

## Executive 12 March 2012

## Report from the Director of Regeneration and Major Projects

Ward Affected: Dudden Hill

## 186 Church Road London NW10 9NP-- disposal of a shop and upper parts

#### 1.0 SUMMARY

1.1 This report informs the Executive of the proposed disposal of the shop and upper parts that was previously occupied by the Churchend and Roundwood Youth and Community Association (CRYCA) and seeks the Executive's decision to proceed with the disposal by auction.

#### 2.0 RECOMMENDATIONS

- 2.1 Members to note the arrangement for the disposal of 186 Church Road London NW10 9NP.
- 2.2. Member to agree to the sale of the property by auction or such other means as considered appropriate to secure the best consideration.
- 2.3 Members to delegate to the Assistant Director, Property and Asset Management, in consultation with the Borough Solicitor to agree matters as required in order to bring the disposal to a satisfactory and completion.

#### 3.0 DETAIL

- 3.1 The property is a 3 storey building with a ground floor shop and upper parts. The building was constructed circa 1890 and was managed by the then Social Services Department, who allowed a number of community and charitable organisations to occupy the building mostly without any formal documentation. The property was previously occupied by CRYCA for a number of years and was a greatly under used resource. They handed the keys back to the Council in December 2011.
- 3.2 The property is located within a secondary High Street in the Church End Regeneration Area. Located on the opposite side of the road is a parade of shops

behind which is a Council owned car park which also serves as a market. A second adjacent car park is owned by the Catalyst Housing Group. These areas are the subject of a regeneration scheme which will comprise of residential apartments and ground floor shops. The development is scheduled to begin in 2013. It is anticipated that the regeneration of this area will raise rental values and property prices within its environs once it has been completed. The subject property will first be offered to Catalyst to see if it might be appropriate to assist them with any required decanting from their nearby site.

- The property is in a seriously dilapidated state with no gas or electricity supply. The load bearing walls show signs of damp, as do part of the ceilings the property is in need of significant repair. All services throughout require renewal and the property requires total refurbishment. This has been reflected in the valuation report of its current value.
- 3.4 The property is now surplus to operational requirements and it is vacant.
- 3.5 The property has a D1 Use Class which means that it can be offered for sale for a variety of uses such as a medical surgery, a place of worship, community centre and nursery. Brent Council's Planning Service have indicated that planning consent may given to change the current D1use to A1/A2 and C3 residential use for the upper parts, in keeping with the general character of the surrounding area. The upper two floors have the potential to be converted into 2 self contained flats. It is hoped that the potential variety of uses and the anticipated increase in property and rental values after the regeneration scheme has been completed will make this property an attractive investment, despite the costs of refurbishment that the property requires.
- 3.6 The executive is therefore recommended to agree to the open market disposal of the property and note that the Assistant Director, Property & Asset Management proposes to instruct auctioneers and will agree a reserve price prior to the auction.

#### 4.0 FINANCIAL IMPLICATIONS

- 4.1 The property is expected to realise a capital receipt of between £250,000 and £300,000.
- 4.2 The sale of this property will reduce the Council's future liability in having to pay empty National Non Domestic Business Rates and the liability to repair and maintain a building, whose continued dilapidation could affect neighbouring properties.

#### 5.0 LEGAL IMPLICATIONS

5.1 Section 123 of the Local Government Act 1972 permits a local authority to dispose of land it owns in any manner it so wishes, provided that in the case of a freehold disposal or the grant of a lease for 7 years or more, it obtains the best consideration reasonably obtainable. This is usually demonstrated by extensive marketing of the property and acceptance of the best price or disposal at auction

#### 6.0 DIVERSITY IMPLICATIONS

6.1 No particular implications. INRA to be prepared.

#### 7.0 STAFFING/ACCOMMODATION IMPLICATIONS

7.1 No particular implications.

#### 8.0 ENVIRONMENTAL IMPLICATIONS

8.1 No particular implications.

#### 9.0 BACKGROUND PAPERS

Property files of the Assistant Director, Property and Asset Management Unit of the Regeneration and Major Projects Department.

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# EXECUTIVE COMMITTEE 12th March 2012 186 Church Road London NW10 9NP -Disposal of a Shop and Upper Parts





Premises shown edged and cross-hatched black.

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