



**Executive  
13 December 2010**

**Report from the Director of  
Regeneration and Major Projects**

Ward Affected:  
Barnhill, Wembley Central,  
Stonebridge, Willesden Green

**Civic offices and property disposals**

**1.0 SUMMARY**

- 1.1 The Council is planning to relocate from a number of major office buildings around the Borough to the Civic Centre which is due to be available for occupation in 2013. In order to prepare for this event it is necessary to regularise land title issues and appoint external property consultants to provide guidance as to the marketing and disposal of certain assets. This report seeks authority to undertake this work and for an appropriation to facilitate it.

**2.0 RECOMMENDATIONS**

- 2.1 That the Executive notes the appointment of consultants Collyers International to provide advice and guidance to the marketing and selection of purchasers for various properties as outlined in the report and any additional properties that might become surplus following the outcome of various One Council Reviews.
- 2.2 That the Executive agree to the appropriation of the Town Hall site pursuant to S. 122 of the Local Government Act 1972 for planning purposes provided that it is satisfied in principle that the Town Hall site is no longer required for the purposes for which it is currently held.
- 2.3 That the Executive note that a report or reports will be presented to a future meeting of the Executive which will recommend the disposal of these assets. These reports will follow on from appropriate marketing and subject to contract negotiations.

**3.0 DETAIL**

- 3.1 The construction of a new Civic Centre and relocation of Brent Council to this new building will result in a number of key operational buildings becoming surplus to the Council's. This report highlights those buildings and identifies some of the main issues and risks surrounding disposal.
- 3.2 The office accommodation strategy of Brent Council was first looked at holistically with a view to securing long term solutions some years ago. This culminated in a

decision to seek to synchronise, as much as possible, lease end dates around 2012/13. This decision was influenced by the fact that most of the buildings would need a major refurbishment or rebuilding around this time and that it was felt possible, through negotiations with landlords, to seek to co-terminate existing leases. It was also considered at the time that this strategy would then allow the Council to develop the ambition of a consolidated operation. This initial strategy has ultimately resulted in the proposal to construct the Civic Centre.

3.4 We are now at the stage where we can begin to plan with some certainty the actual decant dates for our major buildings. Consequently we need to embark on a process of due diligence so as to ensure we maximise the value of our freehold assets and minimise our exposure to unnecessary lease costs. Thus we also now need to deal with any title or lease issues and allow sufficient time to provide maximum exposure of our assets to the open market. We therefore need to carry out some “house-keeping” issues regarding the Town Hall site and this is set out in Paragraphs 3.7 to 3.12 below. We also need to appoint external consultants to assist now in disposing of surplus buildings. As such officers have recently undertaken a mini-tender using an appropriate OGC Framework, and a well known firm of real estate and property consultants has been selected by officers for recommendation to members

3.5 Since 2003 a number of office buildings have been vacated as we have made better use of other accommodation. Factors influencing this rationalisation of the portfolio have been:

Increased scrutiny of office areas

Reduced numbers of managers offices

Use of scanning and electronic systems to reduce filing

Shared drives giving greater flexibility to desk locations

Some home-working initiatives and other IT initiatives to promote flexible/remote working such as blackberrys.

Rationalisation of services most recently through the Staffing and Restructuring projects

Office Buildings fully vacated or partly vacated since 2003:

- Elizabeth House: 900 sq m
- Triangle House: 400 sq m
- Chesterfield House (Part) 1154 sq m (Dec 10)
- Brondesbury Road 1100 sq m (occupied by Mental Health Trust and Brent Council staff)
- 1 Craven Park 300 sq m

This is an on-going process and, for example, it is intended that both Cottrell House and London Road will be similarly vacated during 2011 with any relocated staff and services being absorbed within our existing portfolio. Therefore overall current density of occupation is about 1 workstation per 8 sq m

In addition the recent creation of the new Regeneration and Major Projects Department along with internal reorganisations at Brent House and Chesterfield House have recently been completed or are being undertaken. Approximately 500 staff have all relocated. The whole of Brent House will be operating on an open

plan basis with desk sharing and about 1 workstation per 8 sq m). All these moves have involved the wholesale recycling of office furniture to save costs.

Other recent projects have been the new Finance Centre Town Hall and relocation of the People's Centre to the Town Hall. (approximately 90 staff)

- 3.6 Paragraph 3.4 above refers to the need to provide maximum exposure of our assets to the open market.
- 3.7 As part of this process it is necessary to appropriate the Town Hall site for planning purposes in order to ensure the proper redevelopment of the site since such an appropriation will allow the Council to use powers in Part IX of the Town and Country Planning Act 1990 which only apply where land has been acquired or appropriated for planning purposes. At present, the Council hold the Town Hall for office, community and administrative functions and due to the firm commitment to relocate these functions to the Civic Centre it is clear the current building is no longer required for that purpose – hence the proposals to dispose of it.
- 3.8 The Town Hall because of its Listed Building status and its importance as a visual, social and historic landmark in the borough needs to be sensitively redeveloped and an appropriate use found for the main building. The Civic Centre business case assumes that receipts from the sale of the Town Hall site, Quality House and Brent House will be used towards the Civic Centre. It is considered that such redevelopment is clearly in the public interest and provides sufficient justification for the appropriation which will allow flexibility in what can be achieved in terms of redevelopment and will facilitate redevelopment which will improve the economic, social and environmental well-being of the area. Appropriation will allow for the operation of powers including s. 237 of the 1990 Act, to override third party rights which might impede such redevelopment or which make it more difficult to achieve the optimum scheme. If that power were required, then there would be in any event an entitlement to compensation for any party whose rights were overridden.
- 3.9 The Council has already included the Town Hall site in its Local Development Framework Site Specific Proposals. The submission acknowledges the fact that it is a Grade II Listed Building and proposes a mixed use development including offices, retail (for local needs only), residential, hotel and community facilities ensuring the retention of the Listed Building. At an examination in public by an Inspector on 2 November into representations received on this Site Specific Proposal the Inspector identified one main issue, namely has the local community been properly notified during the DPD preparation.
- 3.10 An informal planning brief has also been drawn up which will be finalised when the Inspector issues his report into the representations made into the Site Specific Proposals. The brief will form part of the marketing package and provide greater certainty over how the site may be used and adapted in the future. Whilst it is not possible to be certain with regard to the precise proposals which will come forward, and be considered acceptable, nonetheless the proposed appropriation will assist the Council's objective of obtaining the best scheme in the public interest.
- 3.11 The existing facilities at the Town Hall which include the library, One Stop Shop, Civic Hall, Committee Rooms, Registrars Office, Wedding Garden, Members

Accommodation and the various office staff will all decant to the new Civic Centre in June 2013. After that date the Town Hall will no longer be required for its current purposes and will be empty.

- 3.12 It is proposed that steps will be taken to initiate the strategy to market the Town Hall site by the end of 2010/early 2011. In order to provide a sensitive redevelopment encompassing proposals in the Site Specific Allocation and the planning brief it is considered in the public interest that the Town Hall site should be appropriated under section 122 of the Local Government Act 1972 for planning purposes now. This will enable a mixed use development to take place and give an opportunity for proposals to come forward which will secure the long term restoration of this important Grade II Listed Building.

- 3.12 The Civic Centre will ultimately result in the following buildings being vacated:

Brent House  
 Town Hall and Library  
 Chesterfield House  
 London Road  
 Quality House  
 Douglas Avenue  
 Chancel House (BHP)  
 Challenge House  
 Mahatma Ghandi House

Other buildings indirectly affected are:

Hampton House  
 Pyramid House  
 Willesden Green Library

- 3.13 The Civic Centre will eventually be providing 1600 workstations at an 8 desks to 10 staff ratio with approx 9.5 sqm per workstation. Thus it is envisaged that 2000 staff will be capable of being accommodated within the Civic Centre

3.14 **Detail**

Brent House	<div>Office Area</div> <div>6,500 sq m (Council) 300 sq m (Contractor) 2,275 sq m (let to Air France)</div> <div>Proposed date of vacation 25 June 2013 (Council) 25 June 2014 (Air France)</div> <div>Marketing Jan 2012</div> <div>Disposal June- Dec 2013</div> <div>Legacy issues- Potential significant costs of operating building if Air France refuse to move early. Costs of empty rates, security until a sale complete, potential empty prominent building in Wembley if not quickly refurbished or redeveloped.</div>
Town Hall and Library	Office Area 3,800 sq m

	<p>Date of vacation March 2013-June 2013</p> <p>Marketing April 2011</p> <p>Disposal 2013</p> <p>Legacy issues Costs of empty rates, security until a sale complete, potential vacancy of prominent building in Wembley if not quickly refurbished or redeveloped.</p>
London Road	<p>Occupied by Mental Health Trust Staff and Council Staff Office Area 1,100 sq m</p> <p>Date of vacation proposed March 2011</p> <p>Legacy Issues Dilapidation payment to landlord Risks-.Works to MGH might not be completed in time</p>
Chesterfield House	<p>Office Area 1,731 sq m Shop Area 100 sq m Date of vacation 24 March 2013 (lease expiry) Legacy Issues Dilapidation payment to landlord</p>
Gwenneth Rickus	<p>Await advice- being reviewed as to whether to be disposed of with office/training functions transferring to new Civic Centre</p>
Chancel House	<p>Occupied by Brent Housing Partnership</p> <p>Office Area 2,900 sq m</p> <p>Date of vacation 31 January 2014 (break notice)</p> <p>Legacy Issues Dilapidation payment to landlord</p>
Douglas Avenue	<p>Occupied by 25 (Children and Families staff )</p> <p>Office Area 250 sq m</p> <p>Date of vacation Anytime</p> <p>Legacy Issues Securing planning consent for redevelopment or sale as nursery</p>
Mahatma Gandhi House	<p>Lease End: 18<sup>th</sup> September 2016 Staff approx: 400 Housing and Community Care Area: 4600 sq.m.</p> <p>Legacy issues:</p> <ul style="list-style-type: none"> <li>• Dilapidations</li> <li>• Costs of potential early surrender</li> <li>• Unlikely to be able to sublet for remaining three years of lease</li> </ul>

Areas that are being addressed to ensure a smooth transfer of staff to the Civic are:

- Electronic filing Systems including post
- Standardised support models for flexible working
- Access to transport for staff who need to be mobile to undertake their work.
- Desking arrangements and personal storage
- Open plan working protocols

There are a number of important issues with the above matters which need to be resolved using expertise both corporately and within service departments.

- 3.15 A number of other properties that are not directly related to the office buildings rationalisation are likely to become surplus to the Council's requirement. Work currently being done by service areas and the recent Assets Toolkit study of the Council's property undertaken by EC Harris has helped to identify some property that might no longer be required for the existing service. It should be noted that some of these buildings might be redeployed to other uses, possibly held if they could be re-let for income or alternative uses sought and the property sold. It is therefore proposed that Colliers International are also instructed on these properties if it is in the best financial interests of the Council.

**3.16 Consultancy Appointment**

It was identified that the Council needs some assistance for the marketing and selection of purchasers or occupiers for the various properties outlined above. It was also identified that the Office for Government Commerce (OGC) has a suitable framework for such consultants, known as the Property Solutions – Estates Professional Services. This framework includes 8 providers, being most of the large organisations known to operate in this field. In accordance with Standing Order 86(d) the relevant Chief Officer recommended use of this framework and the Director of Finance and Corporate Resources approved it, while the Borough Solicitor confirmed its use as legally permissible. A mini-competition exercise was then undertaken and the bids were evaluated in accordance with the framework's requirements and the evaluation criteria notified to the bidders. Following that process an award report was prepared for the Chief Officer and an award of contract is proposed to be finalised with Colliers International

**4.0 FINANCIAL IMPLICATIONS**

- 4.1 There will be costs associated with disposal of the properties. The fees and disbursements for disposing of the buildings will be in the region of £150,000. These will be deducted from the eventual sale price. The fee will vary depending upon the actual receipt. The Civic Centre budget makes provision for these costs.

**5.0 LEGAL IMPLICATIONS**

- 5.1 The process leading to the appointment of consultants as noted in the first recommendation of the report has taken place in compliance with Contract Standing Orders and the European public procurement rules concerning

frameworks. A written agreement with the consultant will need to be drawn up, in the form provided for within the framework agreement.

- 5.2 Under Section 122 of the Local Government Act 1972 the Council can appropriate land for any purpose which under the legislation it can acquire land. What this means is that although the Council already owns the Town Hall site it can appropriate it for another purpose provided it is a purpose for which it is allowed under the legislation to acquire land and provided the land is no longer required for the purpose for which it is held immediately before the appropriation. The Council must be satisfied that the appropriation is in the public interest.
- 5.3 Under Section 226 of the Town and Country Planning Act 1990 the Council is authorised to acquire land if the Council thinks that the acquisition of the land facilitate the development or redevelopment of the land and the development, re-development or improvement is likely to contribute to the promotion or improvement of the economic well-being of their area and/or the promotion or improvement of the social well-being of their area and/or the promotion or improvement of the environmental well-being of their area.
- 5.4 With the decant of all the facilities and staff presently at the Town Hall to the new Civic Centre and the need to ensure that on disposal of the site that there is a sensitive redevelopment of the site particularly having regard to the Grade II Listed Building it would be proper to appropriate the land to planning purposes.

## **6.0 DIVERSITY IMPLICATIONS**

- 6.1 The new Civic Centre will be fully accessible to disabled staff and public visitors.

## **7.0 STAFFING/ACCOMMODATION IMPLICATIONS**

- 7.1 The substantial majority of Brent Council staff will transfer to the new Civic Centre

## **8.0 BACKGROUND PAPERS**

Various Papers held in Property and Asset Management

### **Contact Officers**

Richard Barrett

Assistant Director (Property and Asset Management)  
Regeneration & Major Projects (Ext: 1334)

James Young

Deputy Head of Property and Asset Management  
Regeneration & Major Projects (Ext 1398)

ANDREW DONALD

Director of Regeneration and Major Development