivery: Please provide details of indirect housing outputs to be unlocked within the housing zone

3a) Indirect homes - completions	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total	Rent	Home Ownership	Total
Affordable Indirect (in other GLA progs)			235								0	235			
Affordable Indirect (borough autonomous)			14								46	60			
Open Mrkt Indirect (in other GLA progs)			243								1,657	1,900			
Open Mrkt Indirect (borough autonomous)			40								137	177			
TOTAL Indirect homes (completions)	0	0	532	0	0	0	0	0	0	0	1,840	2,372	0	0	0

3b) Indirect homes - starts on site	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2022	2022-23	2023-24	2024-25	2025-26	Total
-------------------------------------	---------	---------	---------	---------	---------	-----------	-----------	---------	---------	---------	---------	-------

Affordable Indirect (in other GLA progs)				235			0					235
Affordable Indirect (borough autonomous)				14			46					60
Open Mrkt Indirect (in other GLA progs)				243			1,657					1,900
Open Mrkt Indirect (borough autonomous)				40			137					177
TOTAL Indirect homes (starts)	0	0	0	532	0	0	1,840	0	0	0	0	2,372

4) GLA FUNDING PAYMENT PROFILE: Please provide details of when payments from GLA funding will be made

4 GLA funding payment profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2025	Beyond 2025	Total
Please enter site name :	New Bermondsey Station, London Overground								
Grant payments :		£12,000,000							£12,000,000
Please specify the payment trigger		Triggered once contract is signed - to enable New Station works to commence immediately.							
Recoverable Grant payments:									£0
Please specify the payment trigger									
Financial Transactions Equity:									£0
Please specify the payment trigger									
Financial Transactions Loan:									£0
Please specify the payment trigger									
TOTAL payments	£0	£12,000,000	£0	£0	£0	£0	£0	£0	£12,000,000

Additional table for each site to be inserted below

4 GLA funding payment profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2025	Beyond 2025	Total
Please enter site name :	New Bermondsey Transport Interchange								
Grant payments :									£0
Please specify the payment trigger									
Recoverable Grant payments:									£0
Please specify the payment trigger									
Financial Transactions Equity:									£0
Please specify the payment trigger									
Financial Transactions Loan:				£8,000,000					£8,000,000
Please specify the payment trigger				Trigger to be agreed. Only available subject to contract and due diligence.					
TOTAL payments	£0	£0	£0	£8,000,000	£0	£0	£0	£0	£8,000,000

5) RE-PAYMENT PROFILE: Please provide details of when repayments will be made to the GLA

5 Repayment profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2025	2025-30	Beyond 2030	Total
Please enter site name :	New Bermondsey Station, London Overground									
Recoverable Grant repayment:										£0
Please specify the repayment trigger										
FT Equity Stake repayment										£0

Please specify the repayment trigger										
FT Loan repayment										£0
Please specify the repayment trigger										
FT Loan Interest payments										£0
Please specify the payment trigger										
TOTAL repayments	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Additional table for each site to be inserted below

5 Repayment profile	2015-16	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-2025	2025-30	Beyond 2030	Total
Please enter site name :	New Bermondsey Transport Interchange									
Recoverable Grant repayment:										£0
Please specify the repayment trigger										
FT Equity Stake repayment										£0
Please specify the repayment trigger										
FT Loan repayment										£0
Please specify the repayment trigger										
FT Loan Interest payments									£8,000,000	£8,000,000
Please specify the payment trigger										
TOTAL repayments	£0	£0	£0	£0	£0	£0	£0	£0	£8,000,000	£8,000,000