

Report for: ACTION/INFORMATION
Item Number: 18

Contains Confidential or Exempt Information	YES (Part) Confidential Appendices 1 and 2 are exempt from disclosure by virtue of paragraph 10.4(3) of the Access to Information Procedure Rules
Title	Property Strategy - Authority to Market and Dispose of the former Carlton Road Day Centre
Responsible Officer(s)	Lucy Taylor – Director of Regeneration and Planning Policy
Author(s)	Paula Virdee-Pulley – Contracts Manager Property Strategy
Portfolio(s)	Councillor Julian Bell – Leader and Regeneration Councillor Yvonne Johnson – Finance, performance and customer services
For Consideration By	Cabinet
Date to be Considered	September 15 th 2015
Implementation Date if Not Called In	September 28 th 2015
Affected Wards	Acton
Keywords/Index	Market and dispose; savings; development; surplus; disposal; recommendations report; Councils managing agents; redevelopment opportunity, freehold; Carlton Road, 2010 Property Strategy; acquisitions; retained sites

Purpose of Report:

To seek cabinet authority to market and dispose of the former Carlton Road Day Centre

To update Cabinet on the progress of assets associated with the implementation of the 2010 Property Strategy, and, to update Cabinet on the progress of assets identified for Acquisition or retained sites.

1. Recommendations

- Authorises the Director of Regeneration Planning and Policy to market and dispose of the former Carlton Road Day Centre, as shown outlined in bold on the plan as attached as **Appendix 3**, having previously been identified for potential disposal as set out in the 2010 Property Strategy.

2. Reason for Decision and Options Considered

- **The former Carlton Road Day Centre, Carlton Road, W4**

In January 2015 Cabinet approved the closure of the Carlton Road Day Centre. The Carlton Road Day Centre closed on July 31st. Closure of the Centre was delayed until all customers were in receipt of an alternative support service. All customers will be offered a review of their new service to ensure that it is adequately meeting their needs, and dates for these reviews are being set up. In addition work is underway to complete quality of life audits for all customers.

The former Carlton Road Day Centre is, a 1970's single storey building, previously used as a day centre for adults with learning disabilities, and, is no longer fit for purpose. The asset is surrounded on all sides by two and three storey semi-detached Victorian houses ranging from three to five bedrooms. A narrow access serves the asset from the east.

The Council's 2010 Property Strategy identified this asset as part of the Council's corporate long-term property release programme. The programme aims to both reduce annual operating and maintenance costs to the Council overall; and importantly to realise capital receipts in order to reinvest in new service accommodation and other major building projects in the borough.

Following a review of service provision, this asset has been identified as an asset which is now surplus to requirements. It is proposed that the Council's managing agents market this surplus asset for disposal of the freehold as a redevelopment opportunity on an unconditional and 'subject to planning' basis, as set out in the recommendations report as attached at **Confidential Appendix 2**. Authority is also sought for Cabinet to authorise the Director of Regeneration and Policy to dispose of the site following consideration of the outcome of the marketing exercise.

Assets identified for Disposal, Acquisition or retained sites

- **Southall Day Centre (known as MILAP) Shackleton Road, Southall**

The Council is continuing to negotiate the terms of an agreement for lease under which Catalyst will rebuild the current day centre and build flats above.

- **49 Haven Green Ealing W5 - Acquisition**

Heads of terms agreed.

- **Esso North Acton Service Station, Victoria Road Acton W3 - Acquisition**

The Council acquired the freehold interest of the Former Esso North Acton Service Station on 9th July 2015.

- **Southall Gateway – Cabinet Authority August 2014**

Council officers continue to have negotiations with land owners with a view to assembling a comprehensive site.

- **Car Park Roslin Road and the former Learning Curve Centre, Acton W3**

The Council's 2010 Property Strategy identified a number of sites in South Acton for disposal which included the Former Learning Curve Centre and an adjacent Car Park on Roslin Road.

In more recent updates, Cabinet has approved an adjustment in approach to retain these sites as part of a wider reorganisation of Council assets to facilitate the establishment of a new primary school on the Acton Park Depot site. As these sites are no longer required for a primary school the Council is considering alternative options for these sites.

3. Key Implications

A progress update on the various property projects that have progressed since the last cabinet report are as detailed within this report.

4. Financial

4.1 The Property Strategy has been prepared in order to be at least self-financing and to produce on going operational savings.

4.2 It is important to recognise that in order to maximise the financial and service benefits the property strategy should be treated as a single project rather than being disaggregated. The individual projects will be treated as sub-projects for accounting purposes.

4.3 **Confidential Appendix 1** – Financial Implications sets out:-

1. The latest capital cash flow forecast for service centre related sites and other general disposals;
2. Service Centre capital expenditure and capital receipts cash flow analysis
3. The Service Centres revenue implications;
4. A summary of anticipated capital receipts compared to budget; and,
5. Commentary on the overall Property Strategy Position. Property valuations have been revised to reflect current market conditions and the anticipated future use of the properties. This has been reconciled to the latest property disposals report from Lambeth Smith Hampton (August 2015).

4.4 Any costs or works associated with preparing sites for disposal such as the demolition of existing buildings and planning applications may potentially enhance the sale proceeds. Some of the costs of such work may be recoverable from the sale proceeds when sold, e.g. 4% of sale proceeds can be used to cover costs associated with disposal. Works such as demolition will also help to improve the safety of sites and prevent antisocial behaviour that can occur when buildings are left vacant.

4.5 However, it is not always clear at the outset whether or not such costs will enhance the level of sale proceeds and it is therefore appropriate that the costs of such works should initially be funded from revenue budgets, but then charged to capital when costs are subsequently recovered from the sale proceeds.

5. Legal Implications

- 5.1 The Council has powers to acquire and dispose of property under the Local Government Act 1972. Under section 123 except in specified circumstances the consent of the Secretary of State (whether express or by general consent) will be required where a disposal is proposed for a consideration less than the best that can reasonably be obtained.
- 5.2 The Property Strategy envisages that the Council will generally achieve full market value when making disposals.
- 5.3 Assets which are listed as Assets of Community Value in accordance with the Localism Act 2011 can only be disposed of in accordance with the terms of the relevant legislation

5.4 **Public law duties, Equalities and Human Rights considerations**

- a. When making decisions the public authorities must act reasonably and rationally. They must take into account all relevant information and disregard all irrelevant information and take into account the views of those affected before final decisions are made. When making decisions public authorities must be able to demonstrate that decisions, including financial decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different members of the community. This is achieved through assessing the impact that changes to policies, procedures and practices could have on different protected groups and, where possible, identifying methods for mitigating or avoiding any adverse impact on those groups. The Council's equality impact assessment toolkit supports this approach.

- b. S149 Equality Act 2010 requires public authorities to have due regard to the need to:

Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Act; Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; Foster good relations between persons who share a relevant protected characteristics and persons who do not share it.

- c. The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

- d. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; encourage persons who share a relevant protected characteristic to participate in public

life or in any other activity in which participation by such persons is disproportionately low.

- e. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- f. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others.

The Human Rights Act 1998:

- g. The Human Rights Act 1998 makes it unlawful for public authorities to act in a way that is incompatible with a Convention right. Anyone who feels that a public authority has acted incompatibly with their Convention rights can raise this before an appropriate UK court or tribunal.

6. Value For Money

Under section 123 of the Local Government Act (1972) the Council is required to achieve best consideration for the disposal of assets. Disposal of the assets recommended for disposal will reduce annual operating and maintenance costs to the Council overall; and importantly realise capital receipts in order to enable the Council reinvest in the borough.

7. Sustainability Impact Appraisal

The Council has invested in new Assets that are fit for purpose as part of the 2010 Property Strategy

8. Risk Management

Calculations relating to disposals are subject to market volatility and will be adjusted to reflect up to date costing's and valuation information

Any risks associated to asbestos or other environmental considerations are based on existing survey data. More detailed investigation may result in additional cost being incurred for remedy or removal.

9. Community Safety

Disposal of this asset will have a positive impact on the area and may stimulate further investment in neighbouring properties.

10. Links to the 6 Priorities for the Borough

Disposal of this asset will reduce annual operating and maintenance costs to the Council overall; and importantly realise a capital receipt in order to reinvest in new service accommodation and other major building projects in the borough.

The council's six priorities for the borough are to make Ealing:

- prosperous
- safer
- healthier
- cleaner
- fairer
- accessible

11. Equalities, Human Rights and Community Cohesion

An Equalities Impact Assessment has been completed for the closure of the former Carlton Road Day Centre which sets out the impact on current and potential future users and carers affected by the closure and the steps considered with a view to minimising any adverse impact that has been identified.

12. Staffing/Workforce and Accommodation implications:

There are no workforce implications relating to the former Carlton Road Day Centre, the asset is vacant and surplus to requirements.

13. Property and Assets

The former Carlton Road Day Centre is a Council owned building. The closure of the Centre is as a result of savings proposals and any disposal value would form part of the Council's overall Property Strategy.

14. Any other implications:

The Property Strategy has been prepared alongside the Council's Infrastructure Delivery Plan, which is an important part of the Local Development Framework, so that the two pieces of work support each other.

15. Consultation

Refer Adults Consultation - Results of the Consultation on the Proposal to Close Carlton Road January 2015 are as attached to this report at **Appendix 4**

16. Timetable for Implementation

Feasibility study procurement and preparation to show alternative use - November 2015

Due diligence to ascertain legal issues - end of November 2015

Preparation of marketing material and preparing brochures - mid December 2015

Pre-marketing to selected targets - mid January 2016

Marketing campaign launch - mid February 2016

Bids received - March 2016

Selected party identified - mid April 2016

Conditional contracts exchanged - end May 2016

Discharge planning conditionality; allow 9 months giving a potential completion date for receipt of consideration in Spring 2017

17. Appendices

- Financials - **Confidential Appendix 1**

- The Councils managing agents valuation and recommendations report – **Confidential Appendix 2**
- Plan of the former Carlton Road Day Centre – **Appendix 3**
- Refer Adults Consultation - Results of the Consultation on the Proposal to Close Carlton Road January 2015 – **Appendix 4**

18. Background Information

- Adults Consultation - Results of the Consultation on the Proposal to Close Carlton Road January 2015
- Property Strategy 2010 and the Councils Infrastructure Delivery Plan

Consultation (Mandatory)

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Pat Hayes	Executive Director			
Councillor Julian Bell	Leader and Regeneration			
Councillor Yvonne Johnson	Finance, performance and customer services			
Lucy Taylor	Director Regeneration Planning and Policy			
Jackie Adams	Legal Services	19/08/2015	20/08/2015	Entire report
Benedict Flanagan	Finance	19/08/2018	02/09/2015	4. Financial
External				
Lambert Smith Hampton	The Councils managing agents			

Report History

Decision type:	Urgency item?
Non-key decision	No

Report no.:	Report author and contact for queries:
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