

Council			
Report Title	Catford Regeneration Partnership Limited – 2017/18 Business Plan		
Key Decision	Yes	Item No.	
Ward	All		
Contributors	Executive Director for Resources & Regeneration		
Class	Part 1	Date:	17 July 2017

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 2017/18 Business Plan. 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 CRPL going forward.

2. PURPOSE OF THE REPORT

- 2.1 To submit the 2017/18 Business Plan for the Catford Regeneration Partnership Limited in accordance with the company's Shareholder Reserved Matters.

3. RECOMMENDATIONS

- 3.1 That Council approves the 2017/18 Business Plan for the Catford Regeneration Partnership Limited (CRPL); and
- 3.2 That Council considers the resolution of the Overview & Scrutiny Business Panel to direct the Constitution Working Party to review the governance of Catford Regeneration Partnership Limited, with a view to increase the current number of Directors to include a non-Executive Member.

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 2017/18.

5. CURRENT POSITION AND 2017/18 BUSINESS PLAN

- 5.1 Since the acquisition of the Catford Centre in February 2010, 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, 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 Operational Asset Management team, officers from the Council's Capital Programme Delivery 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, money has 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. The transaction completed in December 2016 and the property is now being marketed for interim use, along with other CRPL assets, prior to its demolition and redevelopment as part of the wider Catford Regeneration Programme.
- 5.5 The company had a small surplus in 2016/17 and is budgeting for another small surplus in 2017/18. This demonstrates that the company continues to operate successfully.
- 5.6 This year's business activities will include implementing revised break notice date for commercial units to ensure they are consistent with the emerging programme of the wider regeneration programme. This, for example, means that all new lettings and renewals that fall within the development scheme will be renewed on the basis of 5 year leases excluded from the Landlord and Tenant Act 1954. A 5 year lease is considered realistic in terms of the current timescales for redevelopment and means that the centre remains reasonably attractive to a wider range of retailers.
- 5.7 During 2016/17 the regeneration programme has been gaining considerable momentum within the Council. A successful bid was made to the GLA for £30m Housing Zone funding and Mayor and Cabinet approved a master-planning approach to be implemented. The Capital Programme Delivery team within the Council's Regeneration & Place Division has been building a team to resource the programme, including in-house officers and external specialist consultants. The team has been working closely with TfL to progress options for the realignment of the South Circular, and the intention is that Mayor and Cabinet will make a decision on a preferred road option in July 2017.

- 5.8 The opportunities for CRPL to deliver on their objectives are therefore increasingly substantial. The Council is keen to explore and maximise these opportunities and to ensure that CRPL is in a position to facilitate and drive such opportunities forward. With this in mind, it may be appropriate for the Council to revisit the list of shareholder reserved matters, to enable CRPL to move forward more efficiently in the delivery of its objectives. In this case, any suggested amendments will be brought to Full Council for approval.
- 5.9 The Company’s business plan was reviewed by Mayor and Cabinet at their meeting on 10th May 2017. It was subsequently **considered** by the Overview and Scrutiny Business Panel (OSBP) on 22nd May 2017. The OSBP agreed to note the Business Plan as reviewed by Mayor and Cabinet. They also requested that Council direct the Constitution Working Party to review the governance of Catford Regeneration Partnership Limited, with a view to increase the current number of Directors to include a non-Executive Member.

6. FINANCIAL IMPLICATIONS

- 6.1 The financial implications are included in the Business Plan 2017/18 which is attached at Appendix 1.

7. LEGAL IMPLICATIONS

- 7.1 The legal implications are included in the Business Plan 2017/18 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 CRPL to proceed with the activities, aims and objectives as detailed in the 2017/18 Business Plan.

10. BACKGROUND PAPERS

Short title of document	Date	File Location	Contact Officer
Catford Centre Mayor & Cabinet Report	27 th January 2010 (Council)	Regeneration & Place	Kplom Lotsu

Catford Regeneration Partnership Ltd – 2016/17 Business Plan	July 2016	Regeneration & Place	Kplom Lotsu
Catford Regeneration Programme – Update and Housing Zone Mayor & Cabinet Report	28 th September 2016	Regeneration & Place	Kplom Lotsu
Catford Regeneration Programme – Update Mayor & Cabinet Report	9 th November 2016	Regeneration & Place	Kplom Lotsu
Catford Regeneration Partnership Ltd – 2017/18 Business Plan (Mayor and Cabinet)	10 th May 2017	Regeneration & Place	Kplom Lotsu

If there are any queries on this report please contact:

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