



Cabinet
25 July 2016

**Report from the Strategic Director
Community Wellbeing**

For Action

Wards affected:
Wembley Central,
Tokyngton, Barnhill

Wembley Housing Zone Programme: Property Acquisition

Appendix One to this report is Exempt from publication in accordance with Paragraph 3 of Schedule 12A of the Local Government Act 1972, namely: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

1.0 Summary

1.1 The Wembley Housing Zone was designated by the GLA last year with the aim to accelerate housing and affordable housing development and to promote regeneration. In July 2015 Cabinet approved the approach which is to bring forward a programme of acquisition and development of a number of sites between Wembley town centre and the regeneration underway on the Stadium lands, including the council-owned site due to be released through the construction of the new Ark Elvin Academy. Cabinet also approved entering into a legal agreement with the GLA to secure their funding support and this has been concluded.

1.2 Discussions are underway with the owners of a number of identified sites in order to establish the development programme. This report seeks the approval of Cabinet to the terms for the acquisition of a first of these identified sites, that of Ujima House and its car park in order to progress the implementation of the Wembley Housing Zone and agreement to enter into a contract with the Greater London Authority to fund the acquisition of the property.

2.0 Recommendations

2.1 Cabinet agrees:

To enter into a contract for the acquisition by the council of Ujima House and its car park on the terms set out in Appendix One to this report, with approval

of the final terms to be delegated to the Strategic Director, Resources in consultation with the Strategic Director, Resources in consultation with the Cabinet Member for Housing.

To enter into a funding contract with the Greater London Authority to receive Housing Zone grant to fund the acquisition of Ujima House and car park, with approval of the final terms of the funding agreement to be delegated to the Strategic Director, Resources in consultation with the Cabinet Member for Housing.

3.0 Detail

3.1 The GLA's Housing Zone programme has been established to accelerate and maximise housing and affordable housing development in key growth areas of London. The Wembley Housing Zone was designated in July 2015 by the Mayor of London. Grant funding of £8m has been allocated for the zone by the Greater London Authority (GLA). The zone matches the boundary of the Wembley Growth Area within the Local Development Framework Core Strategy.

3.2 As reported to Cabinet in July 2015 the key objectives of the Wembley Housing Zone programme by 2025 are to:

- Significantly accelerate and increase housing delivery, by delivering over 600 homes on underused commercial sites
- Unlock future development potential by creating and attract £200m of private sector investment in housing led mixed-use development
- Increase the proportion of affordable housing that might otherwise be achieved on these sites, including a target of 30% affordable homes
- Create 190 jobs from provision of new commercial floor space

The council's successful bid envisaged a rolling programme of acquisition and development of key sites in this area by the council working with a development partner to provide the new homes including 200 affordable homes, supported by the Housing Zone grant.

3.3 The focus of the housing zone interventions is along the eastern 'fringe' of Wembley town centre, a key area within the Wembley Opportunity Area as it plays a significant role in linking the existing town centre and the new Wembley being developed by Quintain. The planned approach will promote the acquisition and development of a rolling programme of sites along Wembley High Road working with a development partner bringing forward over 600 new-build homes of which 30% are affordable.

3.4 The identified development sites for the programme include the land that will be released, subject to Secretary of State Consent, through the redevelopment of the former Copland School (now Ark Elvin Academy) which Cabinet has previously agreed to have developed through the Housing Zone programme.

3.5 A number of sites in private ownership have been identified that could collectively be developed through the housing zone programme to support the

regeneration of this area of Wembley and bring forward new housing and affordable housing with the support of Housing Zone grant.

3.6 Discussions have begun with owners of these sites to establish whether they would be interested in entering into a partnership arrangement with the Council or in selling to the Council or its development partner. An external firm of chartered valuation surveyors has been appointed to provide the Council with valuation advice to inform discussion with these landowners.

3.7 These sites include Ujima House, located opposite the Academy site, which is owned by London & Quadrant Housing Trust (L&Q) who have advised the council that they wish to dispose of their property. Terms for the acquisition of Ujima House and adjoining car park have been agreed with L&Q and this report seeks Cabinet approval to enter into a conditional sale agreement to acquire the site subject to the council obtaining a viable planning permission for its redevelopment within 12 months.

3.8 The terms of the proposed acquisition and information on the independent valuation and other funding terms are set out in exempt Appendix 1.

3.9 The council and GLA have discussed the GLA funding this acquisition from the available Housing Zone grant and the GLA are currently preparing Heads of Terms for a grant agreement to be entered into between the Council and the GLA to enable this.

3.10 The Ujima site is suitable for development on its own but discussions are continuing with neighbouring land-owners and if these are successful it is intended that this site would form part of a larger programme of redevelopment. It is expected that this programme will be taken forward by the council in partnership with a development partner and a further report will be made to Cabinet on the proposed delivery approach and the selection of the development partner.

4.0 Financial Implications

4.1 As noted above the proposed acquisition may be funded by the GLA through the contribution of Housing Zone grant. If this is not agreed the Council will need to fund the acquisition, if a viable planning permission is secured, from its own capital resources.

4.2 The costs associated with the design and planning process will be capable of recovery through the implementation of the development but if a viable planning permission is not obtained the costs will be abortive.

4.3 The purchase of this site is related to the wider development zone. The specific cost is noted in the exempt section. However, if the Council believes that the wider development of the area is necessary then purchasing this site appears a necessary first step. Specific financial comment on the value for money of the deal cannot be discussed here for reasons of commercial sensitivity.

5.0 Legal Implications

5.1 An Overarching Borough Agreement with the GLA for the Wembley Housing Zone was completed in March of this year and this allocates funding of £8m to the zone programme.

5.2 The GLA funding of Ujima House will be secured through a Local Authority Grant Agreement. Draft heads of terms are being prepared by the GLA. If these terms are not acceptable the Council will fund the acquisition from its own reserves.

6.0 Diversity Implications

6.1 The proposed acquisition will assist in accelerating and increasing the delivery of affordable housing and will have a positive impact on housing provision including for those individuals with protected characteristics who experience disadvantage in their housing conditions and access. An initial screening assessment has been undertaken and a full analysis is not required at this point with further consideration to be given as the scheme design and accommodation mix are developed.

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 There are no direct staffing implications arising from this report.

Background Papers

Wembley and Alperton Housing Zones - Cabinet Report 27th July 2015

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