



**Cabinet
21 July 2014**

**Report from the Strategic Director
Regeneration and Growth**

Ward Affected:
Alperton

**Premises at 1C Carlyon Road, Alperton HA0 1HH - disposal
on a subject to planning basis**

***Not for publication ('below the line')**

Appendix 4 – exempt report bid analysis (confidential).

Appendix 4A – bid assessment (confidential).

Appendix 4B – bid stage connection or interest response analysis (confidential).

1.0 SUMMARY

1.1 This report sets out proposals for the disposal of the Councils' land and premises at 1C Carlyon Road, Alperton, HA0 1HH, appendix 1 details a location plan, title plan (as per heads of terms) and site plan (as per heads of terms).

2.0 RECOMMENDATIONS

That the Cabinet:

2.1 Approve the disposal of a long leasehold interest in the land and premises at 1C Carlyon Road, Alperton HA0 1HH, as outlined on the attached plan (Appendix A) on a subject to planning basis to the first preferred bidder as identified in confidential appendix 4 for a capital receipt and 100% nominations rights in respect of affordable housing provision in favour of the Council upon the grant of planning consent – subject to financial checks.

2.2 That in the event that the above offer does not proceed satisfactorily delegated authority is given to the Strategic Director of Regeneration & Growth in consultation with the Lead Member for Regeneration & Growth to take a decision to revert to the first reserve bid as set out in confidential appendix 4 – subject to financial checks.

2.3 Grant delegated authority to the Operational Director Property and Projects to agree the terms of the transaction in consultation with the Chief Finance Officer.

3.0 DETAIL

3.1 The property is located just off Alperton Lane and is a short distance from the Hanger Lane Gyratory System, which links the A406 North Circular Road with the A40M. Both Hanger Lane and Alperton Underground Stations are close by.

3.2 The Council owns the freehold interest in the land and premises at 1C Carlyon Road, Alperton comprising a single storey warehouse of 948m² (10,577sq. ft.) on a site of 0.15 Ha (0.375 acres).

3.3 The premises were acquired by the Council in July 2009 and were formerly occupied by Remploy.

3.4 The whole site is let to P Ancketill Esq. t/a Glassbusters for a term expiring January 2016 at a passing rental of £20,000 p.a. subject to review to £25,000 p.a. with effect from January 2015 for the remainder of the term and a landlord or tenants break on two months notice by either party.

Planning Policy

3.5 Alperton is identified as one of the Borough's five growth areas in the Core Strategy of the Local Development Framework. Accordingly, the area is identified as being a suitable location for the construction of new homes to meet the demands for population growth and the shortage of housing. The principles of this are set out in Brent's Core Strategy 2010 and the Site Specific Allocations 2011 (SSA).

3.6 The Alperton Masterplan SPD, adopted in 2011, sets out to developers the scale of change which the council would like to see in Alperton and the infrastructure required to support this.

3.7 The Council's Carlyon Road site and the adjacent site fronting Ealing Road (formerly B & Q) comprise SSA3 in the Site Specific Allocations 2011, with the combined site area of 2.6 Ha (6.42 acres), appendix 2.

3.8 The allocation is for a comprehensive mixed use development including residential, amenity space, B1 employment and A3 retail uses. The proposal is for the canal side environment to be enhanced for pedestrian and canal users. Light industrial workspace and retail uses should be used to help separate residential from the range of uses and noise generated at Ealing Road. Proposals should conserve and enhance the adjacent Site of Metropolitan Nature Conservation Importance.

3.9 The introduction of high quality mixed use development on the Carlyon Road site will contribute to the regeneration of Alperton in accordance with the Council's planning and regeneration priorities.

3.10 On 11 June 2014 Brent's planning department received an application for consent on the land that immediately adjoins our site. The proposal is for the construction of a 3 to 9 storey building comprising 128 residential units and 250 sqm of commercial floor-space (use class B1/D1/D2/A1-A3) and associated parking, access, landscaping and related ancillary works. The planning application number is 14/2276.

Marketing

3.11 Over the past year Brent has received approaches to buy the subject site, with interested parties presenting themselves as special purchasers due to interest in adjoining sites or interest in the our land. A marketing campaign was run to ascertain if these offers represented best consideration.

3.12 Carlyon Road was placed on the open market with advertising in the Estates Gazette and the Wembley & Kilburn Times during April and May 2014, with offers sought on the 4th June 2014 on either an existing use or redevelopment basis. The equality analysis appendix 3 considers the process.

3.13 Bidders were asked to submit bids, using the heads of terms template provided by Brent, which included a site plan and title details as in appendix 1. The heads of terms asked for details of price and overage. Additional it asked bidders to set out their proposals in respect of job creation, apprenticeships, a commitment to fair pay, code for sustainable homes (CSH), BREEAM and secure by design (SBD).

3.14 Six offers were received in the form of heads of terms set out by Brent. One was discounted as the submission came in by email and not a 'sealed bid' as per the requirements clearly set out in marketing documentation. Details of the remaining bids are set out below commercial terms are detailed in confidential Appendix 4.

No	PROPOSAL	Value added commitments	Delivery	Brent planning summary comments	Bid Assessment score
1	Development of 24 flats for social/affordable housing (we anticipate 100% nomination rights in favour of the Council will apply).	Jobs: not stated Apprenticeships: 2 Fair pay: yes CSH: level 4 BREEAM: very good SBD: yes	18 months from planning	Some potential relationship issues with adjoining R55 site which may affect capacity. Lack of family housing would need to be considered.	85%
2	20 – 28 1 and 2 bedroom flats.	Jobs: 0 Apprenticeships: 0 Fair pay: yes CSH: 100% BREEAM: 56% SBD: 100%	12 months from planning.	Difficult to provide much guidance on this scheme due to the limited amount of information.	80%
3	Existing Use	Jobs: 20-30 Apprenticeships: 5-10	Not applicable	No planning issues as existing	80%

		Fair pay: confirmed. CSH: NA BREEAM: not stated SBD: NA		use.	
4	About to submit planning application for the adjoining site at 255 Ealing Road. Marriage opportunity and provision of 24 flats + 4 town houses.	Jobs: none Apprenticeships: to be agreed with contractor. Fair pay: confirmed CSH: level 4 BREEAM: Excellent SBD: 100%	20 weeks post the planning judicial review period = total of 26 weeks.	Housing capacity significantly over estimated within the submission.	55%
5	The premises will be used for community activities.	Jobs: 52 paid plus 20 volunteers Apprenticeships: n/a Fair pay: yes CSH: n/a BREEAM: 51-75 SBD: n/a	Delivery timetable is a maximum of 6 months.	Potential transport issues and noise would need to be considered. Likely to be problematic if lots of people were to arrive at any one time. However appear to be training & support rather than place of worship.	45%
6	Residential lead mixed use.	Jobs: subject to planning Apprenticeships: subject to planning Fair pay: yes BREEAM: excellent SBD: 100%	Tbc – will be dependent on the length of time the planning process.	No information submitted.	Bid by email – non compliant discounted.

3.15 In accordance with the bid assessment as the offer from bidder 1 ranks first this bid is recommended as preferred, there are two second ranking bids as the commercial terms offered by bidder 2 are considerably in excess in value this bid is recommended as reserve.

4.0 FINANCIAL IMPLICATIONS

4.1 Details of the proposed capital receipt and associated matters arising from the recommendation to this report are set out in the confidential appendix. It should be noted that in addition to the proposed capital receipt on the site there is potential for additional income to be derived from overage agreements associated with the bidder's proposals.

4.2 Transaction costs for the proposed disposal are to be covered by the capital receipt arising.

4.3 The Council's general policy is that receipts arising from the disposal of land and properties are used to support the overall capital programme. This site was included within the Council's Capital Disposals Programme as part of the

2014/15 Budget Setting process at a forecast value of £500k to be received in 2015/16. This paper's recommendation to dispose will bring the forecast receipt forward to the 2014/15 financial year. Any additional receipt over and above that of the forecast would potentially improve the Council's Capital Programme funding position.

- 4.4 There is an existing net revenue rental stream of £20k from the current occupation of the site that will be lost should the recommendation to this report be approved. It is considered that this loss will need to be met from the existing overall Corporate Property revenue budget provision. The recommendation for disposal over a potential on going rental of the existing premises could mean that Brent would be foregoing a net rent which in the future would be in the order of £25,000 pa.
- 4.5 Approval for residential use would provide the Council with additional resources from the New Homes Bonus over a period of six years. The level of funding would be determined by the council tax band, based on £1,439 per Band D equivalent plus £350 if classified as affordable housing. The New Homes Bonus provides councils with additional resources to meet the costs of services arising from increased development in an area.
- 4.6 Additional uniform business rates income from any new build scheme would arise. It is estimated that about 30% of this additional amount would accrue directly to the Council.

5.0 LEGAL IMPLICATIONS

- 5.1 Head of terms provide for the sale of "only such interest as may exist at law (if any) in the land between the Title No. AGL203403 and the Public Highway" see appendix 1 plans. Any indemnity insurance required by the Purchaser must be obtained at the Purchaser's cost.
- 5.2 Under Section 123 of the Local Government Act 1972 the Council has the general power to dispose of properties by way of sale or lease .The essential condition is that the Council obtains the best consideration that is reasonably obtainable unless it is a lease of 7 years or less.
- 5.3 Disposal on the open market either via auctioneer, marketing agent or to a special purchaser by way of private treaty will satisfy the best consideration requirement.

6.0 DIVERSITY IMPLICATIONS

- 6.1 An equality analysis is attached.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

7.1 There are no staffing implications.

8.0 BACKGROUND PAPERS

None

9.0 APPENDICES

Appendix 1 – location plan, title plan (as per heads of terms) and site plan (as per heads of terms).

Appendix 2 – site specific allocation.

Appendix 3 – equality analysis.

Appendix 3A – bid stage equality and diversity responses.

Appendix 4 – exempt report bid analysis (CONFIDENTIAL).

Appendix 4A – bid assessment (CONFIDENTIAL).

Appendix 4B – bid stage connection or interest response analysis (CONFIDENTIAL).

Contact Officers

Sarah Chaudhry

Head of Strategic Property

0208 937 1705

Sarah.Chaudhry@brent.gov.uk

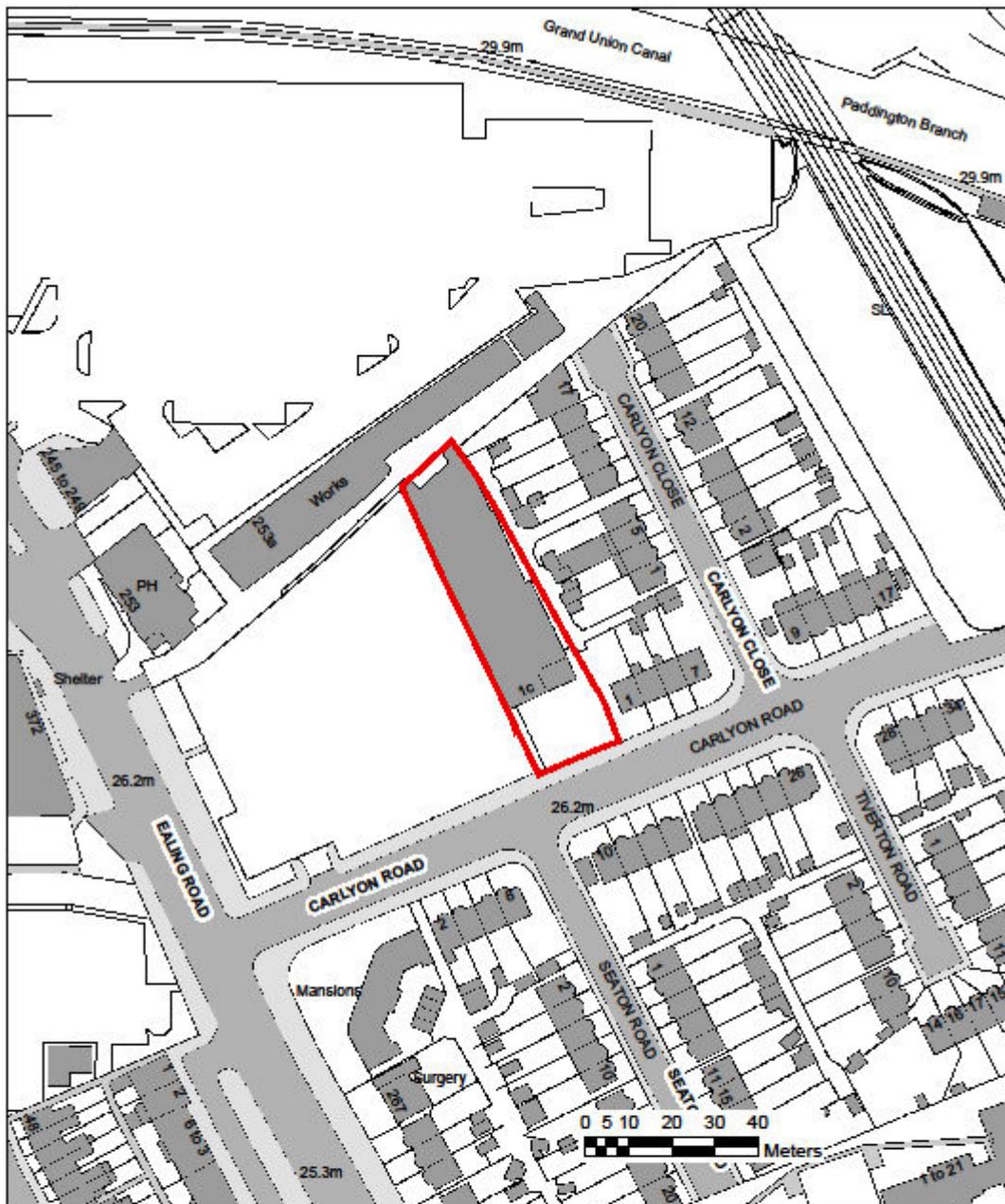
Richard Barrett

Operational Director of Property & Projects

ANDREW DONALD

Strategic Director of Regeneration and Growth

Appendix 1 - Location Plan



1C Carlyon Road, Wembley, HA0 1HH
Premises shown outlined red.

NORTH



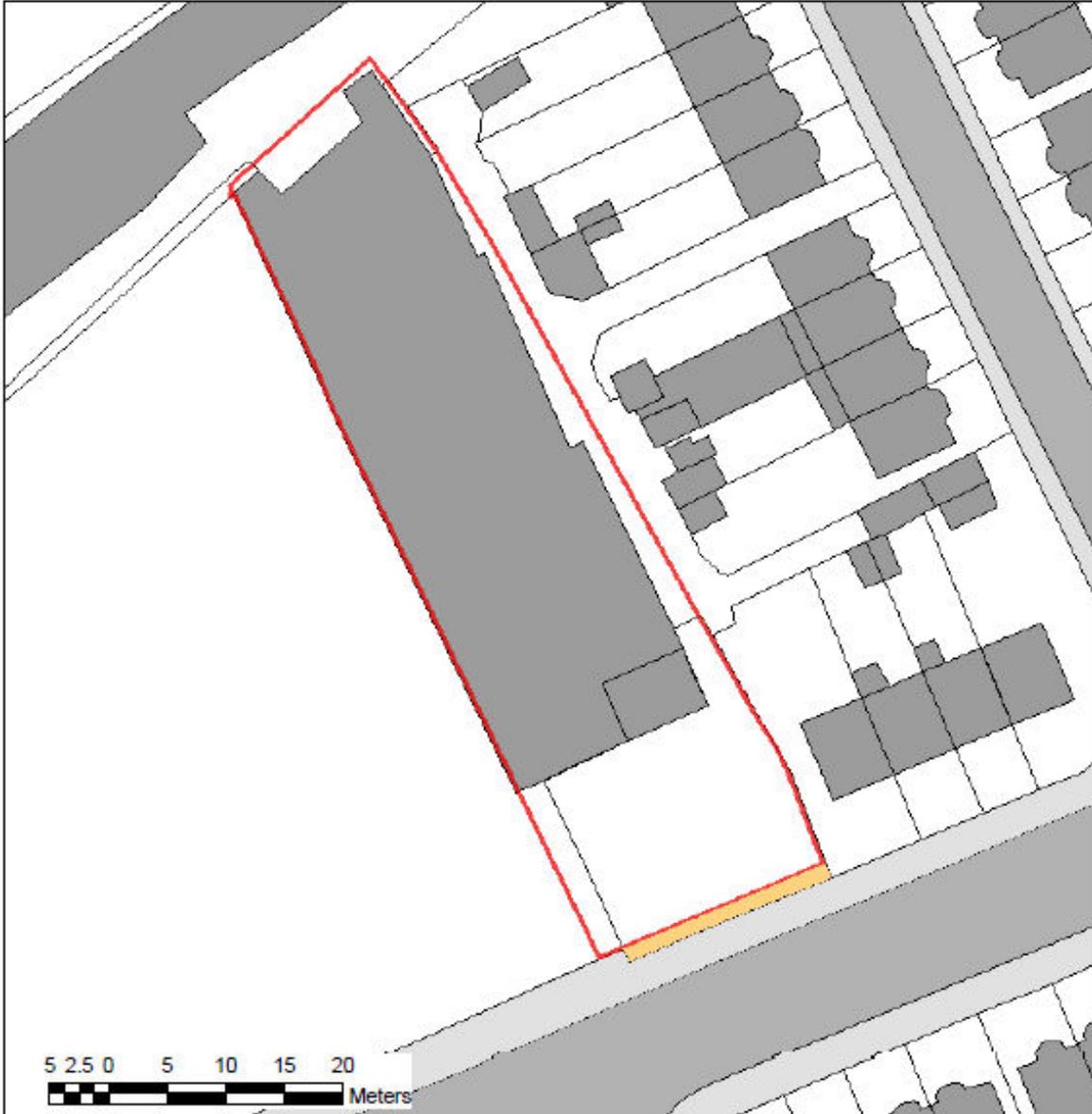
PSMA OS copyright statement
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1:1,250

Map to stated scale if printed at A4.

Site Plan – as per Heads of Terms

1C Carlyon Road, Wembley, HA0 1HH



Brent



Premises



Frontage

1:500

Plan to stated scale if printed at A4.

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NORTH



Appendix 2: Site Specific Allocation

A3. Former B&Q and Marvellairs House

Address: Ealing Road, Alperton, HA0

Ward: Alperton

Area: 2.6 hectares

Description:

A mix of vacant and underused industrial and retail warehousing. Also motor vehicle repair and public house. Bordered by Ealing Road, the Grand Union Canal and the railway line.

Core Strategy policy context:

Core Policies 1, 2, 5, 6, 8, 17, 18 and 19

Planning guidance:

Alperton Masterplan SPD 2011



Map A3

Planning history:

Feb 2010 - planning permission pending S106.[LPA ref: 09/2116] for demolition of former B&Q building and development of 7 blocks comprising 440 flats, commercial and community space and 1 three storey detached dwelling house.

Nov 2008 - renewal of outline planning permission. [LPA ref: 99/0566] for redevelopment of Marvellairs House site for 2000m² non food retail space.

Allocation:

Comprehensive mixed use development including residential, amenity space, B1 employment and A3 uses. The canal side environment should be enhanced for pedestrian and canal users. The configuration of light industrial workspace and A3 uses should seek to mitigate potential conflicts arising from the range of uses and noise generated at Ealing Road. Proposals should conserve and enhance the adjacent canal's Site of Metropolitan Nature Conservation Importance designation. To assist this, an undeveloped buffer strip of 5 metres from the canal will be encouraged.

Indicative development capacity	211 units	115 units	115 units
Indicative development phasing	2011 - 12	2013 - 14	2015 - 16

Flood risk comments:

Not within an identified flood zone. Proposals must be accompanied by a Flood Risk Assessment as the site area is over 1ha. Flood zones are subject to change and modelling and re-modelling is carried out on a quarterly basis by the Environment Agency, therefore any assessment must ensure that the most up to date data is used as part of the Flood Risk Assessment.

Justification:

High quality mixed use development at this prominent location will contribute to the regeneration of Alperton. Introducing higher value uses into the area will improve the local environment and develop new workspace that reflects the current and projected demand. Development can exploit the canal side location to introduce residential development in Alperton growth area.