

From: Shaw, Cath
Sent: 06 February 2020 10:45
To: Rawlings, Cllr Barry <Cllr.B.Rawlings@barnet.gov.uk>
Cc: Darr, Anisa <Anisa.Darr@barnet.gov.uk>
Subject: RE: Questions re Saracens

Thanks Councillor

Sorry for the delay in replying. In answer to your questions:

- No the guarantee does not require the stand to be built, it is a guarantee of the loan that operates from the first draw down of funds.
- The university remain keen to move into the West Stand – their anxiety is about any delay. Like us, they are waiting on the revised business plan to understand the implications in more detail.

Thanks

Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet, 2 Bristol Avenue, London NW9 4EW

Tel: [REDACTED]

Barnet Online: www.barnet.gov.uk



please consider the environment - do you really need to print this email?

**Together, WE ARE
BARNET**

Help us celebrate Barnet: engage.barnet.gov.uk/togetherbarnet

From: Rawlings, Cllr Barry
Sent: 04 February 2020 14:57
To: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>
Cc: Darr, Anisa <Anisa.Darr@barnet.gov.uk>
Subject: RE: Questions re Saracens

Hi Cath

Thanks for the information – was the guarantee dependant on the West Stand being built? Also, have you any news from the University as this was key to the enterprise?

Barry

From: Shaw, Cath
Sent: 20 January 2020 16:15
To: Rawlings, Cllr Barry <Cllr.B.Rawlings@barnet.gov.uk>
Cc: Darr, Anisa <Anisa.Darr@barnet.gov.uk>
Subject: RE: Questions re Saracens

Thanks Barry

We're going to bring a public update paper to FPCC committee next week – papers published tomorrow – as a number of people have been asking similar questions. I've answered your questions below, but have used a mixture of information from the public and exempt reports so I'd be grateful if you don't share this beyond the council.

Thanks

Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet, 2 Bristol Avenue, London NW9 4EW

Tel [REDACTED]

Barnet Online: www.barnet.gov.uk



please consider the environment - do you really need to print this email?



Help us celebrate Barnet: engage.barnet.gov.uk/togetherbarnet

From: Rawlings, Cllr Barry
Sent: 20 January 2020 14:06
To: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>
Subject: Questions re Saracens

1. Given the relegation of Saracens and the subsequent likely fall in income, what guarantees does the Council have that the money already loaned will be paid back?

The guarantee is for up to £10m (compared to just over £3m drawn down), and is from [REDACTED] a UK based company which is required to hold £20m in UK based property assets, with the valuation updated every six months.

2. What is the likelihood of both the Middlesex University and Middlesex Cricket ground going ahead?

University – I have a call out to them, and will update when I hear

Cricket – projects aren't linked, so I don't think there's an impact

3. If they don't how does this affect the loan?

University would be a material change of circumstances [REDACTED]

4. Was the effect of possible relegation considered during the Council's due diligence period?

Yes, [REDACTED]

5. If not, why not, as they had broken the salary cap for a few years?

6. Has anything changed in the Council's view of whether to continue the loan?

We have put a temporary stop on loan drawdowns pending further information from Saracens, and have made clear to them that will need to include an updated business plan (which we will take independent advice on)

7. What lessons has the Council learnt about the risk of commercial loans?

Our policy set out in the TMSS is to make loans to organisations that deliver community benefit subject to a robust business plan and appropriate security. The arrangements for the Saracens loan were designed to cope with changing circumstances, and continue to be fit for purpose

8. Why weren't risks associated with the loan part of the risk register?

I'll need to double check, but I believe it is on the risk register, [REDACTED]
[REDACTED]

[REDACTED]

From: Shaw, Cath
Sent: 22 January 2020 10:23
To: [REDACTED] Darr, Anisa
Cc: [REDACTED]
Subject: [REDACTED]

Thanks [REDACTED]

No that's fine, it can stay on the finance risk register, as I think that's where it properly belongs.

Anisa – Cllr Rawlings has asked “why Saracens wasn’t on the risk register”. [REDACTED] has identified that you do have a general risk about debt (Fin 007- Debt Management) which is at a 9. I wondered if in light of some of the larger loans we have out (Saracens, Argent Related) you wanted to review the impact score? I’m obviously happy if you want to leave it at 9, but it would be good to be able to say to FPCC that it’s been done.

Thanks


Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet, 2 Bristol Avenue, London NW9 4EW

Tel: [REDACTED]

Barnet Online: www.barnet.gov.uk

 please consider the environment - do you really need to print this email?



Help us celebrate Barnet: engage.barnet.gov.uk/togetherbarnet

From: [REDACTED]
Sent: 22 January 2020 10:07
To: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>
Cc: [REDACTED]
Subject: RE: Risk Register

We have a generic risk on debt on the Finance register (Fin 007- Debt Management) which is at a 9.

I'll have that risk added to the risk register, I presume Stephen will be the risk manager?

From: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>
Sent: 22 January 2020 09:43
To: [REDACTED] <[\[REDACTED\]@Barnet.gov.uk](mailto:[REDACTED]@Barnet.gov.uk)>

[REDACTED]

Cc: [REDACTED]@Barnet.gov.uk>

Subject: RE: Risk Register

OK thanks – can you see if there's a general risk about bad debt?

And yes, we should add a risk about Saracens that focuses on loss of community benefits as much as the loan (which is guarantee by a company that has to hold UK property assets to twice the value of the guarantee).


Thanks

Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet, 2 Bristol Avenue, London NW9 4EW

[REDACTED]
Barnet Online: www.barnet.gov.uk

 please consider the environment - do you really need to print this email?



Help us celebrate Barnet: engage.barnet.gov.uk/together/barnet

From: [REDACTED]

Sent: 22 January 2020 09:40

To: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>

Cc: [REDACTED]

Subject: RE: Risk Register

Hi Cath

I've had a look and can't find anything about the Saracens loan on the risk register going back to 2018.

We might want to have a new risk about it focusing Saracens demotion and the recent and potential changes to the senior management structure at the club.

Regards

[REDACTED]
Performance & Systems Officer
Growth and Corporate Services
London Borough of Barnet, 2 Bristol Avenue, London, NW9 4EW
Tel: [REDACTED]
Barnet Online: www.barnet.gov.uk
Performance results on Barnet Online: www.barnet.gov.uk/performance
Open Data: open.barnet.gov.uk

From: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>
Sent: 21 January 2020 16:17
To: [REDACTED] <[REDACTED]@Barnet.gov.uk>
Subject: Risk Register


Hi [REDACTED]

Could you do me a favour and quickly check whether Saracens loan appears on our risk register (or finance's)? I think it's there but scored low, but want to be sure.

Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet, 2 Bristol Avenue, London NW9 4EW
Tel: [REDACTED]
Barnet Online: www.barnet.gov.uk

 please consider the environment - do you really need to print this email?

Together, WE ARE
BARNET

Help us celebrate Barnet: engage.barnet.gov.uk/togetherbarnet

From: Edward Griffiths [REDACTED]
Sent: 19 January 2020 05:24
To: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>
Subject: Re: Loan

Cath,

Thank you.

This is an accurate record of our discussion.

Thank you,

On 18 Jan 2020, at 23:41, Shaw, Cath <Cath.Shaw@barnet.gov.uk> wrote:

Dear Edward

Just a quick note to record our conversation on Friday. As discussed:

- the council has suspended drawdowns of the loan in light of media reports regarding further PRL sanctions
- in any event the club wishes to pause briefly to review its strategy in light of unfolding events
- the club is aiming to have an updated strategy for the west stand in about six weeks
- from the council's perspective, this will need to include evidence that the club has a viable business plan that supports repayment of the loan
- interest continues to accrue on the funds drawn thus far
- we will speak again early next week.

I think this captures everything, but do let me know if there's anything to add.

Thanks - and good luck

Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet
[REDACTED]

From: Edward Griffiths [REDACTED]
Sent: 02 January 2020 20:55

To: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>

Subject: Re: Saracens

Cath,

Thanks for the note.

Let's speak next week. I am on [REDACTED], the usual number.

Thanks

Edward

On 2 Jan 2020, at 10:14, Shaw, Cath <Cath.Shaw@Barnet.gov.uk> wrote:

Hi Ed

Happy New Year, and congratulations on your return to Saracens.

I've texted, but think the number I have may be an old one.

It would be good to catch up next week. I don't expect the personnel changes signal a change in direction - but as a major lender it would be good to understand any implications!

I'm on leave until Monday, but you're welcome to get in touch via my personal mobile - [REDACTED]

Thanks

Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet
[REDACTED]

Thanks and Happy New Year.

From: Shaw, Cath <Cath.Shaw@Barnet.gov.uk>

Sent: Thursday, January 2, 2020 9:52:13 AM

To: Leader <Leader@barnet.gov.uk>; Zinkin, Cllr Peter <Cllr.P.Zinkin@Barnet.gov.uk>; Rawlings, Cllr Barry <Cllr.B.Rawlings@barnet.gov.uk>; Rozenberg, Cllr Gabriel <Cllr.G.Rozenberg@Barnet.gov.uk>

Cc: Hooton, John <John.Hooton@Barnet.gov.uk>; Darr, Anisa <Anisa.Darr@barnet.gov.uk>

Subject: Saracens update

Councillors

Happy New Year. You may have seen the news that Nigel Wray is stepping down as Chairman of Saracens with immediate effect, and that Ed Griffiths is returning as interim Chief Executive replacing Mitesh who remains on the Board and as a consultant.

The statement is clear that the Wray family will continue to fund the club, and so I don't anticipate any impact on the council's loan agreement. However, I will arrange to catch up with Ed early next week to confirm.

<https://www.saracens.com/nigel-wray-retires-as-chairman/>

I'm on leave until Monday, but do text my personal mobile [REDACTED] if you have any queries.

Cath

Cath Shaw
Deputy Chief Executive

London Borough of Barnet
[REDACTED]