



**Executive
26 July 2010**

**Report from the Director of
Finance and Corporate Resources**

Wards Affected:
Kilburn and Kenton

Learning Disability Resource Centre - Relocation from Albert Road, South Kilburn to John Billam Playing Fields, Woodcock Hill, Kenton

Appendix 4 is not for publication

This appendix is not for publication as it contains the following category of exempt information as specified in the Local Government Act 1972 namely information relating to the financial or business affairs of any particular person (including the authority holding the information)

1.0 SUMMARY

- 1.1 This report informs Members of the progress to date in the provision of new facilities for Adult Day Care and seeks approval to the revised cost of the project
- 1.2 This report also seeks approval of the variation of the Council's lease with Gujarati Ayra Association London (GAA London).

2.0 RECOMMENDATIONS

- 2.1 To approve the total budget estimate as shown in Appendix 3 for construction of the day care centre at John Billam Playing Fields to replace the one currently situated at Albert Road
- 2.2 To note the use of the IESE framework for the appointment of the main contractor
- 2.3 To approve the variation of the long lease to the GAA in accordance with the Heads of Terms as set out in paragraph 3.8 but on such detailed terms as are considered by the Director of Property and Asset Management to be in the Council's best interest.

3.0 DETAIL

- 3.1 In July 2009 Executive approved in principle to the relocation of the Adult Day Care Centre from Albert Road to provide a modern purpose built facility in a more centrally located area and also to facilitate the proposals for regeneration of the

South Kilburn area. Subsequently, in November 2009 Executive approved the John Billam Playing Fields site as the preferred alternative location for this facility. This approval was subject to the appropriation of the site for planning purposes and also to the grant of planning permission.

- 3.2 The site identified for the new building is shown on the attached plan in Appendix 2; also attached as Appendix 1 is an indicative design of the proposed building.
- 3.3 Appendix 4 sets out the current cost estimate and funding position.
- 3.4 Revenue funding for the proposed new facility will come from the combined current cost of running the current operations at Albert Road and Strathcona (ASSPECTS) which will both cease when this facility is constructed. It is also anticipated that this combined facility will generate significant efficiency savings in both staff and running costs which will contribute toward the Council's One Council efficiency savings target. The revenue implications are also set out in Appendix 3
- 3.5 In regard to Para 3.1 above, specific progress from the November 2009 report in respect of the two conditions to be met i.e. appropriation and planning permission are as follows:
 - 3.5.1. Officers have advertised the appropriation of the land shown in the plan attached at Appendix 2 from open space to planning purposes by placing the appropriate notice in a local newspaper for two weeks (as required under section 122(2A) of the Local Government Act 1972). Officers will verbally report at the meeting whether any objections to the appropriation have been received. It should be noted that the area of land to be appropriated is slightly different from the area referred to in the November 2009 report. As a result of detailed working up of the scheme, the footprint of the day centre site has changed slightly and it is necessary to incorporate some additional land in GAA's lease to provide space for an access road and additional car parking.
- 3.6 Whilst at the 14th April 2010 Planning Committee approval was successfully obtained to the development of the land comprising the former scout hut and adjacent car park for a two storey adult learning and support centre to replace the facilities currently located at Albert Road, South Kilburn and Strathcona (ASSPECT), changes to the car parking and access road layout, and reinstatement of an area to public open space on the adjacent GAA land were also approved. The planning application was submitted jointly with GAA, a local charity organisation which holds a long lease on the existing Kenton Hall and car parks.
- 3.7 The planning application was generally well received and had local support. There were no objections received. However the condition attached to the application, including the resurfacing of the car park and roadway together with the need for the GAA to agree to vary their existing lease in order to accommodate the council's ambitions has led to an increase in cost estimate. Furthermore we are currently still in negotiations with the Trustees of the GAA to agree the requisite variation to their lease; without this variation it is unlikely the proposal can proceed. This variation will require an alteration to the lease terms as set out below in the legal section of this report along with an amendment to the lease plan. The attached plans show the existing leased area and the proposed new leased area. Due to a need to re-

provide the same number of car park spaces for the GAA the leased area has increased in size by 372 sq.m. There is still no overall loss of open space.

3.8 A variation of the lease to GAA is required in order to:

- (a) include a licence for the Council to carry out the works covered by the planning permission;
- (b) require the use of the southern part of the new car park for community parking in the week and for GAA/community parking at the weekend;
- (c) incorporate additional land in the lease for additional car parking and the access roadway;
- (d) surrender back to the Council an area of land to the north of Kenton Hall which will now be used as public open space.

3.9 Following the November Executive officers appointed MACE Architects, Frankham Consultancy and Peter Gittins, Quantity Surveyors, from the Council's Consultancy Framework to take forward the design and cost analysis for the proposed building. Again good progress has been achieved and we have now progressed the scheme to the point, subject to resolution of funding and other matters outlined above, wherein we wish to go out to market to appoint the main contractor. In financial terms for a scheme of this size the council will either need to issue a specific OJEU Notice or utilize a pre-approved framework, similar to the council's own property consultancy framework. In this case MACE Architects are recommending the Council avail of an existing framework, IESE, which they state will allow an earlier start on site and a possible reduction on the current contract sum through a mini competition. An indicative project plan and timetable is attached as Appendix 3.

3.10 Members may wish to note that recently the council has utilised the IESE Frameworks for the appointment of contractors on the following constructions schemes: Preston Manor High School, Harlesden Library, Sudbury Primary School and Roundwood Youth Centre.

3.11 MACE further confirms the contractors on the IESE Framework are all competent to build the JBRC and have a vested interest to financially perform to maintain their rating with IESE.

3.12 **Improvement and Efficiency South East** - The IESE Framework is run and managed by Hampshire County Council on behalf of surrounding local authorities. In essence the view is the combined value of the capital schemes of participating local authorities lead to greater interest from established main contractors who wish to secure a potential stream of instructions. This in turn is envisaged to lead to efficiencies for the local authorities both in terms of cost and time taken to procure a main contractor and also in the cost of the project. The IESE Framework is OJEU compliant and Brent is one of 10 London Authorities to have availed of this route to date. Coincidentally the Chief Executive is considering the approval of the inclusion of Brent as a named participant in the proposed renewal of this Framework.

4.0 CONSULTATION

4.1 Parents and carers have been involved throughout the consultation process in. The criteria for relocation, accommodation and service requirements for the new resource centre. In addition, discussions have been held with the residents of

Silverholmes sheltered housing, the local residents association and the chair of the Allotment Association within the John Billam locality. Discussions have also been held with Parks Services to ensure the scheme can be effectively integrated within their plans to expand their services and improve of land drainage and facility access.

- 4.2 Staff within Albert Road and ASPPECTS day centres have also been involved Within the consultation process specifically with the building's internal layout and facilities.
- 4.3 All stakeholders have given their full support for the scheme. A second round of consultation is planned for July 2010

5.0 FINANCIAL IMPLICATIONS

- 5.1 It had originally been envisaged that the costs of the replacement of Albert Road Day Centre would be met from the Growth Fund. The Growth Fund supports the provision of infrastructure for housing growth in specific growth areas. The rationale for using the Fund is that by relocating the Day Centre, this will free land in South Kilburn that will be subsequently developed to facilitate further regeneration of the area as part of delivery of the overall South Kilburn Masterplan.

6.0 LEGAL IMPLICATIONS

- 6.1 The land shown in the plan at Appendix 2 is currently held by the Parks Service and currently forms part of the overall sports ground. Accordingly, in order to now use the site for redevelopment, it is necessary to appropriate the land for planning purposes. The procedure to follow in order to bring this about is set out in section 122 of the Local Government Act 1972 (the LGA 1972). Under section 122(2A) of the LGA 1972, the Council cannot appropriate any land consisting of or forming part of open space to another function unless before appropriating the land, they cause notice of their intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated and consider any objections to the proposed appropriation which may be made. Since the land forms part of the overall sports ground it is considered that it should be treated as open space, and accordingly the Executive (at its meeting on 16 November 2009) authorised officers to undertake this procedure and to proceed with appropriation unless significant objections were received (in which case a further report shall be brought to the Executive).
- 6.2 The Council has the power under section 123 of the Local Government Act 1972 to dispose of land in its ownership. However, save when this is for a lease of less than 7 years it must obtain the best consideration reasonably obtainable unless it obtains the consent of the Secretary of State to disposal at a lesser value. However, the Secretary of State has issued a general consent under which the Council can dispose of land at an undervalue of up to £2million provided it considers that the disposal will promote the social, environmental or economic wellbeing of its area or part of its area. The value of the additional land be incorporated in GAA's lease is clearly substantially less than £2m, and officers consider that the disposal will clearly promote the social, environmental and economic wellbeing of the Council's area by allowing the provision of the new day centre to go ahead and facilitate the bringing forward of the South Kilburn development project (as explained in more

detail in previous reports to the Executive). Officers consider that in this case the general consent can therefore be relied on.

- 6.3 The anticipated value of the works contract, exceeds the current threshold for the application of the Public Contracts Regulations 2006 (currently £3,927,260). The proposed call-off contract is also a high-value works contract for the purposes of the Council's standing orders. A formal tendering procedure compliant with the relevant Public Contract Regulations is therefore required but the use of an established and legal framework provides an exception to this.
- 6.4 Standing Order 86 (d)(ii) requires the seeking of Borough Solicitor approval wherever a framework established by another contracting authority is used. This approval was issued on 16 June 2010.
- 6.5 It is also necessary that the Director of Finance and Corporate Resources agrees to participation in the Framework, following a recommendation by the Chief Officer.
- 6.6 Since 2005, Hampshire County Council ("HCC") has been acting for and on behalf of IESE (or SECE as it was at the time) providing leadership for their construction and asset management arrangements. The IESE Framework is hosted by HCC and they are responsible for the governance and leadership of the arrangements.
- 6.7 The Framework was advertised (OJEU Contract Notice, 18 October 2005) by "Hampshire County Council for and on behalf of SECE" (the original name of IESE)...and "including all constituent and bordering and neighbouring public sector authorities and their customers." Brent is a neighbouring public sector authority for the purposes of the Framework and as such is entitled to access the Framework.
- 6.8 The procurement will take the form of a two stage process. Firstly a low value contract for preconstruction services will be awarded by the relevant chief officer, and following this, the main contract for the works will then have to be awarded by the Executive.

7.0 DIVERSITY IMPLICATIONS

- 7.1 Housing and Community Care will be preparing an Equalities Impact Assessment for the whole of the Direct Service Review which will include a review of the impact of the new development proposed on the John Billam playing field site.

8.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 8.1 Any staffing implications will be dealt with by Housing and Community Care as part of their Direct Service Review.

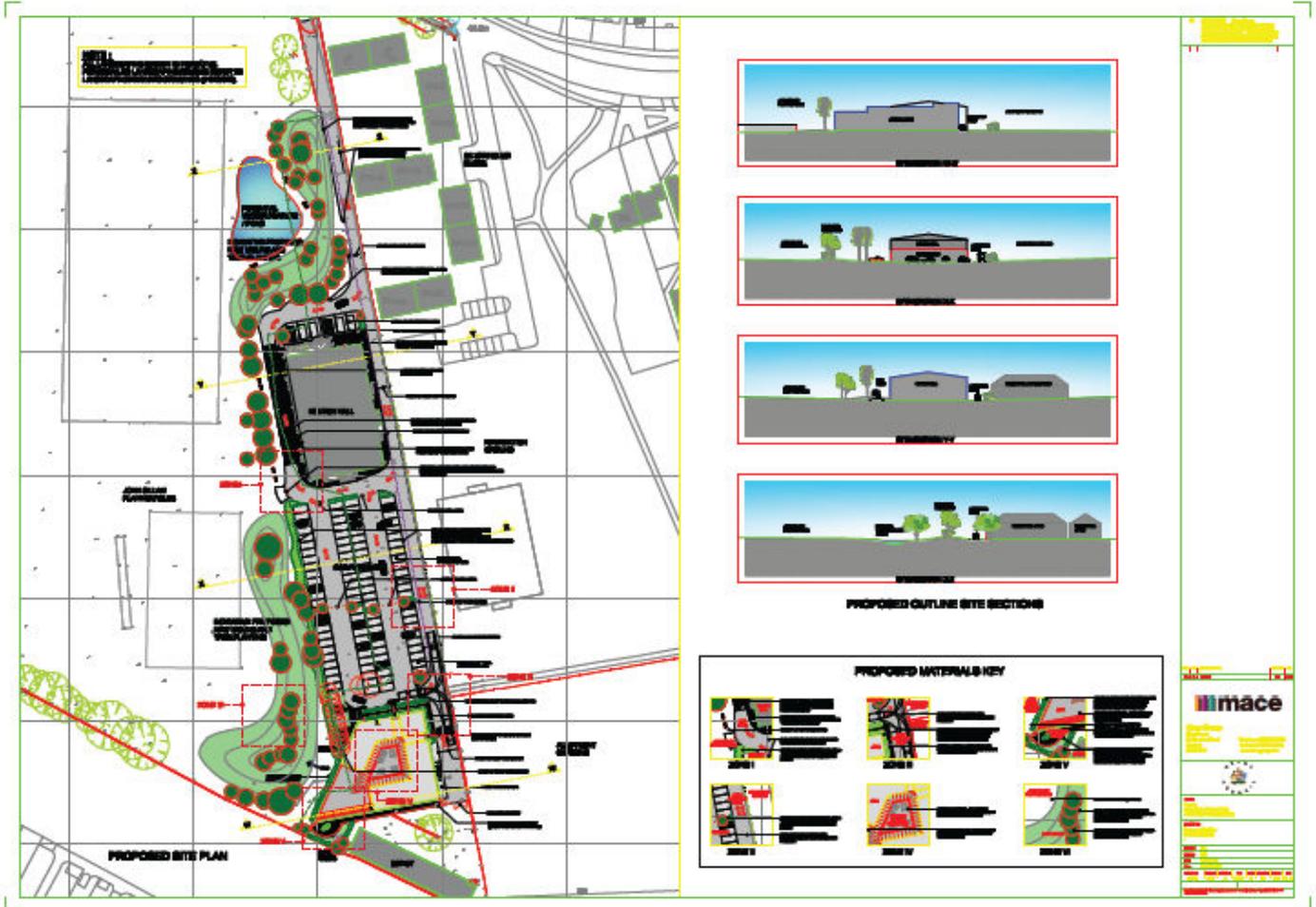
Contact Officers

Richard Barrett, Head of Property and Asset Management,
Room 1A, Town Hall Annexe, Forty Lane, Wembley.
Tel: 020 8937 1334

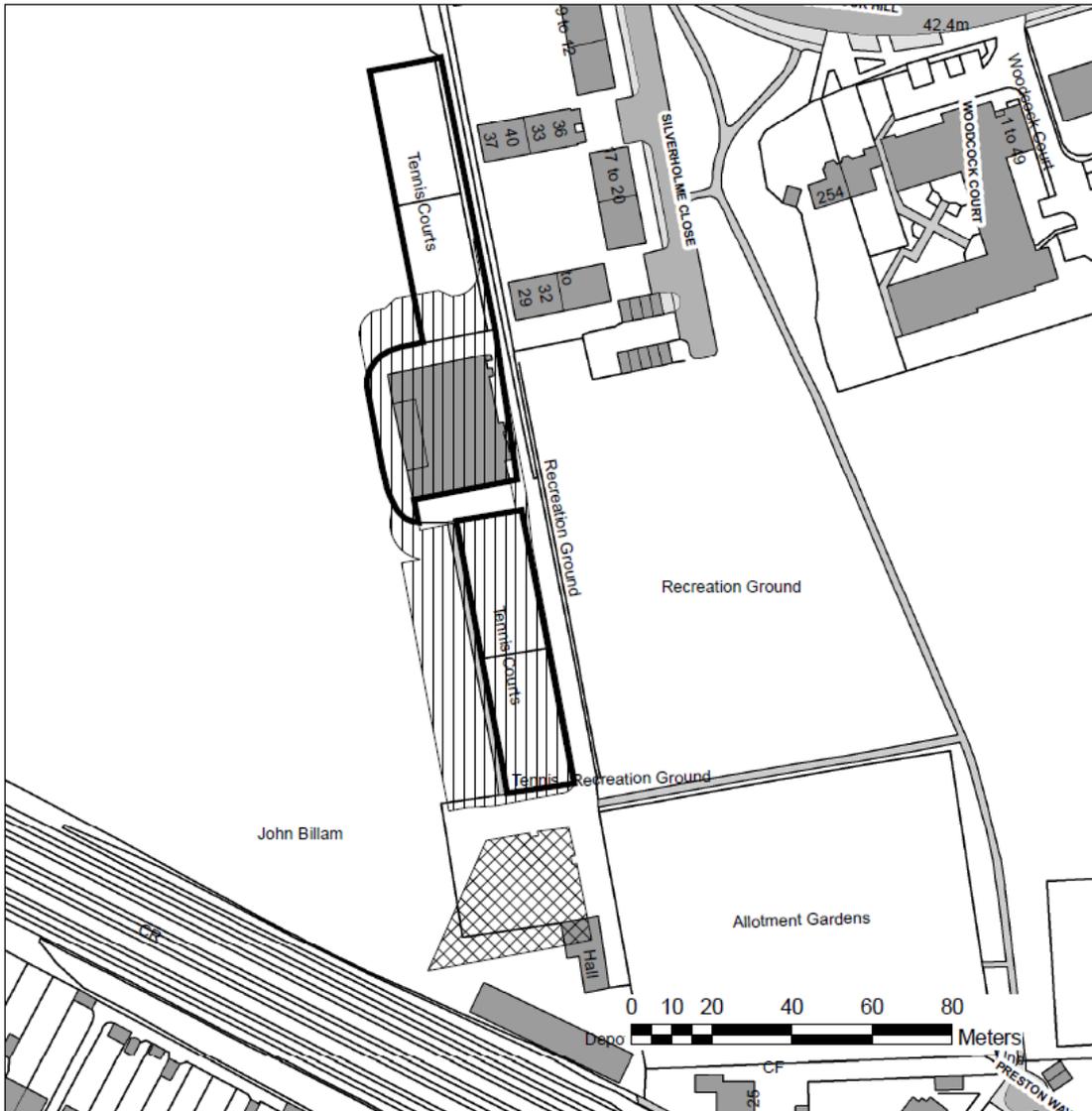
Duncan McLeod, Director of Finance and corporate Resources
Town Hall, Forty Lane, Wembley

APPENDIX 1

Indicative design of the proposed building

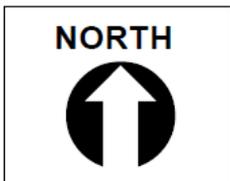


EXECUTIVE COMMITTEE
Learning Disability Resource Centre -
Site identified for the new building and
GAA current and proposed lease demises.



Resource Centre
 Proposed New Demise
 Original Demise

Plan for information purposes only.



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APPENDIX 3

PROJECT/CONSTRUCTION PROGRAMME

	TASK	START	FINISH
1	Planning Approval.	April 2009	19 th April 2010
2	Design Development (Stages C/F).	11 th May 2010	20 th Sept 2010
3	Client Approval: Project Board 1 st Stage.	09 th August 2010	09 th August 2010
4	Appoint Contractor (Pre-construction).	10 th August 2010	16 th August 2010
5	Building Regulations Application.	31 st August 2010	27 th October 2010
6	Client Approval: Project Board 2 nd Stage.	08 th October 2010	08 th October 2010
7	Contract Award.	18 th October 2010	19 th October 2010
8	Contractor's Mobilisation/Site Preparation.	26 th October 2010	01 st Nov 2010
9	Access Road Construction (Base Course only).	03 rd Nov 2010	16 th Dec 2010
10	Main Construction.	04 th January 2011	25 th Nov 2011
11	Practical Completion.	25 th Nov 2011	25 th Nov 2011