
REPORT FOR: CABINET

Date of Meeting:	11 th July 2019
Subject:	Disposal of Vaughan Road Car Park
Key Decision:	Yes This report concerns a potential capital receipt of over £1m
Responsible Officer:	Paul Walker, Corporate Director - Community
Portfolio Holder:	Cllr Keith Ferry – Deputy Leader and Portfolio Holder for Regeneration, Planning and Employment
Exempt:	No
Decision subject to Call-in:	No
Wards affected:	West Harrow
Enclosures:	Appendix 1 – Site Plan

Section 1 – Summary and Recommendations

This report sets out proposals for the disposal of Vaughan Road Car Park.

Recommendations:

Cabinet is requested to:

1. Declare Vaughan Road Car Park surplus to requirements.

2. Authorise the Corporate Director Community, following consultation with the Portfolio Holder for Regeneration, Planning and Employment, to take all action necessary to dispose of the Council's interest in the land and properties detailed for the best consideration that can reasonably be obtained.

Reason: (For recommendations)

This disposal will generate a capital receipt for the Council which can be used to support the budget.

Section 2 – Report

Introductory paragraph

1. Vaughan Road is operated as a public, pay and display car park, its location is shown on the plan attached as Appendix 1.
2. Vaughan Road Car Park has been identified as a surplus property. The Regeneration Team have secured planning permission to develop a four to eight storey building comprising commercial accommodation at ground floor level with 30 residential units available for sale at full value and 3 affordable, wheelchair accessible residential units above.
3. By disposing of this property asset the Council will generate a capital receipt which can be used to support the budget.

Options considered

4. **Option 1 – Direct Delivery of the site by the Council** – Vaughan Rd is an operational car park which is currently underutilised. The site is located on a one way road and there are considerable site constraints which hinder development proposals these include a dual carriageway, an adjacent train line and significant level changes across site. To enable the Council to enhance the value of the site it designed and secured planning permission for the 33 unit scheme as set out in paragraph 1. As part of the wider review of the Regeneration Programme the Council commissioned external advisors to review the viability for the Council to directly deliver the approved scheme on Vaughan Rd. The outcome of this assessment was that the project was not suitable for self delivery internally and would be more attractive to an external developer. Therefore, it would be more financially prudent to dispose of the site for a capital receipt.

5. **Option 2 - Develop the site directly to deliver Council Services reducing service delivery cost** – The site has been reviewed by the Head of Housing Regeneration for an extra care housing scheme plus community space but it will not deliver the required 60 flats which makes such a scheme viable.
6. **Option 3 - Develop the site with a registered provider partner to deliver 100% affordable housing** – This would require the transfer of the land at either low value or nil value which would not contribute to the Council's MTFS.
7. **Option 4 - Dispose of the site to generate a capital receipt** – This option will generate a capital receipt for the Council.
8. Option 4 is recommended as it will deliver a capital receipt for the Council to support the budget.

Ward Councillors' comments

Ward Councillors have been notified of the proposal, and Cabinet will be advised of any comments received..

Performance Issues

The proposed disposal meets the asset management strategy.

Environmental Implications

There are no environmental implications.

Risk Management Implications

Delay in receiving the capital receipt will impact on the Council's MTFS strategy.

Risk included on Directorate risk register? No

Separate risk register in place? No

The risk will be monitored through the Directorate's monthly monitoring processes.

Procurement Implications

Any purchase or sale of a property, interest in land, transaction in land and/or lease transaction is excluded from the Contract Procedure Rule but must be authorised in accordance with the requirements set out in the Constitution and, specifically, the Management of Asset, Property and Land Rules.

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. The Secretary of State's consent is not required where the Council obtains such consideration

Financial Implications

Best consideration will be sought for this property. The Council will receive a capital receipt which can be applied in 2 ways:

- 1) To fund the Capital Programme
- 2) To support the revenue budget (one off) using the capital receipts flexibility arrangements. Until 2021/22 Central Government have allowed local authorities to spend up to 100% of their fixed assets receipts on the revenue costs of transformation projects and to support the costs of budget efficiencies.

The disposal of this site now will provide the Council with more flexibility in terms of the use of the capital receipt to support the budget.

The Vaughan Road Car Park generates approximately £24k per annum in revenue. Upon sale of the site this income will no longer be received. This will be managed as part of the budget monitoring process.

Equalities implications / Public Sector Equality Duty

There are no Equalities Implications.

Council Priorities

Please identify how the decision sought delivers these priorities.

1. **Building a Better Harrow**
2. **Supporting Those Most in Need**
3. **Protecting Vital Public Services**
4. **Delivering a Strong local Economy for All**
5. **Modernising Harrow Council**

By supporting the Council's MTFS this disposal will asset in the development of Council Priorities

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert Chief Financial Officer

Date: 3 July 2019

Name: Matthew Dineen on behalf of the *
Monitoring Officer

Date: 3 July 2019

Name: Nimesh Mehta Head of Procurement

Date: 3 July 2019

Name: Charlie Stewart Corporate Director,
Resources

Date: 3 July 2019

Ward Councillors notified: YES

Any comments will be fed back at the Cabinet Meeting

EqIA carried out: NO

There are no equalities issues arising from this report

Section 4 - Contact Details and Background Papers

Contact:

Belinda Prichard – Head of Corporate Estate

020 8420 9330

Belinda.prichard@harrow.gov.uk

Background Papers:

None

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