

Executive 18 January 2010

Report from the Director of Finance and Corporate Resources

Ward Affected: Brondesbury Park

Proposed Freehold Disposal of former Bryan Avenue Stores, Bryan Avenue, Willesden, NW10 2AS

Forward Plan Ref: F&CR-09/10-14

Not for publication ('below the line')

Appendix 2 is not for publication as it includes commercially sensitive information relating to the disposal of Council-owned land.

1.0 SUMMARY

- 1.1 This report seeks Executive approval to the freehold disposal of the former Bryan Avenue Stores and adjacent land by the Council to Family Mosaic Housing Association.
- 1.2 The benefit of disposing of this redundant premises are two fold. It will raise a capital receipt and social housing will be created.

2.0 RECOMMENDATIONS

2.1 The Executive authorise the Head of Property and Asset Management to dispose of the property and adjacent land with vacant possession to Family Mosaic Housing Association for such consideration as is the best that can reasonably be obtained in the opinion of the Head of Property and Asset Management and otherwise in accordance with the proposed terms outlined below. And such other terms as he considers to be in the best interests of the Council

3.0 DETAIL

3.1 Bryan Avenue Stores is owned freehold by the Council. The building is a warehouse with a mezzanine floor constructed in the mid to late 1950's. The disposal site is shown on the attached plan with the boundary outlined in black.

Meeting Exec 18 Jan 2010

- 3.2 The property was formerly used as stores by the Council's occupational health unit. The property became redundant when the contract for providing therapy equipment was tendered out to Millbrook Healthcare who now provide the service from their own site.
- 3.3 In addition to the stores there is a parcel of adjoining land which is also recommended for sale by the Council to the Family Mosaic Housing Association. This is shown hatched and cross hatched on the plan. All of the land comprising the proposed disposal site are owned freehold by the Council.
- 3.3.2 The land cross hatched on the plan is owned freehold by the Council for housing amenity purposes. Consultation will be undertaken with the Council's tenants and leaseholders at Grange House regarding the incorporation of this area for car parking purposes.
- 3.4 The site is 1,207 m sq (0.298 acres) and detailed proposals for an acceptable scheme have now been worked up with the Planning Department and the Housing Association. The proposal provides the following mix of residential units for social housing:
 - 2 x four bed, seven person house
 - 1 x three bed five person house
 - 4 x two bed, five person flat
 - 1 x four bed, five person flat

The Council will have 100% nomination rights for the occupancy of these flats.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The net capital receipt derived from the sale of the property and associated land packages will contribute towards achieving the Council's overall disposals programme target and will therefore provide resources to the Council's capital programme.
- 4.2 Provision shall be made from the sale proceeds for the disposal costs, including energy performance certificate if necessary, legal costs, and the administrative costs of Property and Asset Management.
- 4.3 The sale will be negotiated on the basis that the best consideration for the asset will be achieved.

5.0 LEGAL IMPLICATIONS

5.1 The value of this property is in excess of the value of properties which can be sold under the delegated authority of the Head of Property and Asset Management. As such the Executive needs to agree to this disposal before the project can be progressed to completion.

- 5.2 Under Section 123 of the Local Government Act 1972 the Council has a general power to dispose of properties including by way of the sale of the freehold or the grant of a lease. The essential condition is that the Council obtain (unless it is a lease for 7 years or less) the best consideration that is reasonably obtainable.
- 5.3 The Head of Property and Asset Management considers that obtaining open market value from a registered social landlord for 41 people within 8 homes will satisfy the requirement to obtain the best consideration that is reasonably obtainable. The price negotiated by the Head of Property & Asset Management will be independently confirmed by an external, suitably qualified, independent surveyor.
- 5.4 Insofar as any land comprised in the disposal site is held by the Council for housing purposes consent is required from the Secretary of State for the disposal. However, the proposed terms of sale will be consistent with and within the scope of the General Consent 2005 issued by the Secretary of State under Section 32-34 of the Housing Act 1985

6.0 DIVERSITY IMPLICATIONS

6.1 The property is currently vacant, and therefore no diversity implications are considered to apply to the disposal process. Although, of course the creation of new accommodation available for social housing will contribute toward the provision of stock available to the Council's housing waiting list.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

7.1 As the property is currently vacant there are no staffing or accommodation implications at this time.

8.0 BACKGROUND PAPERS

8.1 Property Files of the Head of Property and Asset Management, Finance and Corporate Resources Department.

9.0 CONTACT OFFICERS

9.1 James Young, Deputy Head of Property & Asset Management, Room 1A, Town Hall Annexe, Forty Lane, Wembley HA9 9HD. Any person wishing to inspect the above papers should contact the above officer on tel: 020 8937 1398.

DUNCAN MCLEOD

Director of Finance and Corporate Resources

EXECUTIVE COMMITTEE

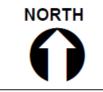
Stores, Bryan Avenue, Willesden NW10 2AS.





Premises shown outlined black. Housing Amenity area shown cross hatched.

Plan for information purposes only.



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