

Executive 18 July 2011

Report from the Director of Regeneration and Major Projects

Wards Affected: Dudden Hill, Kensal Green, Mapesbury, Preston, Sudbury, Tokyngton,

Asset Strategy for buildings to be vacated consequent to the outcome of the Library Transformation Programme

SUMMARY

- 1.1 This report sets out the options and individual asset strategy devised for each of the buildings identified as surplus to the provision of the library service within Brent.
- 1.2 This report also responds to a petition received during the Libraries Transformation Programme which relates to disposal of the building at Preston Road.

2.0 **RECOMMENDATIONS**

- 2.1 To note the initial approach for each property will be to ascertain any acceptable alternative Council use before it is considered for other options including use by Brent public sector partners.
- 2.2 Subject to officer's undertaking a review of each property for alternative Council use, to approve the disposal of Tokyngton Library and Preston Road Library for best consideration. Details as set out in Paragraph 4.5.7
- 2.3 To agree to the sub-letting of Neasden Library so as to minimise the Council's occupational costs. The Assistant Director (Property & Asset Management), utilising his existing delegated authority will agree the terms of any such sub-letting. Details as set out in Paragraph 4.4.3
- 2.4 To approve the proposal to undertake a review of the Barham Park complex of buildings (to include the former library space) in order to identify ways of improving the buildings and identify suitable occupiers either based on alternative Council requirements, other public sector uses or commercial use. Details as set out in Paragraphs 4.6.4 and 4.6.5.

- 2.5 To continue discussions with All Souls College in regard to acceptable community use for Kensal Rise and Cricklewood Libraries but if not successful to note the requirement for these properties to be handled in accordance with the appropriate legislation. Details as set out in paragraphs 4.3.3 and 4.3.4
- 2.6 To note that new or developed proposals for any community use in respect of one or more of the vacated buildings will be considered having regard to whether such proposals are of such economic, social or environmental benefit to the Council's area as are capable of outweighing the financial advantages of the Council's own use, or commercial disposal or reversion as proposed below.
- 2.7. To note the petition in regard to Preston Road.

3.0 **Petition Received during the Library Transformation Programme.**

3.1 The prayer for this petition in so far as it has not already been considered by members is set out below:

We oppose the sale or redevelopment of the site that does not include a Brent public library.

We also oppose the sale or disposal of the Preston Library site for any redevelopment that does not include a public library for the use of local citizens.

- 3.2 The petitioner requested this petition remain open to gather additional signatories opposed to the disposal of Preston Library unless it included a public library.
- 3.3 There are no current proposals put forward for the use of the Preston Road site upon sale or disposal and members are therefore invited to note the petition.

4.0 DETAIL

4.1 On 11th April 2011 the Executive decided how to meet the Council's duties under S7 Public Library and Museum Act 1964 to provide a comprehensive and efficient library service. The Executive decided that a comprehensive and efficient library service could be provided from six library buildings and it was decided to close the other six libraries. This report therefore deals with the property implications of that decision. Given the mixed ownership of these properties each building has been considered individually.

Library users have challenged the Council's decision in relation to the Brent library service decision and judicial review proceedings have started. As a consequence of the judicial review proceedings the Council has agreed not to take any irrevocable steps regarding implementation of the Council's Library Transformation Project, that includes any irrevocable steps to dispose of any property no longer required, so long as the case can be heard before the end of July. In the meantime the Council is able to make decisions and plans and take steps in furtherance of its Library Transformation Project provided they are not irrevocable. Members are advised that decisions in furtherance of the library service decision continue to be made in order to avoid delay and to maximise cost savings. Members are therefore recommended to agree the actions set out in this report, albeit that some aspects cannot be implemented immediately.

4.2 As part of the ongoing review of council assets, as is the Council's usual practice, where surplus properties are identified, each of these properties has been or will be offered internally for alternative Council use. To date the only possible

alternative use identified is for provision of temporary school facilities to assist with the surplus demand for primary school places. This will be investigated more fully but, in the event that any or all of these properties prove to be unsuitable for conversion or alternative internal use, the Property Unit has devised a strategy for each of the buildings.

4.3 Buildings affected by Covenant in favour of All Soul's College, Oxford:

- 4.3.1 There are two buildings affected by a covenant in favour of All Souls College, Oxford. Namely: <u>Olive Road, Cricklewood Library</u>- A 2 storey library constructed around 1900 located in a residential area. A location plan is attached.
- 4.3.2 Bathurst Gardens, <u>Kensal Rise Library</u> A 2 storey library constructed around 1900 located in a mixed commercial/ residential area. A location plan is attached.
- 4.3.3 Discussions have been conducted with All Souls who are also believed to have entered into correspondence directly with interested local residents. The Council has notified solicitors acting on behalf of the College that following members' decision on 11th April 2011 in relation to the Library Transformation Project these buildings will no longer be used by the Council as libraries. The solicitors acting for the college have advised that the college is required by law to invoke the reverter clause. In effect this means that when the public library managed by the Council ceases the future of the building would be determined by All Souls. The College may be able to make the space available to an interested local community group or it could request the Council to dispose of the site and return the proceeds of sale to the College.
- 4.3.4 The Council has posed the question to All Souls regarding direct use of the premises by a community group. Although All Souls have advised that they wish to await the outcome of any judicial review, they have intimated that they are unlikely to want to deal directly with any local group but might consider allowing occupation via the council. The future use of the building by any community group is therefore dependent upon All Souls College agreement, suitable lawful variation of the covenants, and a community group proposal which is of such economic, social or environmental benefit to the Council's area as are capable of outweighing a decision to revert.
- 4.3.5 Whilst the Council remains responsible for this building all costs relating to utilities, security and NNDR will remain payable. The Judicial Review is likely to delay All Souls from confirming their strategy which will increase the Council's exposure to revenue costs. There is no capital receipt receivable to the Council from the disposal of these buildings.

4.4 Buildings held on lease:

- 4.4.1 <u>277 Neasden Lane Neasden Library</u>- A three storey premises held on lease which expires 27th September 2027 (with a break clause operable in early 2022). It is located on a secondary shopping street. A location plan is attached. The current rent is £55,000 per annum exclusive. The council is therefore also responsible for other outgoings such as NNDR and utility costs.
- 4.4.2 The landlord has been approached to accept surrender but given the current market conditions and the remote likelihood of attracting a tenant as good as the

Council, the landlord has confirmed he is not interested in any such proposals at this time. Following negotiations the landlord has agreed that the Council can sublet the property to a third party for any other use (subject to planning) and the usual consents. This concession has been obtained without any increase in rent or premium to the Council.

4.4.3 There was no community interest expressed in this property during the library consultation process and it does not appear suitable for temporary school use or other internal use. Therefore in order to minimise the Council's out-goings the property has already been placed with local agents. The intention is to seek a sub-tenant or tenants to occupy this space and aim toward a cost neutral position.

4.5 **Properties held freehold**

- 4.5.1 <u>Preston Library Carlton Avenue East</u> A 1970s single story brick built library under a flat roof located on a site of 962 sqm. A location plan is attached.
- 4.5.2 This site appears suitable for a variety of uses ranging from an educational use, such as a private nursery through to a residential development.
- 4.5.3 <u>Monks Park, Tokyngton Library</u>- A 1970s single story brick built library under a flat roof located on a site of 786 sqm although part of this site provides an access to the adjacent newly constructed Monks Park Clinic. A location plan is attached.
- 4.5.4 Part of the site is classified as public open space and on which has been constructed a parks store which is now disused. The site is suitable for a small scale residential infill development of 2-4 houses or a small flatted development. It is recommended that this property is sold at auction or offered to RSLs.
- 4.5.5. There was no community proposal in respect of Tokyngton Library
- 4.5.6 Both these sites could result in a capital receipt to the Council. The level of receipt is dependent on the extent of acceptable development. Prior to any disposal informal discussions will be held with the Planning Department on both the prospects of change of use and on the likely scale acceptable development
- 4.5.7 The proposal is to instruct consultants to prepare a marketing brief for these two sites and to enter into discussions with Planners as to acceptable uses. A decision as to whether to seek planning permission for any residential development will be determined by the anticipated level of capital receipt. Subject to interest received the Council may also consider a commercial letting of this property.

4.6. Property held on Trust by the Council

- 4.6.1. <u>Harrow Road, Barham Park Library-</u> An 1860s single storey property which is part of the mainly two storey Barham Park Building complex. A location plan is attached.
- 4.6.2 The library is accessed through a shared entrance with the adjacent children's centre which was provided about two years ago. Officers for the children's centre have indicated that they would be able to make use of the library accommodation (subject to running costs) and it is proposed that this will be on a "caretaker

basis". The main proposal is to undertake a feasibility study of the whole complex in order to devise a longer term strategic asset plan for this site.

- 4.6.3 As the site is held in perpetual trust by the Council it has a requirement to adhere to charity law concerning the occupation and treatment of this building. Therefore a disposal on the open market is not considered appropriate or suitable for this building.
- 4.6.4 Currently the whole complex has a variety of users who generally keep their space in a reasonable state and help to maintain the attractiveness of the general environment. However, given the recent decant by the Parks Service and coupled with the library closure it is considered appropriate to review the entire complex to ensure that the building does not fall into disuse. Given its age and relative vulnerability it is likely to deteriorate quickly, become vandalised and potentially result in a significant liability for the council. Officers are instructing an architectural firm to carry out a very brief initial feasibility for possible reconfiguration of uses and improvement to the complex.
- 4.6.5 It is proposed that a proportion of the capital receipt obtained from the intended disposal of the former park-keeper's accommodation, agreed by the Executive on 16 December 2009 is utilised to undertake any improvements identified by the study set out in paragraph 4.6.4. As the land is held in trust the council is required to ring-fence capital and revenue for the betterment of the Park.

4.7 Community Proposals

4.7.1 When making decisions as to the use of the six buildings to be vacated in the manner set out above consideration will also be given to any new or developed community proposals which may be submitted. In deciding how to proceed officers (or where appropriate, members) will consider whether such proposals are of such economic, social or environmental benefit to the Council's area as are capable of outweighing the financial advantages of the Council's own use, or commercial disposal or reversion as proposed above.

5.0 FINANCIAL IMPLICATIONS

5.1 This report sets out options for each of the buildings identified as surplus to the provision of the library service at Brent. The key finance related issues for each of the buildings are set out below.

Cricklewood Library and Kensal Rise Library

- 5.2 These two buildings are affected by a covenant in favour of All Souls College. The Council is currently responsible for the building related costs of and holds a budget of £23,650 and £28,700 per annum respectively (equivalent to a total of £4,362.50 per month) for costs such as cleaning, security and NNDR. Utilities costs are excluded from this sum. The council will continue to incur these costs until All Souls confirm their strategy and this is implemented.
- 5.3 In the event that All Souls decide that the site should be disposed of, the net proceeds of the sale (after payment of the Council's costs and expenses) would be returned to the College, and there would be no capital receipt for the Council.

Neasden Library.

- 5.5 This building is held on a lease, and the council is currently responsible for the rent at £55,000 per annum plus other building related costs such as cleaning, security and NNDR giving a total budget of £101,800 per annum (equivalent to £8,483 per month).Utility costs are excluded from this total sum.
- 5.6 The proposal in this report is for the council to seek sub tenants or tenants to occupy this space, on the basis that the Councils costs are covered and that the building becomes cost neutral.
- 5.7 The Councils costs of progressing this, including legal costs, will be met from existing budgets.

Preston Road Library and Tokyngton Library

- 5.8 These two buildings are held freehold and the council is currently responsible for the building related costs such as cleaning, security and NNDR and holds a budget of £22,250 and £24,600 per annum respectively (equivalent to £3,904.16 per month)for these costs. Utility costs are excluded from this total sum. These costs will continue to fall to Brent until the properties are disposed of or commercially let.
- 5.9 In the event that it is decided to dispose of these two sites, then this would result in a capital receipt for Brent. The level of the receipt is dependent upon the extent of acceptable development but is estimated to be in excess of £1,000,000 for the two sites.
- 5.10 The Council's cost of progressing this, including consultants for the marketing brief, legal fees, potential disposal costs etc, estimated at £50,000 will be met from the existing budgets and be offset against the gross receipts.

Barham Park Library

- 5.11 This building is held in trust by the Council, and the council is currently responsible for the building related costs such as cleaning, security and NNDR and utilities costs of £22,350 per annum (equivalent to £1,862.50 per month). Utility costs are excluded from this total sum.
- 5.12 A disposal is not considered appropriate for this dwelling, and therefore there will be no capital receipt.
- 5.13 The proposal in the report is to undertake a complete feasibility study of the whole site. It is proposed that the costs of undertaking this and any refurbishment will be met from the sale of the two nearby residential properties also located within Parham Park
- 5.14 It is proposed that a proportion of the capital receipt obtained from the intended disposal of the former park-keeper's accommodation, agreed by the Executive on 14 December 2009 is utilised to undertake any improvements identified by the study set out in paragraph 4.6.4. As the land is held in trust the council is required to ring-fence capital and revenue for the betterment of the Park.

6.0 LEGAL IMPLICATIONS

6.1 The Council has the power (under section 123 of the Local Government Act 1972) to dispose of any of its land. However, unless it grants a lease of 7 years or less, it must obtain the best consideration reasonably obtainable, unless it obtains the consent of the Secretary of State to the transfer.

Any transfer of the freehold or grant of a lease of any land other than for best consideration would require Secretary of State's specific approval, unless it falls within the scope of the Local Government Act 1972 General Disposal Consent (England) 2003 ("the General Consent 2003")

- 6.2 The terms of the General Consent 2003 mean that specific consent is not required for the disposal of any interest in land which the authority considers will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area.
- 6.3 The General Consent 2003 only permits disposals at less than best consideration where the undervalue does not exceed £2,000,000 (two million pounds).
- 6.4 Cricklewood Library and Kensal Rise Library are held by the Council subject to a covenant under the Literary and Scientific Institutions Act 1854.
- 6.5 Barham Park Library is held by the Council as trustee of the Barham Park charitable trust

7.0 DIVERSITY IMPLICATIONS

7.1 There are no direct equality or diversity implications arising from this report. Future reports on individual properties will address diversity implications as necessary and appropriate.

8.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 8.1 There are no direct staffing implications arising from this report.
- 8.2 Accommodation implications are only as contained within this report

9.0 BACKGROUND PAPERS

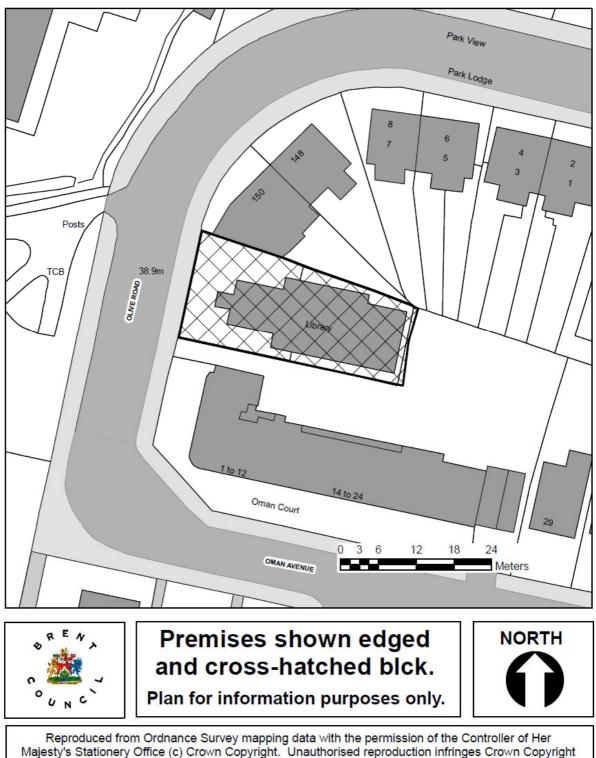
Various papers and reports held within Property & Asset Management Contact Officer:

Richard Barrett Assistant Director Regeneration & Major Projects (Property & Asset Management)

Andy Donald Director of Regeneration & Major Projects

APPENDIX – Site Plans.

EXECUTIVE COMMITTEE Asset Strategy for buildings to be vacated consequent to the outcome of the Library Transformation Programme - Olive Road, Cricklewood.



and may lead to prosecution or civil proceedings. London Borough of Brent, 100025260, 2011

