

# Portfolio Holder Decision Meeting

## AGENDA

**DATE:** Wednesday 23 May 2018

**TIME:** 10.00 am

**VENUE:** Committee Room 6, Harrow Civic Centre, Station Road, Harrow, HA1 2XY

### MEMBERSHIP

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Councillor Sachin Shah – Leader of the Council

*[Note: Due to the lateness in circulation of the report, the deadline for the receipt of public questions on the contents of the report has been extended to 9.00 am on Wednesday, 23 May 2018 by the Leader of the Council.]*

**Contact:** Daksha Ghelani, Senior Democratic Services Officer  
Tel: 020 8424 1881 [daksha.ghelani@harrow.gov.uk](mailto:daksha.ghelani@harrow.gov.uk)

## **Useful Information**

### **Meeting details:**

This meeting is open to the press and public.

Directions to the Civic Centre can be found at:  
<http://www.harrow.gov.uk/site/scripts/location.php>.

### **Filming / recording of meetings**

The Council will audio record Public and Councillor Questions. The audio recording will be placed on the Council's website.

Please note that proceedings at this meeting may be photographed, recorded or filmed. If you choose to attend, you will be deemed to have consented to being photographed, recorded and/or filmed.

When present in the meeting room, silent mode should be enabled for all mobile devices.

### **Meeting access / special requirements.**

The Civic Centre is accessible to people with special needs. There are accessible toilets and lifts to meeting rooms. If you have special requirements, please contact the officer listed on the front page of this agenda.

An induction loop system for people with hearing difficulties is available. Please ask at the Security Desk on the Middlesex Floor.

**Agenda publication date: 22 May 2018**

# **AGENDA - PART I**

## **PROCEDURAL**

### **1. DECLARATIONS OF INTEREST**

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee, Sub-Committee or Panel;
- (b) all other Members present.

### **2. MINUTES (Pages 5 - 6)**

That the minutes of the meeting held on 18 August 2016 be taken as read and signed as a correct record.

### **3. PETITIONS**

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 49 (Part 4D of the Constitution).

### **4. PUBLIC QUESTIONS \***

To receive any public questions received in accordance with Executive Procedure Rule 51 (Part 4D of the Constitution).

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

[The deadline for receipt of public questions is 9.00 am, 23 May 2018. Questions should be sent to [publicquestions@harrow.gov.uk](mailto:publicquestions@harrow.gov.uk)

No person may submit more than one question].

[**Note:** Due to the lateness in circulation of the report, the deadline for the receipt of public questions on the contents of the report has been extended to 9.00 am on Wednesday, 23 May 2018 by the Leader of the Council.]

### **5. MATTERS REFERRED TO THE EXECUTIVE MEMBER**

In accordance with the provisions contained in Overview and Scrutiny Procedure Rule 23 (Part 4F of the Constitution).

### **6. REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE OR SUB-COMMITTEES**

## COMMUNITY/PEOPLE

7. **TO GRANT A LEASE TO CENTRAL AND NORTH WEST LONDON NHS FOUNDATION TRUST OF SURPLUS GROUND, FIRST AND SECOND FLOOR ACCOMMODATION AT MILMAN'S, GROVE AVENUE, PINNER** (Pages 7 - 14)

Joint report of the Corporate Directors of Community and People.

8. **ANY OTHER URGENT BUSINESS**

Which cannot otherwise be dealt with.

### **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

In accordance with the Local Government (Access to Information Act 1985, this meeting is being called with less than 5 clear working days' notice by virtue of the special circumstances and grounds for urgency stated below:-

### **Special Circumstances/Grounds for Urgency**

The agreement to the lease has to be completed by 29 May 2018 before the next Cabinet meeting. To delay this to the next Cabinet meeting would impair the delivery of the SLA agreed between the Council and the Trust to commence on 1 July 2018 and be financially prejudicial to the interests of the Council if completion of the lease to the Trust was delayed or, if the Trust elected to progress an alternative option. It is intended to allow the Trust access to complete approved alterations prior to the SLA commencement.

## **AGENDA - PART II - Nil**

### **\* DATA PROTECTION ACT NOTICE**

The Council will audio record item 3 (Public Questions) and will place the audio recording on the Council's website, which will be accessible to all.

[**Note:** The questions and answers will not be reproduced in the minutes.]

Publication of decisions	29 May 2018
Deadline for Call in	Call-in does not apply

# PORTFOLIO HOLDER DECISION MEETING MINUTES

## 18 AUGUST 2016

**Chair:** \* Councillor Sachin Shah

\* Denotes Member present

### 8. Declarations of Interest

**RESOLVED:** To note that there were no declarations of interests made by the Member.

### 9. Minutes

**RESOLVED:** That the minutes of the meeting held on 19 May 2016 be taken as read and signed as a correct record.

### 10. Petitions

**RESOLVED:** To note that no petitions had been received.

### 11. Public Questions

**RESOLVED:** To note that no public questions were received.

### 12. Matters referred to the Executive Member

**RESOLVED:** To note that no matters had been referred to the Leader of the Council for consideration.

### 13. Reports from the Overview and Scrutiny Committee or Sub-Committees

**RESOLVED:** To note that no reports had been received.

## RESOLVED ITEMS

### 14. Investment Portfolio Acquisition

The Corporate Director of Community introduced an urgent report, which set out details of a proposed investment acquisition and recommended a one off amendment to the maximum lot size. He referred to the acquisition proposal and the initial purchase price which had been reduced and approval was now being sought for an additional £125,000 in excess of the single purchase limit of £5 million previously approved by Cabinet.

It was noted that an external independent valuation was commissioned which supported the Council's offer and agreed purchase price.

Following consideration of the urgent report by the Leader of the Council, including the confidential appendices, it was

**RESOLVED:** That the Corporate Director of Community and Director of Finance, following consultation with the Portfolio Holders for Business, Planning and Regeneration and Finance and Commercialisation, be authorised to acquire a property at a figure of £125,000 in excess of the single purchase limit of £5 million provided for in the Council's Investment Property Strategy as approved by Cabinet on 10 December 2015.

**Reason for Decision:** To progress the Council's Investment Property Strategy in accordance with the requirements of the "Commercialisation Strategy 2015-2018" and contribute to the Medium Term Financial Strategy (MTFS).

**Alternative Options Considered and Rejected:** As set out in the report.

**Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation Granted:** None.

*[Call-in does not apply as a waiver of Call-in has been obtained from the Chair of Overview and Scrutiny Committee that the decision proposed is reasonable and should be treated as a matter of urgency as any delay likely to be caused by the Call-in process would seriously prejudice the Council's interests.]*

**Reason for Urgency:** *The Council was negotiating an investment purchase and the vendor required completion within a short commercial timeframe. If the Council could not meet the vendor's timeframe, the vendor may re-market the site and the Council may lose this investment opportunity.]*

(Note: The meeting, having commenced at 12.00 pm, closed at 12.04 pm).

(Signed) COUNCILLOR SACHIN SHAH  
Chair

**Ref PHD:**

**REPORT FOR: Decision by Leader of the Council**

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**Subject:** To grant a Lease to Central and North West London NHS Foundation Trust of surplus ground, first and second floor accommodation at Milman's, Grove Avenue, Pinner

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**Responsible Officer:** Paul Walker, Corporate Director, Community Directorate and Paul Hewitt, Corporate Director, People Services Directorate.

**Portfolio Holder:** Leader of the Council

**Key Decision:** **Yes**  
Authorisation sought for the Corporate Director of Community to grant a lease of Milman's Building, Grove Avenue, Pinner at rent of £128,000 for a term expiring 30 June 2025.

**Power to be exercised:** Refer to Appendix to Executive Procedure Rules

**Exempt:** No

**Urgent/Non Urgent:** **Yes**  
The decision is urgent because the lease has to be completed by 29 May 2018 before the next Cabinet meeting

**Wards affected:** Pinner South

**Enclosures:** None

## Section 1 – Summary and Recommendations

To grant a Lease to Central and North West London NHS Foundation Trust of surplus ground, first and second floor accommodation at Milman's, Grove Avenue, Pinner.

### **Recommendations:**

The Leader of the Council is requested to:

Authorise the Corporate Director of Community to grant a lease of Milman's Building, Grove Avenue, Pinner at rent of £128,000 for a term expiring 30 June 2025. The decision is urgent because the lease has to be completed by 29 May 2018.

**Reason:** The recommendation complies with overall objectives to improve the Council's financial position and to support the delivery of Peoples Directorate MTFS savings of £184k at Milman's Building.

## Section 2 – Report

### **Introduction**

It is proposed to decant existing council staff from the first floor of Milman's Building to occupy surplus accommodation (including hot-desking) at the Civic Centre. Terms are agreed to grant a lease to Central and North West London NHS Foundation Trust, which is also contracted to deliver services to the council. The Trust will occupy part of the ground floor to provide clinical services together with the entire first and second floor accommodation to be occupied as administrative support. The Trust has agreed a lease expiring 30 June 2025 at a commencing rent of £128k p.a, subject to annual rent review to the higher of open market value or by reference to RPI.

### **Options considered**

1. Do not grant the lease to the NHS Trust
2. Approve the proposed leasehold disposal.

Option 1 is recommended as it will mitigate on-going costs at Milman's Building, contribute to the Council's overall financial position and to the delivery of Adults MTFS savings of £184k at the Building.



## **Background**

Surplus accommodation has been identified at the Civic Centre to accommodate existing administrative council staff, who are currently based on the first floor of Milman's.

It is proposed to decant the existing staff irrespective of the proposed letting to the NHS Trust.

Following the decant of council staff to the Civic Centre, the accommodation would remain vacant and the council would remain liable for repair maintenance and operational costs. The opportunity to grant a lease to the NHS Trust provides an opportunity not only to mitigate on-going costs but contribute to council's overall financial position and to the delivery of Adults MTFS savings of £184k at Milman's.

Allowing the NHS Trust to occupy the subject accommodation will enable the delivery of the SLA between the council and the NHS Trust commencing on 1 July 2018.

## **Staffing/workforce**

Existing staff will be relocated to the Civic Centre and otherwise unaffected by the proposal.

## **Environmental Impact**

Officers consider there to be no environmental impact issues associated with this proposal.

## **Data Protection Implications**

Officers consider there to be no Data Protection issues associated with this proposal.

## **Risk Management Implications**

There is no unmitigated risk associated with this proposal.

## **Procurement Implications**

N/A

## **Legal Implications**

Section 123(1) of the Local Government Act 1972, provides the Council with the power to dispose of land and property, provided such disposition is made

for the best consideration reasonably obtainable. Officers confirm that this disposal is made at the best consideration reasonably obtainable. The Secretary of State's consent is not required where the Council obtains such consideration.

## **Financial Implications**

The MTFS 2017-18 approved by Cabinet in February 2017 agreed budget reductions totalling £359k (2017-18 £175k and £184k in 2018-19) arising from the anticipated community tender mode at Milman's.

The initial community model proposal at Kenmore was unsuccessful requiring the Adults Directorate to identify alternative savings to mitigate the shortfall in relation to the proposed Milmans community tender.

In 2017-18 the proposed saving was mitigated within various budget heads across the directorate. The proposed lease arrangements with Harrow CCG, generating rental income of £128k (in a full year) will assist the mitigation required to be identified in 2018-19. Further mitigation is anticipated in relation to the contribution towards utility costs repair and maintenance and Business Rates. This aims to reduce the cost of day care services to the Council by increasing the capacity provided by internal services.

To secure the rental income at this level, the Council is planning on making a number of improvements to the premises at Milmans. These works include flooring and works to the roof, will be netted off the rental income where the costs are deemed to be revenue costs or where capital in nature funded within the Adults capital programme.

The rental income in 2018-19 of £96k (representing the part year rent with effect from 1<sup>st</sup> July 2018) will be offset by one-off costs which are anticipated in relation to relocation costs (including IT) representing the costs of moving existing Council staff into the civic centre to free up the space for rental purposes.

## **Equalities implications / Public Sector Equality Duty**

None.

## **Council Priorities**

The Council's vision:

### **Working Together to Make a Difference for Harrow**

Please identify how the report incorporates the administration's priorities.

- Making a difference for the vulnerable
- Making a difference for communities

- Making a difference for local businesses
- Making a difference for families.

### Section 3 - Statutory Officer Clearance

Signature: .....	
Name: Donna Edwards	<input checked="" type="checkbox"/> on behalf of the Chief Financial Officer
Date: 17 May 2018	
Signature: .....	
Name: Matthew Dineen	<input checked="" type="checkbox"/> on behalf of the Monitoring Officer
Date: 17 May 2018	

### Section 3 - Procurement Officer Clearance

Signature: .....	
Name: Nimesh Mehta	<input checked="" type="checkbox"/> Head of Procurement
Date: 21 May 2018	

<b>Ward Councillors notified:</b>	YES
<b>EqIA carried out:</b>	NO
<b>EqIA cleared by:</b>	N/A

## **Section 4 - Contact Details and Background Papers**

### **Contact:**

Colin Rawcliffe  
Strategic Asset Surveyor,  
Corporate Estate  
0208 424 1278

[colin.rawcliffe@harrow.gov.uk](mailto:colin.rawcliffe@harrow.gov.uk)

**Background Papers:** None.

Signature: .....

Position: Corporate Director of Community

Name: (print) Paul Walker

Date: 18 May 2018

### **For Leader**

\* I do agree to the decision proposed

\* I do not agree to the decision proposed

\* *Please delete as appropriate*

Notification of disclosable non-pecuniary and pecuniary interests (if any):

Additional comments made by and/or options considered by the Portfolio Holder

Signature: .....

Leader

Date:

**Call-In Waived by the  
Chair of Overview and  
Scrutiny Committee**

**YES**

*[Call-in does not apply]*

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