



Cabinet
24 April 2017

**Report from the Strategic Director of
Regeneration & Environment**

Wards affected: Kilburn

**Peel – Development Site South Kilburn – Update on site
assembly and NHS Engagement and decision to move to
procurement of a delivery partner**

1 Summary

- 1.1 This report provides Cabinet with an update on the South Kilburn Peel site development and seeks approval to move to the procurement of a delivery partner; to set rent levels at HCA Target Rent and to reaffirm the decision to authorise the use of Ground 10A of schedule 2 part 11 of the Housing Act 1985 and CPO Powers taken in 2012, 2013 and 2014.
- 1.2 The Peel site comprises – Peel Precinct, 97-112 Carlton House, 8-14 Neville Close, 2A Canterbury Road & Peel site garages (see appendix 1 – Existing Site Plan).

2 Recommendations

That Members:

- 2.1 Approve the procurement of a delivery partner for the Peel site through inviting tenders using a Competitive Procedure with Negotiation under the Public Contracts Regulations 2015 on the basis of the pre-tender considerations set out in paragraph 3.18 of this report and evaluating the tenders on the basis of the evaluation criteria set out in that paragraph.
- 2.2 Approve the setting of rent levels for the affordable homes at the Peel site once complete, at a rent equivalent to the Homes and Communities Agency Target Rent levels.

- 2.3 Approve the previous Executive and Cabinet decisions as detailed in paragraph 3.11 to utilise Ground 10A of the Housing Act 1985 (if approval is given by the Secretary of State) and compulsory purchase powers under section 226(1)(a) of the Town and Country Planning Act 1990 to secure the vacant possession of properties within the Peel.

3 Detail

Background

- 3.1 Planning Committee resolved to grant planning permission for the Peel site on 15 February 2017. This was a hybrid planning application.
- 3.2 The Peel site will deliver the following:
- **Full** planning application for the demolition of 2A Canterbury Road, 1-7 and 15-33 Peel Precinct and 8-14 Neville Close, and erection of four buildings (A, B, C and E) ranging between four to 16 storeys, plus part basement comprising of 38 replacement affordable homes for existing South Kilburn secure tenants, 64 private sale units (38 x 1-bed, 47 x 2-bed, 13 x 3-bed and 4 x 4-bed units) new health centre (Use Class D1) with flexible first floor space (Classes A1/D1/D2), 3no A-class retail units at ground floor, associated landscaping, highways and public realm improvements (including new public space), private open space, associated car parking, cycle parking and servicing provision.
 - **Outline** planning application with reserved matters (around Appearance, Landscaping, and Scale) for the demolition of 97-112 Carlton House, 34-57 Peel Precinct and Peel site garages, and erection of three buildings (D, F and G) ranging in height between up to 4 and up to 8 storeys provide up to 124 residential units comprising of 4 Affordable Housing units, and up to 120 private units, with associated landscaping, private open space, and cycle parking.
- 3.3 It should be noted that there will be three and four bedroom properties for secure tenants on the Peel site, where at present there are only one and two bedroom secure tenant properties. This will result in a 50% increase in bedrooms for secure tenants on the Peel site.
- 3.4 The site is split into 3 phases (see appendix 2 – Phasing Plan, in part to enable properties, for secure tenants on the Peel, to be built for them to move into directly from their current homes. It is currently envisaged the development will come forward in phases:
- 3.5 Phase 1 - would require the vacation and demolition of the South Kilburn Studios (2A Canterbury Road), as well as 16-33 Peel Precinct. This would allow the first 38 affordable units to be constructed in Block E, housing all secure tenants currently remaining on the Peel site.
- 3.6 Phase 2 would require 1-7 & 15 Peel Precinct and 8-14 Neville Close to be vacated. Once vacant possession has been secured blocks A, B and C can be constructed. This will contain 64 private sale units, the health centre and the commercial units (Blocks, A, B and C).

- 3.7 Phase 3 would require the demolition of 34-57 Peel Precinct and 97-112 Carlton House. This would allow for the construction of blocks D, F and G (submitted in outline), which will contain up to 120 private sale units and 4 affordable units.
- 3.8 It is worth noting however that Phase 2 and 3 could potentially be built out at the same time if all properties are vacant and reserved planning matters have been dealt with.
- 3.9 The current site comprises of 56 residential units, 36 of which are deemed social rent units and 20 owner occupier/leaseholder units. There are 16 commercial properties along with the West Kilburn branch of the Royal British Legion and the temporary South Kilburn Studios. To date there remain 24 social tenanted properties who will be offered the opportunity to move into the new affordable (social rent) units on the Peel site if they are still on the Peel site at that time. Also there are nine owner occupier/leaseholder properties. (In the interim, as properties become vacant the Council lets these out on temporary licence to homeless families to provide short term accommodation). The Councils Property team are negotiating to acquire the remaining nine leasehold properties and acquire/gain vacant possession of 6 commercial units. All residential leaseholders have been offered the opportunity to acquire a shared equity property on the South Kilburn Estate. To date one has taken up this opportunity and negotiations are on-going with another leaseholder.
- 3.10 Of the commercial units, there are three properties which are still to be acquired with a long lease and three others where arrangements to vacate the premises are being made. A date for the West Kilburn branch of the Royal British Legion to vacate has been agreed, The Royal British Legion HQ has already surrendered back their occupation of the first floor premises. The Peel Surgery (Dr. Shaikh GP) as one of the three identified GP practices to move into the new health centre is due to be relocated to Carlton Hall (Brent Council is supporting this process) once the South Kilburn Trust vacate Carlton Hall, the GP practice is then due to relocate to the new health centre once built, resulting in a continuous service to local residents. The small businesses who are currently occupying South Kilburn Studios together with the South Kilburn Trust (whose premises is not in the Peel site but is within the wider South Kilburn Masterplan site) are due to move to the Granville Centre in 2017. The remaining units are either vacant or being used for short term purposes which aids the wider regeneration of the South Kilburn estate, for example Network Homes are currently utilising a unit in connection with the new Kilburn Quarter development on the former Bronte and Fielding Houses site.
- 3.11 The Council will need to progress a CPO process for the Peel site and plan to start this imminently. The Council, however, will continue and would prefer to seek to acquire the residential and commercial units which are 12 in total (9 residential and 3 commercial) ahead of this process by mutual agreement. The Council has approval for possession proceedings based on Ground 10A in relation to the secure tenants and then CPO for all other interests from the following previous Executive and Cabinet resolutions:
- 3.11.1 15 October 2012 - South Kilburn Regeneration Progress Update. Included that it was resolved:
(xv) that approval be given to proceed with securing vacant possession of the properties within 113 -136 and 97 -112 Carlton

House, Peel Precinct (together defined as 'Peel') as identified edged red on Plan D at Appendix 1 and Hereford House and Exeter Court as identified edged red on Plan E at Appendix 1 to the Director's report (together with Peel defined as 'Phase 3') through negotiation and private treaty and then, if necessary, via possession proceedings based on Ground 10A in relation to the secure tenants and then CPO for all other interests

3.11.2 11 February 2013 – Amendment to South Kilburn Regeneration Progress Update Report. Included that it was resolved:

- (i) that it be noted that the definition of Peel in recommendation 2.15 of the Report to the Executive on 15 October 2012 should not have included 113 to 136 Carlton House (all numbers inclusive) and should have included 8 to 14 Neville Close (all numbers inclusive);
- (ii) that approval be given to rescind the decision in the minutes of the meeting of the Executive on 15 October 2012 Clause 8 (xv) as referred to in the paragraph 2.15 of the report to that meeting and to replace it with the following:
- (xv) that approval be given to securing vacant possession of the properties within 8 to 14 Neville Close (all numbers inclusive), 97 to 112 Carlton House, Peel Precinct (together defined as "Peel") as identified edged red on Plan D and Hereford House and Exeter Court as identified edged red on Plan E at Appendix 1 (together with Peel defined as "Phase 3") through negotiation and private treaty and then, if necessary, via possession proceedings based on Ground 10A in relation to the secure tenants and then the CPO for all other interests.

3.11.3 15 September 2014 – South Kilburn Regeneration Programme. Included that it was resolved:

- (iii) that, having noted and considered the responses to the consultation as set out in Appendix 2 in connection with seeking approval of the Secretary of State for use in seeking possession of the 36 affordable homes which are currently occupied by secure tenants (the 'Peel Homes') under Ground 10A of Schedule 2 to the Housing Act 1985, authority be delegated to the Strategic Director of Regeneration and Growth to seek the Secretary of State's consent pursuant to Part V of Schedule 2 to the Housing Act 1985 to the disposal and development of the Peel Site for the purpose of Ground 10A of Schedule 2 to be used to obtain possession of the Peel Homes;
- (iv) that, having noted and considered the responses to the consultation as set out in Appendix 2 in connection with the intention to make a Compulsory Purchase Order (CPO) on the Peel Homes and in connection with the draft Allocation Policy for the Peel Homes, approval be given to the adoption of the Allocation Policy which will apply to the Peel Homes and which includes the proposal to make a CPO on the Peel Homes as well as seeking possession of the Peel Homes, subject to the

Secretary of State's consent, under Ground 10A of Schedule 2 to the Housing Act 1985. This Allocation Policy sets out the basis on which replacement homes will be allocated to secure tenants in the Peel Homes and the legal means to be adopted for seeking possession of the Peel Homes through the use of Ground 10A of the Housing Act 1985 (if approval is given by the Secretary of State) and compulsory purchase powers under section 226(1)(a) of the Town and Country Planning Act 1990.

- 3.12 The Council is seeking that Cabinet reconfirm their approval to utilise Ground 10A of the Housing Act 1985 (if approval is given by the Secretary of State) and compulsory purchase powers under section 226(1)(a) of the Town and Country Planning Act 1990 to secure the vacant possession of properties within the Peel site as given through the previous Executive and Cabinet papers as detailed above.

GP Practices and NHS engagement

- 3.13 The South Kilburn Regeneration team have identified that the following practices could be accommodated at the Peel site (though note that no legal agreements have been entered into at this time):-

- Blessing Medical Centre (307 Kilburn Lane)
- Kilburn Park Medical Centre (12 Cambridge Gardens)
- Peel Precinct Surgery (3 Peel Precinct)

- 3.14 There is concern amongst one of the practices regarding the length of time it will take to deliver the new health centre and the ability for this practice to be able to wait for a new health centre to be ready. The Council will work with all practices to identify wherever possible additional intermediate arrangements to allow services to be delivered whilst the new health centre is developed. The Council is committed to delivering a health centre with the three GP practices identified, if any of the GP practices did choose to look for alternative long term premises the Council would continue to seek to create a Health Centre with alternative GPs/NHS services. The Council is also currently in discussion with Brent CCG and NHS England to secure various NHS approvals for this scheme.

- 3.15 A PID document to the (now known as) Estates and Technology Transformation Fund seeking funding from NHS for fit out costs of the new Health Centre, project development costs and recurrent revenue costs was submitted. The Brent CCG supported the PID and they submitted this onwards to NHS England, however the bid for funding was rejected by NHS England. The Council can continue with the project without the funding (see section 4) and what is positive is that the Brent CCG were supportive of this project. A new bid may be submitted nearer the time of completion of this development.

Delivery Partner

- 3.16 The Council is seeking to engage a Delivery Partner now ahead of the site being fully vacant in order to speed up delivery timescales for both delivering the new homes and health centre, but also to assist with the wider South Kilburn programme as there are additional units on site that will be utilised to decant other tenants from buildings due for redevelopment. It is hoped that by the time

a delivery partner is on board the site will be fully vacant. The current estimated timescales for delivery from start on site are:

- Phase 1 April 2018 – September 2019
- Phase 2 & 3 September 2019 – July 2021

3.17 The procurement of a delivery partner for the Peel site will be undertaken by inviting tenders using Competitive Procedure with Negotiation under the Public Contracts Regulations 2015 ("PCR 2015") on the basis of the pre-tender considerations set out in paragraph 3.18 below commencing by placing a notice in the Official Journal of the European Union (OJEU).

3.18 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Cabinet.

Ref.	Requirement	Response
(i)	The nature of the service/ works.	To procure a delivery partner to develop the Peel site.
(ii)	The estimated value.	As the procurement is for a delivery partner, the Council would receive a receipt for the sale of the site. Any contract will have a value in excess of £500k thus being a High Value Contract under the Council's Contract Standing Orders and requiring Cabinet approval to tender.
(iii)	The contract term.	The contract period will be approximately four years.
(iv)	The tender procedure to be adopted including whether any part of the procedure will be conducted otherwise than by electronic means and whether there will be an e-auction.	PCR 2015 compliant Competitive Procedure with Negotiation procurement route, in which parts of the procedure may be conducted by electronic means but there will not be an e-auction.
v)	The procurement timetable.	The procurement would be undertaken during 2017. Indicative milestones/timescales are: <ul style="list-style-type: none"> • Contract Notice placed • Selection Questionnaire (SQ) – 30 days • Evaluation of SQ responses in accordance with the Council's approved criteria – 10 days • Invitation to tender period – 6-8 weeks • Panel evaluation, moderation– 10 days • Negotiation meetings (if required) • Panel decision • Seek Cabinet approval to award contract • Standstill period – 10 calendar days
(vi)	The evaluation criteria and process.	Shortlists are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines namely the SQ and thereby meeting the Council's financial standing requirements, technical capacity and technical expertise.

Ref.	Requirement	Response
		Officers will evaluate the tenders from the shortlisted bidders on the basis of “most economically advantageous tender criteria” (MEAT) on the basis of: 60% - price 30% - quality 10% - social value
(vii)	Any business risks associated with entering the contract.	The Council will ensure the Development and Sale Agreement is drafted to minimise all business risks.
(viii)	The Council's Best Value duties.	The procurement process will seek to ensure best value is achieved.
(ix)	Consideration of Public Services (Social Value) Act 2012.	See Paragraph 8 below.
(x)	Any staffing implications, including TUPE and pensions.	No staffing implications relating to TUPE or pensions.
(xi)	The relevant financial, legal and other considerations.	See Paragraphs 4 and 5 below. This proposed procurement process would be in line with the Council Standing Orders and the Public Contract Regulations 2015.

3.19 The Cabinet is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

Target Rents

3.20 On 18 July 2011 the Executive agreed to adopt a rent equivalent to the HCA Target Rent levels for affordable developments in South Kilburn until Borough wide rent levels were reviewed. The 18 July 2011 Executive report set out the background to the rent level change and concluded that setting HCA Target Rent levels on phases 2 and 3 and subsequent phases is the only realistic way of affording the South Kilburn regeneration programme and avoiding the requirement for large amounts of grant that would not in themselves be certain of being awarded and, if awarded, would require rents to be increased to the new higher 'affordable rent' levels of up to 80% market rents.

3.21 The Target Rent regime controls rent levels in the social sector. Target Rents are calculated by a formula, the basis of which is set out below. Increases in Target Rent levels are also pegged to inflation and subject to an overall cap.

- 30% of a property's Target Rent is based on relative property values compared to the national average
- 70% of a property's Target Rent is based on relative local earnings compared to the national average

- A bedroom factor is then applied so that, other things being equal, smaller properties have lower rents

3.22 Between 2010/11 and 2014/15 increases in Target Rent levels and caps have been linked to RPI as set out in the tables below:

Year	Guideline Limit	All Items RPI changes at Previous September	Guideline Limit for rent changes	Maximum increase to individual rent
1/4/2014 to 31/3/2015	RPI + 0.5%	+3.2%	+3.7%	+3.7% plus £2
				per week
1/4/2013 to 31/03/2014	RPI + 0.5%	+2.6%	+3.1%	+3.1 plus £2 per week
1/4/2012 to 31/3/2013	RPI + 0.5%	+5.6%	+6.1%	+6.1% plus £2 per week
1/4/2011 to 31/3/2012	RPI + 0.5%	+4.6%	+5.1%	+ 5.1% plus £2 per week
1/4/2010 to 31/3/2011	RPI + 0.5%	-1.4%	-0.9%	-0.9% plus 2 per week
Year	Rent Cap Change limit		All items RPI change at the previous September	Change in rent cap Levels
1/4/2014 to 31/3/2015	RPI + 1.0%		+3.2%	+4.2%
1/4/2013 to 31/3/2014	RPI + 1.0%		+2.6%	+3.6%
1/4/2012 to 31/3/2013	RPI + 1.0%		+ 5.6%	+6.6%
1/4/2011 to 31/3/2012	RPI + 1.0%		+4.6%	+5.6%
1/4/2010 to 31/3/2011	PRI+ 1.0%		-1.4%	-0.4%

3.23 In 2014 Government introduced a new rent policy, and for the ten years 2015/16 – 2024/25, increases in rents in the social sector would be limited to CPI +1% and increases in rent caps will be limited to CPI + 1.5%. In the Summer Budget 2015 however this policy was reversed with the announcement that rents in the social sector would reduce by 1% per annum for four years from 1st April 2016, with the new policy introduced into law through the Welfare Reform and Work Act 2016. The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 published the following 2015-16 rent caps, which increased the 2014-15 caps by CPI +1.5% (i.e. 2.7%).

Target & Formula Rent Caps 2015-16

Table 3

Number of bedrooms	Rent cap
0 or 1	£141.43
2	£149.74
3	£158.06
4	£166.37
5	£174.69
6 or more	£183.00

- 3.24 It should be noted that new social rented properties being developed in South Kilburn have a higher capital value than existing Council properties and therefore will attract a higher Target Rent under the formula outlined. Notwithstanding current government policy is to reduce rent in the social sector by 1% per annum, any inflationary rent increases on these new properties, would therefore also be higher in monetary terms (i.e. in pounds sterling). This is because 1) inflation would be applied to a higher base Target Rent and 2) the Council will sometimes (and more commonly than the Registered Providers managing the new properties in South Kilburn) not apply a full inflationary increase to rents across its own housing stock.
- 3.25 In line with the Council's commitment to maintaining current HCA Target Rent levels in regeneration areas it is recommended that the Cabinet agree to set the rent levels for the affordable units at the Peel site once complete, at rents equivalent to the HCA Target Rent levels.

4 Financial Implication

- 4.1 The financial model for the South Kilburn regeneration programme is to be self-financing within the funding envelope generated from on-going disposals, which are ring-fenced so all the capital receipts generated are reinvested back into the South Kilburn regeneration programme, to enable the rolling regeneration programme to continue to deliver much needed new homes. However, this particular scheme in itself may not be self-financing due to the inclusion of a health centre but other schemes are anticipated to offset this additional cost.
- 4.2 The South Kilburn model has traditionally worked through a process of procuring delivery partners, who develop an existing site and generate high value properties. In return for this site, they build needed affordable and social housing, while also delivering capital receipts to support the capital programme.
- 4.3 The capital receipt for the Peel site redevelopment site, when received, will be reinvested back into the South Kilburn regeneration programme to bring forward future phases of the regeneration programme.
- 4.4 There is currently a budget of £8.2m, of which £2m relates to 2016/17. Further budget will be required, predominantly associated with leaseholder buy-backs, but further budget requirements will be approved via the appropriate Board. Nonetheless, this paper does not seek any additional funding to that budget than which is currently available to the Peel project.

5 Legal Implications

- 5.1 Officers consider that the development of the Peel site is best achieved through the use of a development agreement with a third party. As a result of rulings in the European Court of Justice, if the Council utilises a development agreement in respect of the land, it will need to undertake some form of procurement process which is compliant with EU law in order to identify a partner to carry out the development. The Court of Justice has ruled that development agreements cannot be viewed as merely part of a land transfer, because they impose detailed requirements as to the development to be constructed and are therefore a form of procurement of works.

- 5.2 The intention is to identify a delivery partner through inviting tenders using the Competitive Procedure with Negotiation under the PCR 2015.
- 5.3 When a Competitive Procedure with Negotiation under the PCR 2015 is used, the value of this proposed procurement over its lifetime will be higher than the EU threshold for Services and the procurement of the contract is therefore governed in full by the PCR 2015. The estimated value of the procurement is in excess of £500k and therefore it will be classed as a High Value Contract under Contract Standing Orders and accordingly the Cabinet must approve the pre-tender considerations set out in paragraph 3.18 above (Standing Order 89) and the inviting of tenders (Standing Order 88).
- 5.4 Once the procurement process has been undertaken under the PCR 2015, officers will report back to the Cabinet in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.
- 5.5 Using the Competitive Procedure with Negotiation under the PCR 2015, the Council must observe the requirements of the mandatory minimum ten calendar days standstill period imposed by the PCR 2015 before the contract can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing the prescribed information which includes the reasons for the decision and the characteristics and relative advantages of the winning bid. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract may commence.
- 5.6 The Council will be acquiring some of the properties on this site by utilising its compulsory purchase powers. Section 226 (1) of the Town and Country Planning Act 1990 (TCPA 1990) provides a tool to enable the Council to acquire and assemble land for planning purposes.
- 5.7 The statutory power can be used if the Council believes that it will facilitate the carrying out of the development (as defined by Section 55 of the TCPA 1990 redevelopment or improvement on or in relation to the land being acquired).
- 5.8 The Compulsory purchase order must only be made where there is a compelling case in the public interest in addition the Council should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected. Particular consideration should be given to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights and, in the case of a dwelling, Article 8 of the Convention.
- 5.9 Government policy provides that the Compulsory purchase powers must however be used as a last resort, the Council must demonstrate that it has taken steps to acquire the land and associated rights included in a compulsory purchase order.

- 5.10 It is noted that the Council seeks to rely upon the Housing Act 1985 Schedule 2 which provides grounds upon which a Court may order possession of premises, provided that suitable alternative accommodation is available. Ground 10A can be utilised to obtain possession. where an area which is subject of a redevelopment scheme approved by the Secretary of State..... and the Landlord intends within a reasonable time of obtaining possession to dispose of the dwelling house in accordance with that scheme.

6 Diversity Implications

- 6.1 The new affordable homes in South Kilburn are available to all secure tenants currently living in properties due for demolition as part of the South Kilburn regeneration programme within the neighbourhood. In regards to the Peel site, the secure tenants who are on the Peel site at the time the new units are complete will be offered the opportunity to move into the new affordable (social rent) units. The additional units will be made available to other secure tenants living in properties due for demolition as part of the South Kilburn regeneration programme.
- 6.2 Every effort should be made to provide the secure tenants with a suitable alternative accommodation and to reach mutually acceptable agreements with the leaseholders to buy their properties without seeking legal action. When identifying the options and alternatives put forward, the Council should proactively engage with affected residents and leaseholders.
- 6.3 As with all other schemes that are part of the South Kilburn regeneration programme, full consideration must be given to residents and leaseholders with protected characteristics, particularly people with disabilities and / or other types of vulnerabilities due to older age, childcare and/or caring responsibilities, socio-economic status (lone parents and large families).

Race / Ethnicity

- 6.4 Due to the ethnicity profile of the area, full consideration must be given to the impact on black, Asian and minority ethnic individuals/groups. The Council must also ensure that the options put forward to secure residents and leaseholders, so far as possible, provide reasonable and affordable alternatives that enable them to remain in the area and maintain their family and community ties, as per Article 1 of the First Protocol and Article 8 of the European Convention on Human Rights.

Age/Carers/Disability/Pregnancy and maternity

- 6.5 These groups maybe more likely to access GP facilities. There will not be a break in the delivery of a GP facility. The current GP on the Peel site is due to move to a nearby location - Carlton Hall - until the new Health Centre is built. The Peel site GP is envisaged to then move into the new facility.
- 6.6 The requirements for anyone who is older or with a disability, or those who are pregnant or on maternity to have to move from their current property (residential

or commercial property) is likely to be more difficult and could suffer greater psychological effects, including stress. (This in turn has an impact on carers).

- 6.7 To mitigate this, for the secure tenants who are moving, the re-housing team provides help to secure tenants through the moving process, additional support and services to those who require it can be provided.
- 6.8 Leaseholders may be affected if they are seeking to acquire a similar sized property in the surrounding area as the value for a Local Authority property tends to be less than a non-Local Authority property. To counteract this leaseholders have been offered the option of shared-equity on the South Kilburn Estate. For those who move off the estate, they may have to increase/get a new mortgage agreement which could be difficult for older residents or those with caring/dependant children responsibilities. The Council is also in the process of recruiting an estate regeneration leasehold liaison officer which will liaise with all leaseholders providing support and guidance as to the options available to relocate or sell their property
- 6.9 The new accommodation on the Peel has been designed with the needs of the current secure tenants in mind and occupational therapy adaptation will be put in as required for secure tenants. Across the 226 units, 23 dwellings (10%) have been designed to be wheelchair adaptable dwellings and meet the requirements set out in Part M4(3) 'wheelchair user dwellings'. All other dwellings across the scheme have been designed to meet the requirements set out in Part M4(2) 'accessible and adaptable dwellings'.

Socio-economic Disadvantage

- 6.10 Local services on the Peel site will cease during the redevelopment, with some functions not returning. There will still be provision of a general store for day to day goods and a GP practice in walking distance of the Peel Site through out the redevelopment, and there will be a new health centre with improved facilities to that currently on site delivered as part of the redevelopment, along with commercial/retail. A new proposed pharmacy on the Peel site is likely to improve service for vulnerable groups of people as one is not currently on the Peel site. Those services which are not returning to the Peel site or available nearby are not deemed critical for day to day living.
- 6.11 Target rents are proposed for secure tenants, but it should be noted that new social rented properties being developed in South Kilburn have a higher capital value than existing Council properties and therefore will attract a higher Target Rent under the target rent formula.
- 6.12 All residents of South Kilburn will be able to benefit from the new Health Centre, Commercial/Retail offer and highways and public realm improvements. The residents of 65 to 96 Carlton House will also have access to the new private amenity space behind Blocks D and E, there will also be limited parking provision made available which will be given to Brent Housing Partnership to decide on how to allocate (intended for 65-96 Carlton House).

7 Staffing/Accommodation Implications

- 7.1 There are no specific implications for Council staff or accommodation associated with the proposals contained within this report.

8 Public Services (Social Value) Act 2012

- 8.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the council might act with a view to securing that improvement; and whether the council should undertake consultation. This duty does not strictly apply to the proposed contract as it is not a services contract. Nevertheless, Officers have had regard to considerations contained in the Social Value Act in relation to the proposed procurement.
- 8.2 The services being procured aim to improve the economic, social and environmental well-being of residents of South Kilburn through the disposal of the Peel site. The new homes will improve living conditions of residents of South Kilburn. The delivery partner will be required prior to a material start (excluding demolition and piling) to inform in writing Brent Works of the projected amount of construction jobs, training opportunities and provide a copy of the Schedule of Works, and, prior to a Material Start to prepare and submit for the Council's approval an Employment Training Plan for the provision of training, skills and employment initiatives for residents of the Borough relating to the construction phase of the Development and in relation to the operational phase of the Development.
- 8.3 The development will also deliver a new Health Centre, with flexible first floor space, 3no A-class retail units at ground floor, highways and public realm improvements (including new public space) available to all South Kilburn residents.
- 8.4 Officers will also have regard to the Social Value Act in its procurement of a delivery partner and seek to implement Social Value considerations where permitted.

9 Background Papers

Appendix 1 – Existing Site Plan

Appendix 2 – Phasing Plan

Planning Committee Report and Supplementary Information for Agenda Item 9
15 February 2017

<http://democracy.brent.gov.uk/ieListDocuments.aspx?CId=115&MId=3292> see item 9

Executive/Cabinet reports:

15 October 2012 - South Kilburn Regeneration Progress Update.

11 February 2013 – Amendment to South Kilburn Regeneration Progress Update Report

15 September 2014 – South Kilburn Regeneration Programme

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