

Mayor & Cabinet			
Report Title	Catford Regeneration Partnership Limited – 2016/17 Business Plan		
Key Decision	Yes	Item No.	
Ward	All		
Contributors	Executive Director for Resources & Regeneration		
Class	Part 1	Date:	2 March 2016

1. SUMMARY

- 1.1 The Catford Regeneration Partnership Limited (CRPL) is a wholly owned company of Lewisham Council. The company was originally created in January 2010 to purchase the leasehold interests in and around the Catford Centre in order to manage and regenerate the property to improve the economic, social and environmental wellbeing of the people of the London Borough of Lewisham.
- 1.2 This report presents the company's 2016/17 Business Plan to Mayor & Cabinet in advance of the meeting of full Council on 30th March 2016. The plan continues to set the scene about the need to broaden the business activities to provide a more resilient base, support wider regeneration in Catford and the surrounding area and provide wider investment opportunities for the CRPL going forward.

2. PURPOSE OF THE REPORT

- 2.1 To submit the 2016/17 Business Plan for the Catford Regeneration Partnership Limited.

3. RECOMMENDATION

The Mayor is recommended to:

- 3.1 note the contents of the 2016/17 Business Plan for the Catford Regeneration Partnership Limited (CRPL) and that it will now be submitted to the next available meeting of Council for approval.

4. POLICY CONTEXT AND BACKGROUND

- 4.1 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*. This report supports the aims of the strategy.

- 4.2 This report is also in alignment with the Council's corporate policy. Lewisham's Strategic 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 suggests a proactive approach for the use of the Council's assets as they have a key role to play in supporting the borough's regeneration aims.
- 4.3 The content of this report also supports the aims of Lewisham's regeneration strategy of 'people, prosperity and place'. This links the Council's corporate priorities to the development and regeneration of Lewisham's communities, the local economy and the built environment.
- 4.4 The CRPL was set up in January 2010 following Council approval. The company was tasked with the following activities:
- To continue the effective management of the Catford Centre, ensuring that the operational management standards remain high and that the full commercial potential of the centre is being realised through letting and renewal strategies.
 - To enable the redevelopment of the Catford Centre by working with Lewisham Council to undertake a regeneration process and reach a commercial agreement with key stakeholders in the town centre, in order to contribute to the regeneration aims for the town centre as a whole.
- 4.5 At the company's inception, the Articles of Association were agreed. These detail how and when the company must interact with its shareholders. In this case it is Lewisham Council, which is the sole shareholder.
- 4.6 Operational responsibility for the company is given to the Lewisham Council nominated company directors.
- 4.7 The company is required to submit a business plan for approval by the Council as shareholder for each financial year, in this case, for 2016/17.
- 4.8 This year's business activities for 2016/17 will be seeking to clarify timescales for the regeneration programme for Catford Town Centre and accordingly set a revised break notice date, if appropriate, to be incorporated within its commercial leases. The current expiry date for commercial leases is no later than 31st January 2018. The existing landlord's break option allows the CRPL the authority to terminate any lease within its portfolio in January 2018. It is felt that this restriction has discouraged some tenants by not affording any guarantee that a lease will stay in operation beyond that date. As a result, tenant investment into a shop business is generally minimal given the

knowledge that a tenant may be required to leave short of the normal five year lease term.

5. CURRENT POSITION AND 2016/17 BUSINESS PLAN

- 5.1 Since the acquisition of the Catford Centre in February 2010, the CRPL has been working on operational management issues to ensure that the centre is fit for purpose, meets quality standards, and that rent is collected in a timely manner. The company directors have ensured that all health and safety standards continue to be complied with and a significant amount of major repair works have been identified and completed.
- 5.2 In line with the plans presented in previous financial years, the CRPL has continued to develop an effective and efficient management approach for the operation of the property through a team of professional advisors, including an in house surveyor from the Council's corporate asset services team and external agents that oversee daily management of the property and report to the directors of the CRPL.
- 5.3 Over the course of the last year, significant sums of money have been spent on repairs and maintenance for some of the properties within the portfolio. This has been a mixture of planned and routine work, but has also included emergency and responsive work deemed necessary to ensure that those properties have remained fully operational. It should be noted that any delay in the commencement, progress and completion of the redevelopment of Catford is likely to have an adverse impact on the CRPL's cash flow position as such unplanned and responsive repairs and maintenance issues will still need to be dealt with as they arise.
- 5.4 During 2014, the CRPL received approval from Mayor & Cabinet to acquire the Brookdale Club Limited's freehold premises in Catford. The acquisition is a significant component of the Council's wider regeneration initiatives to facilitate the regeneration of the Town Centre. To date, the transaction has exchanged contracts, but not yet completed. It is likely that the acquisition will be finalised during the course of the 2016/17 financial year.
- 5.5 The CRPL is forecasting a surplus in 2015/16 and is budgeting for a surplus in 2016/17. This demonstrates that the company continues to operate successfully with these surpluses being utilised to meet the deficit from the 2013/14 financial year.

6. FINANCIAL IMPLICATIONS

- 6.1 The financial implications are included in the Business Plan 2016/17 which is attached at Appendix 1.

7. LEGAL IMPLICATIONS

- 7.1 The legal implications are included in the Business Plan 2016/17 which is attached at Appendix 1.

8. EQUALITY IMPLICATIONS

- 8.1 There are no immediate equalities implications directly arising from this report or the associated business plan which is attached at Appendix 1. Any equality implications for the future regeneration programme will be considered at the appropriate time as Catford undergoes its redevelopment.

9. CONCLUSION

- 9.1 The approval of this report by full Council will allow the CRPL to proceed with the activities, aims and objectives as detailed in the 2016/17 Business Plan.

10. BACKGROUND PAPERS

Short title of document	Date	File Location	Contact Officer
Catford Regeneration Partnership Ltd – 2015/16 Business Plan	13 th May 2015 (Mayor & Cabinet)	Regeneration & Asset Management	Kevin Pulsford
Catford Centre Mayor & Cabinet Report	27 th January 2010 (Council)	Regeneration & Asset Management	Kevin Pulsford

If there are any queries on this report please contact:

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