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**REPORT FOR: CABINET**

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<b>Date of Meeting:</b>	12 <sup>th</sup> September 2019
<b>Subject:</b>	Disposal of Vaughan Road Car Park
<b>Key Decision:</b>	Yes This report concerns a potential capital receipt of over £1m
<b>Responsible Officer:</b>	Paul Walker, Corporate Director - Community
<b>Portfolio Holder:</b>	Cllr Graham Henson – Leader and Portfolio Holder for Strategy, Partnerships, Devolution and Customer Services Cllr Adam Swersky – Portfolio Holder for Finance and Resources
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	West Harrow
<b>Enclosures:</b>	Appendix 1 – Site Plan Appendix 2 – Local Residents Consultation

## **Section 1 – Summary and Recommendations**

<p>This report sets out proposals for the disposal of Vaughan Road Car Park. <b>Recommendations:</b></p>
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Cabinet is requested to:

1. Approve Vaughan Road Car Park for disposal.
2. Authorise the Corporate Director Community, following consultation with the Leader and Portfolio Holder for Strategy Partnerships, Devolution and Customer Services and Portfolio Holder for Finance and Resources 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. It is under utilised.
2. Vaughan Road Car Park has been identified as a potential property asset available for disposal and to therefore generate a capital receipt. The Regeneration Team have previously 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. Analysis of the Council's Regeneration strategy has suggested that, following recent changes in the construction and property markets, other options than directly developing the previously approved scheme should be considered.
4. By disposing of this property asset the Council will generate a capital receipt which can be used to support the budget.
5. The Council, acting in accordance with the statutory framework of the Planning process to approve any subsequent development of the subject site will deliver improvements to the local area as identified from the Statement of Community Involvement Consultation, including future public realm and underpass improvements, attached at Appendix 2.

6. The Highway Authority has programmed a review of the CPZ's adjoining the site as part of the Traffic and Road Safety Advisory Panel (TARSAP) 2019/20 scheduled work programme would aspire to provide further public realm and underpass improvements as outlined below through a section 106 agreement.

## Options considered

7. **Option 1 – Direct delivery of the approved development of the site by the Council** – Vaughan Road 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 an adjacent dual carriageway, an adjacent train line and significant level changes across the 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 2. 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 Road. The outcome of this assessment was that there were significant financial risks involved in delivering the scheme internally. The advice recommended the site as attractive to a external developer and suggested it would be more financially prudent to dispose of the site for a capital receipt.
8. **Option 2 – Development of the site by the Council 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.
9. **Option 3 - Develop the site with a registered housing 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.
10. **Option 4 – Dispose of the site to generate a capital receipt** – This option will generate a capital receipt for the Council.
11. Option 4 is recommended as it will deliver a capital receipt for the Council to support the budget. In assessing any new development proposals for the site the Council's Planning and Highways Departments will seek to retain the on street parking and public realm improvements of the current scheme.

## Ward Councillors' Comments

Ward Councillors have indicated that the Council should be mindful of local residents concerns identified during an earlier consultation process, relating to:-

Parking Provision

Height and Massing

Architectural Character of the development

Greenery and Planting

Safety and Security concerns surrounding the existing underpass

Further information regarding the local resident's consultation is attached at Appendix 2. As highlighted above, local residents concerns will be addressed through the planning process.

### **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**

The council's objective is to optimise the use of its property assets. The sale of this site will generate a capital receipt to help protect vital public services and any future development should contribute to either the local economy or increase the housing supply.

### **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: Paul Walker



Corporate Director

Date: 4 September 2019

**Ward Councillors notified:**

**YES**

A meeting has been held with ward members  
by the Corporate Director Community

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**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](mailto:Belinda.prichard@harrow.gov.uk)

**Background Papers:**

None

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

**NO**

*(for completion by Democratic  
Services staff only)*