



**Cabinet**  
27th July 2015

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

Wards affected:  
Wembley Central  
Tokyngton, Barn Hill  
Alperton, Stonebridge

**Wembley and Alperton Housing Zones**

Appendix 1 is not for publication.

**1.0 Summary**

- 1.1 The Council has secured GLA Housing Zone designations for Wembley and Alperton which will help to accelerate the delivery of hundreds of new homes and bring forward regeneration in these areas. On 15 September 2014, Cabinet gave approval for the Council to submit bids to the GLA for Alperton and Wembley to become Housing Zones and agreed for a further report to be brought to Cabinet on the required funding arrangements between the Council and the GLA and any associated matters requiring approval.
- 1.2 The Council intends to make use of the Housing Zone designations to increase and accelerate the delivery of new homes in Wembley and Alperton, largely through the acquisition and assembly of land, and by working with development partners.

**2.0 Recommendations**

- 2.1 Officers recommend that Cabinet:
- 2.2 Approve in principle entering into contract with the Greater London Authority to receive Housing Zone grant funding to assist with delivery of the Housing Zone objectives in Alperton (£13.9million) and Wembley (£8 million) with

approval of the terms of such funding contracts to be delegated to the Strategic Director for Regeneration and Growth in consultation with the Chief Financial Officer.

- 2.3 Approve in principle the taking of steps to make use for development of retained land along the Wembley High Road frontage at Ark Elvin Academy through the Wembley Housing Zone, subject to receiving section 77 approval from the Secretary of State for Education and subject to meeting agreed costs in the fit out of the new academy.
- 2.4 Note the intention to make use of the Mayor's London Development Panel to develop the retained land at Ark Elvin Academy and to form a development partnership for the Wembley Housing Zone.
- 2.5 Delegate authority to the Strategic Director for Regeneration and Growth in consultation with the Chief Financial Officer to take steps to dispose of the retained land at Ark Elvin Academy. The final decision on the disposal of the land will be subject to a final decision remaining with Cabinet.
- 2.6 Approve in principle to make Compulsory Purchase Orders of land interests within the Housing Zones under Planning, Housing and Highways legislation to bring forward the development objectives, subject to a further specific resolution of Cabinet in respect of the making of each order.

### **3.0 Detail**

#### About GLA Housing Zones

- 3.1 In 2014 the Mayor of London published its Housing Prospectus in which it outlined proposals for Housing Zones. Housing Zones would be designated where Local Authorities would successfully apply for financial assistance to bring forward additional and/or accelerated delivery of new homes in London, including affordable housing.
- 3.2 A £400m fund was available to draw on, consisting of £200m grant and £200m of development finance. The GLA advised that proposals for up to £20m (split roughly between grant and development finance) would be assessed in line with the objectives of the Housing Prospectus. Up to 20 Housing Zones will be established in London.

#### Summary of the Wembley Housing Zone

- 3.3 Following approval by Cabinet in August 2014 an application for Wembley to be designated as a GLA Housing Zone was submitted to the GLA in September 2014 to receive grant funding to assist with the accelerated delivery of approximately 660 homes by 2021, including approximately 215 affordable homes, representing a proportion of 30%.
- 3.4 On 16<sup>th</sup> March 2015, the Mayor confirmed that Wembley had been successfully designated as a Housing Zone subject to a period of due diligence. Officers are now working with colleagues at the GLA to ensure that

information is exchanged for due diligence to progress over the coming months.

- 3.5 Additionally, the Mayor announced that Quintain had successfully applied for nearly £39m of development finance through the London Housing Bank to bring forward development to the east of Wembley Stadium for 450 intermediate rented homes.
- 3.6 The Council has identified sites within Wembley that would be acquired and developed through the Housing Zone initiative. These are sites that benefit from planning policy that supports mixed use development, most recently within the Wembley Area Action Plan, adopted in early 2015.
- 3.7 Design feasibility work has been undertaken for these sites that indicates that the initiative can deliver approximately 660 homes. The design feasibility has been developed in conjunction with Brent's planning department to provide a degree of certainty that the designs can be taken forward in more detail.
- 3.8 The sites will be brought forward through a phased programme of acquisition and development, with the land residual of for example phase one reinvested into bringing forward phase two, and so on through four phases.

#### Summary of the Alperton Housing Zone

- 3.9 Following approval by Cabinet in August 2014 an application was submitted in September 2014 to the GLA for Alperton to be designated as a Housing Zone. The application was for Housing Zone grant and development finance to assist with the delivery of approximately 2,300 new homes by 2025 including approximately 850 affordable homes, representing a proportion of approximately 35%
- 3.10 The project includes provision to improve accessibility to Alperton Underground Station by improving pedestrian and cyclist access from Woodside End along Atlip Road.
- 3.11 Additionally, funds will be directed toward the remediation of contaminated land that is otherwise prohibitively expensive to bring forward for development. This will be in the form of development finance made available to the development sector in relation to bringing forward residential development in the Housing Zone.
- 3.12 The GLA has now confirmed that Alperton has successfully been designated as a Housing Zone, subject to a period of due diligence which is now underway.

#### GLA Housing Zone agreement

- 3.13 The GLA have issued a contract agreement to the council which will cover the terms of the financial transactions between the GLA and the council for the Housing Zones. The contracts will include the requirement to deliver housing and affordable housing outputs against an agreed timeframe.

- 3.14 Members are asked to provide approval in principle to enter into the agreement and delegate authority to the Strategic Director for Regeneration and Growth to agree the terms of the agreement in consultation with the Chief Finance Officer.

*Development of retained land at the Ark Elvin Academy*

- 3.15 The Wembley Housing Zone proposal includes the development of land freed up by the delivery of the new Ark Elvin Academy on the site of the former Copland School. The future development of this land was reported to and approved by Cabinet in April 2014.
- 3.16 The development of the land at Copland School will meet a funding requirement in the delivery of the new Ark Elvin Academy, in particular fixtures, fittings and equipment, including ICT.
- 3.17 The Council's proposed route for development is to make use of the Mayor's London Development Panel which is a framework of pre-procured developers. A condition of the development will be to form a development partnership with the council to deliver the Housing Zone objectives.
- 3.18 Officers recommend that Cabinet delegate authority to the Strategic Director for Regeneration and Growth in consultation with the Chief Financial Officer to take steps to dispose of the retained land at Ark Elvin Academy subject to consent of the Secretary of State for Education under the relevant Act in line with the delivery arrangements envisaged within the Wembley Housing Zone bid. Approval of the final disposal of the land would remain with the Cabinet.

*Compulsory Purchase Orders*

- 3.19 The delivery of the Housing Zone initiatives will require the acquisition of private land. It is the intention of officers to negotiate the purchase of land by private treaty. However the council may ultimately be required to make use of Compulsory Purchase Powers conferred upon it through the Town and Country Planning Act 1990, The Highways Act 1980 and The Housing Act 1985.
- 3.20 This report seeks Cabinet approval to the principle of using Compulsory Purchase Orders where these are necessary. In these circumstances specific reports will be required justifying the use of each Compulsory Purchase Order and setting out the financial arrangements that would underwrite each Order.

**4.0 Financial Implications**

- 4.1 The council will be required to enter into contracts for each Housing Zone in relation to financial transactions between the GLA and the Council. The contracts will include the housing and affordable housing outputs and a programme for delivery. Entering into these contracts will facilitate receipt of Housing Zone grant funding to assist with delivery of the Housing Zone objectives in Alperton (£13.9million) and Wembley (£8 million).

- 4.2 Subject to s77 consent and meeting the agreed costs for fit out and other associated works for the new Ark Elvin Academy, the retained land at Ark Elvin Academy will be developed through the proposed partnership with a developer.
- 4.3 In addition to the contribution of £8m Housing Zone grant by the GLA it is proposed that the Council will contribute £2m at the outset of the development programme, this amount then being recovered at the conclusion of that programme. It is currently forecast that all costs associated with the Housing Zones development will be met from the combination of grant and capital receipt.
- 4.4 The Housing Zones will be project managed within the existing governance framework within the Regeneration and Growth department making use of project management tools derived from the Capital Portfolio Office.
- 4.5 The council has committed to funding a post to provide client side project management of the Housing Zones and as such these costs will be met from existing revenue budgetary provision by diverting resources from within the Regeneration and Investment Team.
- 4.6 As momentum of the Housing Zones programme builds, further project support will be required. There is currently no budgetary provision to meet additional project support costs beyond the next two years.

## **5.0 Legal Implications**

- 5.1 The council will procure legal advice to support the delivery of the Housing Zone including contract matters with the GLA, the acquisition and disposal of land (including retained land at the former Copland School), procurement of joint venture partners, drafting and managing the development agreements, procurement and appointment of consultants, State Aid and Compulsory Purchase Orders.
- 5.2 The council will enter into development agreements with a joint venture partner to deliver the Housing Zone outputs. Within Wembley, the partnership will be linked to delivery of homes upon the retained land at the former Copland School and will be a condition of the development of this land.
- 5.3 The council will almost certainly be required to make a Compulsory Purchase Order to assist with the acquisition of development sites within the Housing Zones This is likely to be under both The Town and Country Planning Act 1990, The Highways Act 1980 and The Housing Act 1985.
- 5.4 Further reports to cabinet will follow at the appropriate time to obtain the requisite Cabinet authority in respect of relevant land to be acquired which will set out the Council's case for compulsory acquisition to form the substance of statement of reasons to be submitted to the secretary of state with the compulsory purchase orders.

- 5.5 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.
- 5.6 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 ensuring the site has been properly exposed to the market through marketing with bids coming in on a competitive basis.
- 5.7 The disposal of the land forming part of the former Copeland School is designated as education land and therefore the Secretary of State for Education consent is required under Schedule 1 to the Academies Act 2010.

## **6.0 Diversity Implications**

- 6.1 The Housing Zones will deliver homes to help meet the needs of Brent residents, including those listed on the council's waiting list. Housing allocations will be made in accordance with the council's allocations policy.
- 6.2 At least ten percent of the homes will be designed and delivered to be wheelchair adaptable homes while all homes will be designed to Life Time Homes standards.

## **7.0 Staffing Implications**

- 7.1 The Housing Zones will be project managed within the existing governance framework within the Regeneration and Growth department making use of project management tools derived from the Capital Portfolio Office
- 7.2 The council has committed to funding a post to provide client side project management of the Housing Zones reporting to the Project Sponsor and to complete the project reporting requirements of the GLA. As momentum of the Housing Zones programme builds, further project support will be required.

### **Contact Officers**

Alex Hearn  
Regeneration Manager Growth Areas

**Andrew Donald**  
**Strategic Director Regeneration and Growth**