

Report for:
ACTION

Item Number:

Contains Confidential or Exempt Information	NO
Title	Future Ealing: Property Assets and Neighbourhood Offer Programme
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Portfolio(s)	Cllr Bell - Property and Estates Portfolio
For consideration by	Cabinet
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Implementation Date if Not Called In	23/07/2018
Affected Wards	All
Keywords/Index	Commercialisation, assets, co-location, regeneration

Purpose of Report:

The purpose of this report is to present the first set of outcomes from the Property Assets and Neighbourhood Offer Programme and make recommendations to Members to make better use of specific assets owned by the council in order to improve community outcomes; deliver more affordable homes and generate income and savings. This is the first phase of the assets programme; further assets will be considered later in the year.

1. Recommendations

- 1.1. Approve the approach and methodology for this work outlined in section 3 below.
- 1.2. Delegate authority to the Director of Regeneration and Planning, following consultation with the Executive Director of Corporate Resources and confirmation of funding availability as identified in recommendation 1.6 to:
 - a. Market and dispose of the following assets on the open market:
 - Cornucopia Building, Spikesbridge Park, Southall
 - Verona Terrace Car Park, Norwood Green, Southall
 - 15 Florence Road (NB decision to relocate the service operating from the building has been approved in February 2018 Cabinet report)
- 1.3 Delegate authority to the Director of Regeneration and Planning to terminate the lease for Pitshanger Library, following exploration of the feasibility of options, to provide an alternative, community-led service offer for the local area, and

following consultation with the Director of Customer Services, the Portfolio Holder for Regeneration and Transport and Portfolio Holder for Business and Community Services.

- 1.4 Authorise the Director of Regeneration and Planning, following consultation with the Executive Director of Corporate Resources and confirmation of funding availability, as identified in recommendation 1.6 to commission the next stages of feasibility work for potential co-location and/or development for affordable housing, in relation to the following sites:
 - Assets in scope of the Greenford Neighbourhood Offer pilot as outlined in para 3.26
 - Co-location of services in Hanwell
 - Co-location of services in Perivale
 - Michael Flanders Centre, Church Road, Acton
 - Development above 7 surface level car park sites
 - Norwood Road Car Park (1)
 - Norwood Road Car Park (2)
 - The Young Adults Centre, Southall
 - Northolt Grange Community Centre
 - The Limes, Merrick Road, Southall
 - Dame Gertrude Hostel, Castlebar Road, W5
 - St Ann's School
 - Wood End Library and Children's Centre
- 1.5 Authorise the Director of Regeneration and Planning, following consultation with Executive Director of Corporate Resources and confirmation of funding availability, as identified in recommendation 1.6, to commission the necessary and appropriate community engagement and service user consultation on the above proposals to assess the impact on services before any decision is made to proceed with proposals.
- 1.6 Note that a further report detailing funding sources that will support the delivery options as indicated paragraphs 1.2 to 1.5 will be brought to Cabinet to request funding approval.
- 1.7 Note that a further report will be brought back to Cabinet for decisions regarding the neighbourhood offers once the feasibility work, community engagement and user consultation has been completed

2 Reason for Decision and Options Considered

- 2.1 The purpose of the Property Assets and Neighbourhood Offer programme is to enable the council to make the best possible use of the council's property assets, improving community outcomes and enabling the Council to realise a number of strategic objectives. Specifically, the programme involves taking a more commercial and strategic approach to the use of council-owned property and assets to achieve the following outcomes:

- Protecting access to community services and improving community outcomes
- Contribute to the delivery of genuinely affordable housing at scale and within the council's control
- Generate revenue and income to address goals in the MTFS and provide resources to reinvest in council service provision
- Create an effective "**Neighbourhood Offer**" through co-location of service provision, which meets the needs of communities in each neighbourhood in a more effective and sustainable way

3. Key Implications

3.1 Benefits

The programme aims to deliver a mixture of financial and non-financial benefits in the short, medium and long term. A key aim of the programme is to make more effective use of the council's assets in such a way as to protect and improve community outcomes, whilst enabling an effective contribution to meeting the Council's priorities including affordable housing and generating income and savings (further details of which feature in the Finance section of this report).

3.2 Approach and Methodology

The approach to this programme has been to consider the current and potential future use of assets owned by the council, across a range of portfolios, and determine what if anything could be done differently with these assets that will deliver a greater benefit for Ealing residents.

3.3 The following portfolios of assets have been reviewed. This is not the whole of the Council's property portfolio; further work will be carried out to review other properties.

- Children's Centres
- Libraries
- Community Centres
- Car Parks
- Corporate Assets
- Hostels
- Children and Adults Services assets

3.4 The programme is **phased** across the 4 years of the council's Medium Term Financial Strategy (MTFS). Proposed changes to use of the council's assets will be made over the course of those four phases. The recommendations in this report are phase 1. Analysis of further properties will be undertaken in future phases and recommendations brought back to Cabinet.

Phase	FY
Phase 1	2018-19
Phase 2	2019-20
Phase 3	2020-21
Phase 4	2021-22

3.5 The types of changes being recommended to take place to assets and asset-based service provision across these four phases include:

- Co-location and integration of community services including development and refurbishment of assets to enable co-location and integration of community services
- Development of sites for genuinely affordable housing
- Conversion of assets and development of land for commercial use, to generate income to contribute towards the council's Medium Term Financial Strategy and for re-investment in community service provision
- Disposal of the asset on the open market to realise an immediate financial return

3.6 The Neighbourhood Offer

A key aim of the programme is to make better use of the council's property and assets in order to enhance community outcomes. The council aims to create a "Neighbourhood Offer" of services and provision which delivers the best possible outcomes for Ealing residents. The "Neighbourhood Offer" is defined as:

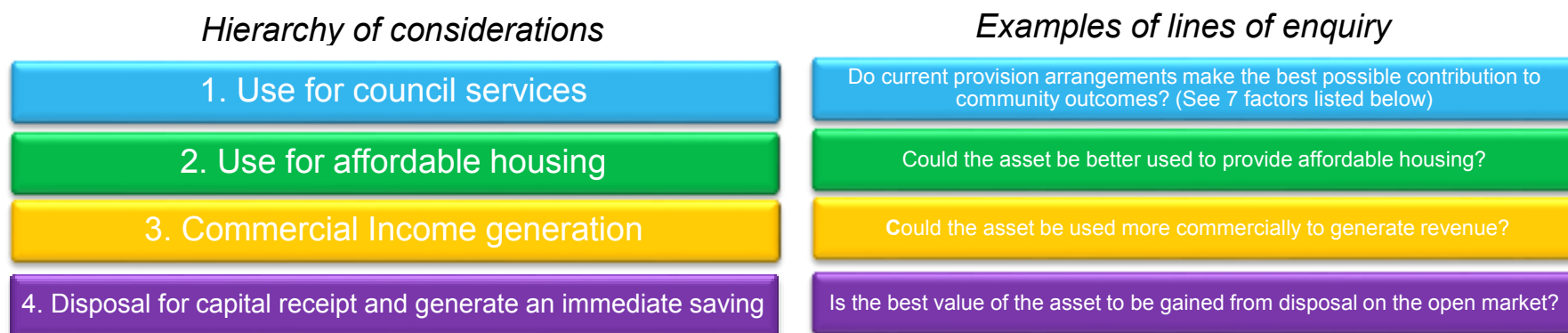
"The best possible provision of Council services and affordable housing across Ealing, which best meets the needs of each particular neighbourhood in the borough."

3.7 For the purposes of this programme, the Neighbourhoods are organised around the following geographical areas:

- Ealing
- Acton
- Southall
- Northolt
- Greenford
- Hanwell
- Perivale

3.8 The methodology used to guide the direction of the programme and produce the recommendations in this report is set out in Figure 1 below:

Figure 1: Summary of methodology used to guide the programme and development of the “Neighbourhood Offer”



Stage 1: Review of assets for potential of continued use for council services

As a first step, council services currently provided from within council-owned assets (across the portfolios in scope) were reviewed, for the purposes of deciding whether this current use was the most appropriate use of each asset. The review took into account **seven key factors**:

1. current and future strategic direction of the service / influence of relevant existing strategies on future provision
2. information about outcomes currently delivered by services provided from the assets
3. levels of current utilisation
4. costs of running buildings, including facilities management / maintenance
5. asset valuation data, including valuation for potential use as housing
6. potential for co-location and relocation to release value
7. potential for service cessation in that location
8. The strategic direction of the overall service

The results of this analysis have enabled a number of properties to be identified that could be surplus to service requirements. This has been led by Heads of Service.

Stage 2 – potential for use as affordable housing

Stage 3 – potential for conversion to commercial use to generate income

Stage 4 – potential for disposal on the open market for a capital receipt

3.9 A summary of the conclusions by each service is set out in in Table 2 below (page 7). These finding have led to a number of recommendations set out in paras 3.12-3.31.

Service	Service purpose	Future strategic direction	Information used in review	Conclusions from review
<p>Children's Centres</p>	<p>Ealing has a network of 27 Children's Centres which offer a range of services for young children aged pre-birth to five, and their families.</p> <p>The service reaches over 12,000 users each year, and works to achieve targets to reach users in specific neighbourhoods across the borough. The service has exceeded specific targets to reach users from BME groups in Northolt, Greenford and Southall.</p> <p>Children's Centres host and facilitate access to a broad range of services, including early education and childcare, out of schools and play activities, family and parenting support, employment support and support for family health and well-being.</p>	<p>Direction is to retain children's centre provision for community use as far as possible, in the light of the breadth of community outcomes delivered from the integrated and co-located services on children's centre sites. However, co-location and integration options are being actively considered as far as possible. When considering relocation, co-location or integration options, the service takes into account statutory guidance on Children's Centre provision, including size and spatial requirements of an effective Children's Centre offer as set out in the Sure Start "Every Building Matters" guidance.</p>	<ul style="list-style-type: none"> • Service manager consultation • Service utilisation data • Key Performance Indicator data for each individual Children's Centres • Returns to central government on Children's Centre performance • Statutory guidance on Children's Centre provision 	<ul style="list-style-type: none"> • All 27 children's centre sites were reviewed • Some sites on which children's centres are located have potential for development; there will be some requirement for provision on alternative sites. • The majority of sites are located in parks, already co-located with schools or in buildings not owned by the Council. • Further assessment of children's services and associated assets will take place as part of the Outcomes Reviews being undertaken over the summer. • Re-provision options will be worked through as part of further feasibility testing

<p>Libraries</p>	<p>There are over 1.6m visits to the 13 Libraries in Ealing each year.</p> <p>Libraries provide a range of services for the community, including:</p> <ul style="list-style-type: none"> • A range of books and information resources for all age ranges • Access to IT and digital resources • Events and activities to support reading and learning • Local History archives and resources • Support for lifelong learning • Contributions to community cohesion and well-being • Educational support to assist in improving employability 	<p>The Library Strategy sets the strategic direction for the Library service. This strategy sets out a vision for the future direction of Libraries in Ealing which is:</p> <ul style="list-style-type: none"> • Towards Digital service provision and self-service models • Enabling of and supporting “Active Citizens”, Volunteering and community partnerships to extend the library offer • Commercialisation of libraries – utilising space more effectively, reducing costs and generating new sources of income • Co-location of libraries with other uses where possible making it easier for customers and visitors to access a range of community services under one roof • Flexing and tailoring library offers to the specific needs of neighbourhoods 	<ul style="list-style-type: none"> • Service manager consultation • Service utilisation data • Service access data (e.g. walking distances and geographical reach) • Conversion data: how many visits to Libraries converted to book loans • Outcome data in the form of levels of employment, engagement in learning, education and skills training in neighbourhoods across Ealing 	<ul style="list-style-type: none"> • All 13 Library sites were reviewed • 4 out of 13 sites were identified in Phase 1 as suitable for change, based on utilisation and accessibility data. Under-utilised sites (by comparison to the average utilisation rates) have been put in scope for review: Hanwell, Perivale, Greenford and Wood End • Options are being considered for remodelling the library offer based on opportunities for co-location with other services/community provision. Further feasibility testing required. • Pitsshanger Library also has been reviewed, it is in a building not owned by the council for which an annual rent is paid, with periodic rental reviews. The current 16-year lease expires in December 2018. The council has the option not to seek a renewal of the lease. This presents an opportunity to rethink how library services are provided in this location now and in the future without being tied into a long lease commitment that may restrict future options for reconfiguring the library offer through co-location. • Further assessment of library provision will take place following the completion of the Outcomes Reviews in the autumn and the emerging libraries strategy.
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Service	Service purpose	Future strategic direction	Information used in review	Conclusions from review
Adults services	<p>Services for vulnerable adults from assets within the scope of this programme provide:</p> <ul style="list-style-type: none"> • Support for highly vulnerable groups to be as active and independent as possible • Help to address mental and physical health issues • Prevention of enduring mental illness through early intervention 	<p>The future direction of the service is towards more of a focus on enabling vulnerable people to be and remain as active and independent as possible. This involves developing more of a focus on demand management and enabling / reablement support.</p> <p>The service is also seeking to transform the way it operates through its Better Lives programme to ensure that the most vulnerable adults are properly supported to live as independently as possible. The Better Lives programme has involved developing “patches” in four areas across the borough to empower and enable professionals to understand the full range of services in each geographical “patch”, with a view to facilitating more joined up service provision and more effective partnership working to deliver better community outcomes.</p>	<p>Consultation with service managers and commissioners</p> <p>Service user data:</p> <ul style="list-style-type: none"> • profile of needs of current service users • Performance data relating to effectiveness of reablement services • Service need / commissioning data from Joint Strategic Needs Assessment and commissioning plans 	<ul style="list-style-type: none"> • Sites were reviewed as part of Phase 1 of this programme. The Michael Flanders Centre site is considered to provide an opportunity for redevelopment with re-provision of the centre to provide a better building along with an opportunity to develop more housing on Acton Gardens. • Options for alternative use for parts of the Adults estate are in development as part of a broader review of mental health accommodation and support pathway commissioning. Outcomes from the broader review will feed into subsequent phases of this programme

Service	Service purpose	Future strategic direction	Information used in review	Conclusions from review
<p>Community Centres</p>	<p>Ealing's 10 Community Centres are home to educational, social and recreational groups and cater for all ages. The centres are available for hire to local community groups and at most centres for private hire.</p> <p>The Centres host activities that provide for the particular needs of local neighbourhoods.</p>	<p>Future strategic direction of the service is:</p> <ul style="list-style-type: none"> • To become financially sustainable and independent • Host and facilitate activities which better reflect the needs of the local community • Help enable the council to achieve its wider set of priorities, in particular around health, well-being and independence 	<ul style="list-style-type: none"> • Consultation with service managers • Utilisation data • Service accessibility data (e.g. walking distances) 	<ul style="list-style-type: none"> • 10 sites reviewed, • 1 is not currently being used and is identified for change. • Greenford Community centre is an opportunity to be part of Greenford Neighbourhood Offer Pilot, which will require further feasibility testing to be completed • Potential for a broader set of community centres to come under review in future Phases of the programme

Service	Service purpose	Future strategic direction	Information used in review	Conclusions from review
Car Parks	The council operates 17 Car Parks across the borough, which help to enable access to town centres and a range of amenities and services across the borough and play a key role in enabling economic prosperity.	<p>Future direction of the service is to take a more commercial approach:</p> <ul style="list-style-type: none"> • Enable strategic development of parking sites, whilst meeting resident demand for parking in the borough • Seeking to enable access to parking whilst lowering the cost of provision to the council • Reviewing fees and charges • Options for development over surface level car parks with re-provision paid for as part of the development process 	<p>Consultation with service managers Service utilisation data Review of revenue from income received from each car park in scope</p>	<ul style="list-style-type: none"> • 14 surface level carpark was reviewed, 11 identified for change on the basis of potential to develop over the surface level car park, utilisation data and trends in income revenue • Verona Terrace car park identified for disposal as it is relatively small and used informally not on a charged for basis • Norwood Road car park (2) identified for potential for development for housing with re-provision on a multi-storey car park on Norwood Road (1) car park. • 8 sites identified for potential for residential development either on part of the site or in development over the car park with parking space re-provided, resulting in better overall value from the site: <ul style="list-style-type: none"> - Arden Road - Witham Road - Dean Gardens - South Ealing - Salisbury Street - George St - Greenford - Perivale Station

3.10 Sites for Development of Genuinely Affordable Housing

Six sites have been identified as possible locations for development of genuinely affordable housing through a mixture of relocation, re-provision & development. These are:

- **Michael Flanders** - The centre provides day care for adults with substantial physical disabilities or sensory impairment. The service is part of the Adult's service strategy and is required to be retained. The service is for residents from across the whole borough and could be relocated within the borough. To the rear of the site the Acton Gardens housing development will regenerate the area. Initial discussion has taken place to include the Michael Flanders site in the development with re-provision of a new bespoke facility on Acton Gardens alongside an opportunity to build more affordable housing.
- **The Limes** - West London Mental Health Trust currently occupy the building via a lease that expires in February 2019. The Peabody Housing Association will be constructing a development adjacent to the site, presenting the opportunity to deliver a conjoined development enabling efficiencies and an increased number of genuinely affordable homes. (NB see Cabinet report 13 February 2018).
- **Northolt Grange Community Centre** - The community centre is closed currently and there are no service plans to re-open the facility. Through redevelopment the site has the potential to provide affordable homes.
- **Young Adult Centre, Southall** – The centre provides services for young people in Southall. Further feasibility is required to examine suitable alternative locations to re-provide the services. This will need to be arranged before the existing building is decanted and available for development.
- **Wood End Library & Children's Centre** - The library provision is one of the least utilised in the borough with the main service users being children. The rear of the property is used as a children's centre. Further feasibility is required to examine opportunities around co-locating the children's centre provision with a small children centred library offer within one of the neighbouring schools.
- **Norwood Road Car Park (2)** – The car park is well used and the parking capacity is required in the area. To enable the site to be used for providing genuinely affordable housing, a second level of car parking could be built upon the nearby Norwood Road (1) car park.

3.11 Development above surface level car parks for provision of housing and genuinely affordable housing

- **Seven surface level car parks** - Each of the car parks serve town centres and neighbourhood centre. They provide an income from the parking. The car parking provision is required to be retained with the opportunity to build over the car park to create new housing including affordable housing.

3.12 Develop for commercial income

Three sites have been identified:

- **Norwood Road (1) Car Park** – The site is situated in close proximity to Norwood Road (2) car park and is well utilised. The site is dependent on the sale of Norwood Road (2) in order to construct a second level to accommodate any displaced users.
- **Greenford Depot** – Greenford depot is the largest recycling and refuse centre in Ealing and also contains a variety of commercial users on site. The site is not optimally configured and an initial feasibility study has identified the opportunity to reconfigure the site to increase the efficiency for the service and to create an opportunity for development of industrial units to generate jobs and a commercial income.

3.13 High value sites for development

- **St Ann's School** – This school provides facilities for students with complex profound to severe learning difficulties. The site is well used and an essential provision for Ealing, however the current building is not optimally configured to deliver the service. The site serves the whole borough and could be relocated within the borough. Further feasibility is required to explore constructing a new, bespoke facility elsewhere in Ealing with no reduction in provision. If deemed viable the new site would need to be constructed before the existing building would be decanted.
- **Dame Gertrude Hostel, Castlebar Road** - The service currently provides the only shelter for single, homeless men in Ealing and is part of the overall service strategy. The hostel provides a boroughwide service that is not area dependent and could be relocated elsewhere within the borough in a more optimal building and release this high-value site for housing development. Further feasibility work needs to be undertaken on this.

3.14 Disposal for capital receipt

- **Cornucopia Building, Spikesbridge Park, Southall** - The building is currently vacant and sits within Spikes Bridge Park in proximity to a day nursery. The council has no planned uses for the building and currently spends significant upkeep to maintain the asset. The site could be suitable for small scale residential development.
- **Florence Road, W5** - The decision to close 15 Florence Road was taken in 13/02/2018 by Cabinet (see Florence Road Children's Home report's appendix 1).
- **Verona Terrace car park, Norwood Green, Southall** - The car park is currently not enforced by Parking Services and no income is generated from the site, The Council pays to maintain the car park. The parking on this site could be accommodated as on-street parking. The site is suitable for some small-scale residential development.

3.15 Cessation of lease

- **Pitshanger Library** – The council lease the site and the lease is due to expire in December 2018. There is an opportunity to make some savings by moving out of the current building. Locations and options for an alternative library offer in the area will be explored prior to a final decision to terminate the lease.

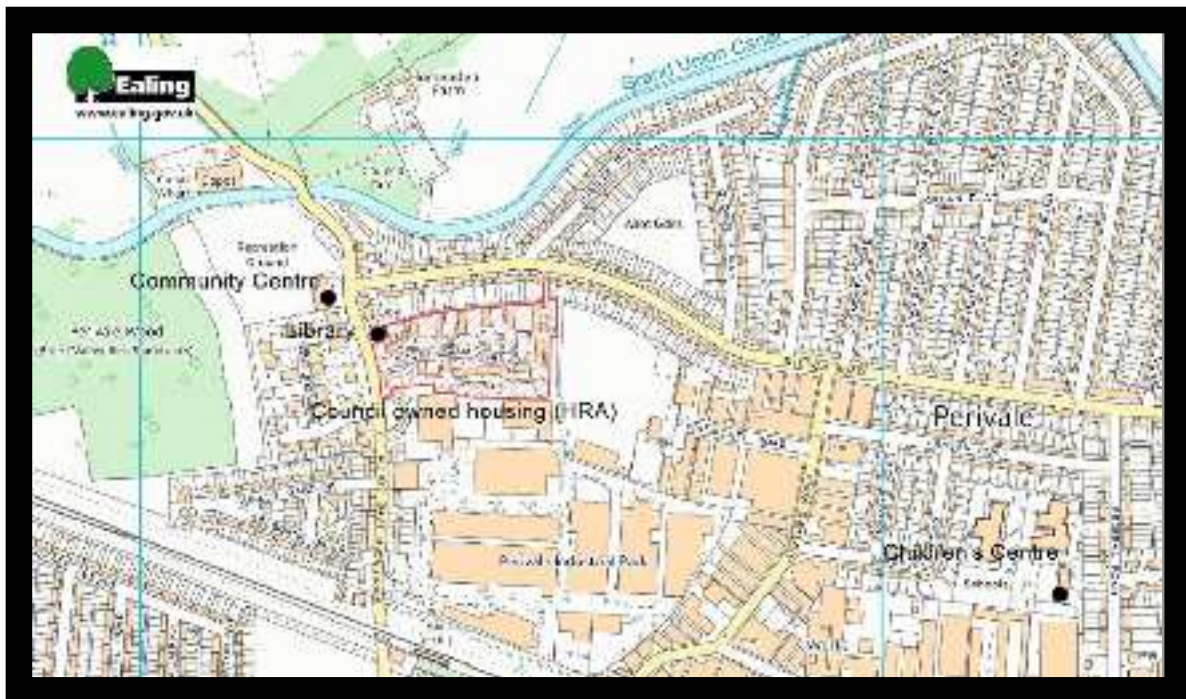
3.16 Co-Location, Re-location and Integration: Neighbourhood Offer Financial

As part of this programme, a number of options for co-location and service integration have been considered, with a view to creating hubs to provide a “Neighbourhood Offer” as described in para 3.6 above. Co-location and rationalisation will release assets to generate greater value to Ealing residents. By following the methodology described in Figure 1 above, three “Neighbourhood Offer Pilots” have been identified in the following areas:

- Perivale
- Hanwell
- Greenford

Details of these proposed pilots are set out below:

3.17 Perivale



3.18 The Perivale Neighbourhood Offer Pilot proposal is to relocate Perivale Library into the grounds of Perivale Community Centre. The library is the least visited in Ealing and is located directly opposite Perivale Community Centre. Through co-location use of both services will increase and will also enable revenue savings through shared amenities.

3.19 Perivale Library is situated behind a Council housing development currently taking place in Buckingham Avenue. The opportunity to work with the developer to extend the scheme would create higher numbers of genuinely affordable homes. To enable the co-location, feasibility work needs to be completed on a new layout or extension to Perivale Community Centre alongside consultation with service users.

3.20 Hanwell



3.21 The Hanwell Neighbourhood Offer could create a new shared space within Hanwell Library, consisting of a children's centre, children's library and additional external play space.

3.22 The library is one of the lowest utilised in the borough and is mainly used by children and families, therefore co-locating children's centre and library will enable more efficient access to services. Amenities will be shared enabling reductions in total maintenance costs therefore delivering a saving.

3.23 The project will enable the existing children's centre site to be converted for use as housing, in order to deliver genuinely affordable homes.

3.24 The Library is adjacent to the Council's Horizon Centre. Further feasibility and exploratory work is required in order to understand the opportunities, if any, at each of these sites and any potential internal and/or external alterations required to Hanwell Library as a result of co-location and integration, alongside consultation with service users.

3.25 Assets in scope for feasibility work:

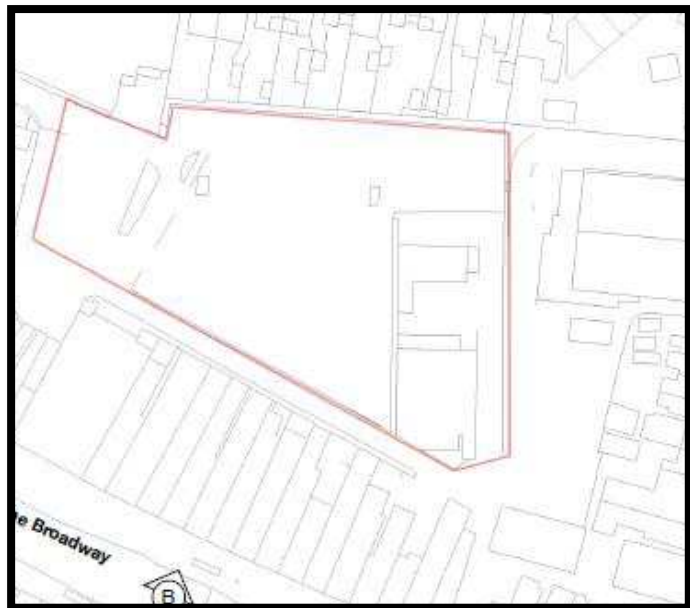
- Hanwell Library
- Hanwell Children's Centre
- Horizons Centre

3.26 Greenford

The Greenford Strip



Greenford Car Park



3.27 The Greenford Neighbourhood Offer Pilot aims to establish a vibrant and dynamic hub of integrated services in central Greenford. A number of sites have been identified, providing the opportunity for a comprehensive review of a variety of services, assets and existing delivery models. There are some neighbouring properties that are not council owned or are leased to third parties but which might, through negotiation and partnership working, help to establish a greater range of options for the council to deliver value.

3.28 Around half of the assets in scope could potentially be used to contribute to the target to deliver 2,500 genuinely affordable homes.

3.29 The design of any hub enabling co-location will be to facilitate shared amenities and efficient programming to ensure optimal occupancy during opening hours and to share running costs.

3.30 Three sites have been identified as possible locations for a new hub, all of which require further feasibility to establish an ideal location and proposed centre layout.

3.31 Assets in scope:

- Greenford Library
- Greenford Community Centre
- Greenford Car Park
- Ealing Education Centre
- Stanhope School
- Windmill Nursery (Children's Centre)
- Greenford Hall

4 Financial

4.1 In addition to the benefits to community outcomes delivered through the protection and enhancement of community services (e.g. through co-location, relocation and integration), there are financial benefits arising from the recommended changes to asset-based provision set out in this report.

4.2 As Appendix 1 shows, further feasibility testing is required on a number of sites in order to ascertain the net financial benefits arising from proposed changes to assets. However, even at this early stage of the programme's development it is possible to set out some estimated financial benefits.

4.3 Set out below are estimates of revenue saving returns from:

4.3.1 Capital receipts from disposals of assets on the open market, and associated savings arising from reductions in borrowing costs

4.3.2 Estimates of reductions in Facilities Management costs, both programmed and unplanned

4.4 Not included in this report are other potential financial benefits, such as those arising from:

- Reductions in costs of provision arising from deals with developers
- Commercial incomes arising from conversion of assets for commercial use
- Financial benefits arising from taking a varied and flexed approach to provision of affordable housing (as opposed to provision of housing at market rate)
- Income generation from leasing properties
- Savings to the council arising from disposal of land and/or assets to Broadway Living for housing development
- Cost savings arising from service reduction. In terms of financial benefits, the focus of this report has been on benefits arising from changes to assets which release value in terms of disposal for housing, or on the open market, or for potential commercial use, rather than savings arising from reductions in council services.

4.5 Savings from recommended disposals to the open market

Disposals to the open market initiated in 2018-19:

- Verona Terrace car park (valued at **£0.630m**)
- Cornucopia (valued at **£0.750m**)
- 15 Florence Road (valued at **£2.000m**)

Estimated total value of assets for disposal on open market: **£3.380m**.

- 4.6 Estimated total value of assets for disposal on open market less the value of 15 Florence Road (already factored into council's MTFS): **£1.380m**
- 4.7 New savings delivered in 2019-20 from reductions in borrowing following capital receipts in 2018-19: **£0.138m**
- 4.8 Potential savings arising from estimated reductions in Facilities Management costs. Please note: total level and profile of savings arising from FM cost reduction will be subject to outcomes of further feasibility testing, but could include:
- Planned FM cost reduction from proposed changes to assets in scope (see Appendixes 1 and 2): **£0.043m**
 - Estimated reactive FM cost reduction: **£0.034m**

Total £0.077m

4.9 Resourcing delivery of this programme

- 4.10 Dedicated programme and project management support will be required to take this programme forward to ensure successful delivery and integration with the broader range of property, asset and regeneration activity taking place across the borough in coming years, as well as integration with the council's "Future Ealing" agenda and related transformation programmes. The following resources will be required:
- Some capacity at senior levels of the organisation to ensure appropriate leadership, quality assurance and oversight
 - Project Managers to take forward the feasibility studies for co-location and development of housing and commercial opportunities
 - Some specialist advice, including advice from planning services and corporate support services such as Finance and Legal
 - Market analysis and research
 - Strategic engagement with developers and potential investors
 - Effective and appropriate consultation and engagement with service users
 - Effective governance and engagement with key stakeholders, including Members and the council's corporate board and senior leadership team
- 4.11 In order to ensure that the requirements of the programme are met, it is estimated that a budget of c£0.600m p.a. will be required. A further report will need to be taken to Cabinet requesting that the budget requirement be incorporated within the MTFS.

5 Legal

- 5.1 The Council has the power to dispose of property under section 123 of the Local Government 1972 Act the Council in any manner it wishes. This is subject to an obligation to obtain the best consideration that can reasonably be obtained (except for leases of seven years or less) unless the Secretary of State's consent is obtained for the disposal.
- 5.2 If the land to be disposed of includes open space a notice of intention to dispose of the land must be advertised in accordance with section 123(2A) of the Act and any objections to the proposed disposal must be considered before any final decision to dispose of the land is taken.

6 Value For Money

- 6.1 The programme will deliver better value for money by enabling a more strategic and commercial use of the council's asset base.
- 6.2 The methodology applied which underpins the recommendations in this report has assessed assets across portfolios for the different types of value they bring, or could potentially bring, to Ealing residents.
- 6.3 The recommendations for changes to asset-provision in this report which relate to recommended disposals on the open market reflect the conclusions that the best possible value to the community is delivered through disposal of those assets.
- 6.4 They also reflect the future strategic direction of the various services in scope, which is towards more effective commerciality in order to protect and improve services, strategic demand management, enablement of active citizenship and smarter use of technology to improve access and enable self-service.
- 6.5 Other recommendations relate to various types of feasibility testing for changes to a number of assets. This feasibility testing will take to the next level of detail the analysis required to determine the true value of each option for change – e.g. commercial use, disposal on the open market, use for housing.
- 6.6 Outcomes of the feasibility testing notwithstanding, a number of changes would need to be made to the way services are provided in order to enable assets to be released for alternative uses which give greater value to residents. These changes in and of themselves will also deliver better value for money: for example, co-location, integration and relocation of services will enable sharing of costs and amenities; and “packaging” services as part of a Neighbourhood Offer will make it easier for residents to access a range of essential services without having to travel so far across different towns and/or parts of the borough.
- 6.7 Further feasibility testing will also aim to explore options for delivering greater value for money through working with private providers, and ways that through strategic partnership the council can share or pass on some or all of the cost of redevelopment and re-provision.

7 Sustainability Impact Appraisal

- 7.1 The council is committed to sustainable development. Further feasibility testing is recommended in every case where a change of use is proposed. This feasibility testing process will run in parallel with appropriate sustainability impact appraisals for each proposed change of use for the council's assets, and outcomes of these appraisals will, along with outcomes from feasibility tests, be fed back to Members in future reports.

8 Risk Management

- 8.1 Principle risks and mitigations which the Working Group have been identified:

Risks	Mitigations
Accuracy of valuation information relating to council assets due to market fluctuations	Detailed discussions between project team and planning services to scope out initial feasibility of alternative use
Appropriate resourcing to move the programme forward, progress feasibility and work to realise benefits	Development of specific proposals for support to ensure robust programme management (included in the Finance section of this report)
Lack of consistency of information used by services across the council to demonstrate impact on community outcomes arising from service provision	Detailed discussions with service managers to analyse and assess available outcome-delivery information and data
Challenges around timescales, and realisation of benefits in time to impact on the council's Medium Term Financial Strategy	Proposals for feasibility testing delivered to July Cabinet in order to enable "green light" for this work in the Summer, with initial straight disposals actioned from January 2019 enabling impact on 2019-20 budget. Proposals for investment in an appropriately sized team and support for the programme, costs of which will be netted off against benefits of the schemes and projects, will also help enable delivery at pace.
Challenges around delivery of genuinely affordable housing within housing-related changes	Further feasibility testing required to scope out the detail of potential for creation of genuinely affordable housing, which builds on initial recommendations by LSH the council's strategic property advisers, and the council's planning functions.

9 Community Safety

- 9.1 None arising directly from this report.

10 Links to the 3 Key Priorities for the Borough

10.1 The council's administration has three key priorities for Ealing. They are:

- Good, genuinely affordable homes
- Opportunities and living incomes
- A healthy and great place

10.2 This programme aims to create a holistic "Neighbourhood Offer" of efficient, effective and accessible council services, whilst enabling creation of potentially over 700 new homes. These two key aims speak to the "Good, genuinely affordable homes" and "A healthy and great place" priorities.

11 Equalities, Human Rights and Community Cohesion

11.1 The recommendations in this report have been produced on the basis of a review of service provision from within the council's property and asset base across a range of service portfolios.

11.2 Where available and as appropriate, information about service use and utilisation has been taken into account in the development of these recommendations.

11.3 The following assets are proposed to be disposed of on the open market:

- Cornucopia
- Verona Terrace Car Park
- 15 Florence Road (note – decision to dispose has been taken as part of a previous report to Cabinet, dated 13th February 2018)

11.4 In the case of Cornucopia, there are no current service users and therefore the assessment of the council is that there is no differential impact on equality groups arising from this decision.

11.5 In the case of Verona Terrace Car Park, it is the assessment of the service that users of the facility can have their needs met through on-street car parking and therefore there are no anticipated differential impacts on equality groups arising from the proposal to dispose of this facility.

11.6 In the case of 15 Florence Road, the decision to dispose of this property has been taken as part of a previous report to Cabinet, dated 13/02/2018, and an appropriate equality impact assessment was carried out as part of the preparation of that report (see Florence Road Children's Home Cabinet report – Feb 2018 Appendix 1).

11.7 It is also recommended in this report to terminate the lease for Pitshanger Library subject to consideration of an alternative library offer in Pitshanger Lane. Impacts will be assessed when alternative provision is being explored. This decision has been reached on the basis of analysis of utilisation data and the conclusion has been reached that differential impacts on service users who

belong to protected equality groups can be mitigated through the wider provision of library services.

12 **Staffing/Workforce and Accommodation implications:**

12.1 Any impact on staff arising from changes to asset provision (e.g. through co-location, re-provision or relocation) will be identified as part of the feasibility testing process recommended in this report. As appropriate, staff affected by changes to asset-based service provision will be consulted and engaged as details of changes become known.

13 **Property and Assets**

13.1 The decisions in this report have implications for the Council's Property and assets as set out throughout the report.

14 **Any other implications:**

14.1 None.

15 **Consultation**

15.1 The development of this report has been further to extensive consultation with service managers across the portfolios in scope for the report. A Working Group comprised of these managers has helped to shape the content of this report. Progress updates have been supplied to the council's Modern Council Board, and Corporate Board. Members have also been consulted on drafts of the report.

15.2 The majority of recommendations in this report relate to undertaking feasibility testing of proposed changes of use. As part of that feasibility process, an appropriate programme of consultation with service users will be scoped, and appropriate consultation will be factored into the timetable for implementation of any proposed and potential changes to use.

16 **Timetable for Implementation**

16.1 The timetable for implementation of recommendations within this report is as follows:

Month	Activities
July	Scoping programme of feasibility testing: scope and criteria for feasibility determined Commencement of process for disposal where appropriate
September	Approval to feasibility criteria and approach Feasibility testing commences
December	Report to Cabinet on outcomes of feasibility tests: in line with outcomes from the tests, recommendations made to Cabinet to proceed with specific changes to the use of assets (e.g. for use as housing, commercial use etc.)
January '19	Sites for disposal on market

	Commencement of programme of changes to use of assets as approved by Cabinet in December
March-April '19	Disposal of sites within the scope of this report

17 **Appendices**

- Appendix 1 - Recommendation Summary Sheet

18 **Background Information**

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Nish Popat	Finance Business Partner	15/06/18	22/06/18	
Jackie Adams	Head of Legal Services – Property & Regulatory			
Julian Bell	Cabinet Member for Regeneration			
Corporate Board	Corporate Board	20/06/18		
Modern Council Board	Governance Board responsible for the programme	16/02/2018 & 15/05/2018		
Peter Mason	Cabinet Member for Housing and Planning			
External				

Report History

Decision type:	Urgency item?
Key decision (e)	Yes
Report no.:	Report author and contact for queries:
	Lucy Taylor, Director of Regeneration and Planning x9036