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Meeting	Cabinet Resources Committee
Date	24 May 2011
Subject	West Hendon Regeneration – Lease for Lower Level Car Park, Tyrell Way
Report of	Cabinet Member for Resources and Performance
Summary	To report the terms agreed for a lease of the Lower Level Car Park, Tyrell Way, West Hendon to Barratt Metropolitan LLP.

Officer Contributors Siobhan O'Donoghue- Principal Valuer

Status (public or exempt) Public

Wards affected West Hendon

Enclosures N/A

For decision by Cabinet Resources Committee

Function of Executive

Reason for urgency / exemption from call-in (if appropriate) Not applicable

Contact for further information: Siobhan O'Donoghue, Property Services, 020 8359 7360.

1. RECOMMENDATION

- 1.1 That a lease of the Lower Level Car Park at Tyrell Way, West Hendon be granted to Barratt Metropolitan LLP on the terms detailed in this report.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet 30 August 2005, (Decision Item 5); West Hendon Area Regeneration Project – Approval of the Principal Development Agreement.
- 2.2 Cabinet 11 October 2005; (Decision Item 7); West Hendon Area Regeneration Project – approval of the Principal Development Agreement – Comments from Cabinet Overview and Scrutiny Committee.
- 2.3 Cabinet 3 April 2006; (Decision Item 8); West Hendon Regeneration Project – Approval to enter into the Principal Development Agreement.
- 2.4 Planning and Environment Committee 11 December 2007; (Decision Item 8); Approved the demolition of the Lakeview Children’s Centre and redevelopment of the site with 8 affordable houses.
- 2.5 Cabinet Resources Committee 25 March 2008 (Decision Item 15); approved the transfer of the former Lakeview Children’s Centre site to Barratt Metropolitan LLP for redevelopment of 8 new affordable houses.
- 2.6 Planning and Environment Committee 22 December 2008 (Decision Item 7); Approved Reserved Matters Application to develop Phase 2A of the development.
- 2.7 Cabinet Resources Committee 22 April 2010 (Decision Item 5); Approved the disposal of land forming part of Phase 2A to Barratt Metropolitan Limited Liability Partnership (BM LLP) for the development of 184 new homes.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The regeneration of West Hendon Estate supports the corporate priority of ‘A successful London suburb’ in the Corporate Plan 2010/13. This key priority is underpinned by the following objectives:
- Delivering the Three Strands Approach of Protect, Enhance and consolidate Growth, where West Hendon falls with Strand 3: Growth to deliver over 2,000 new homes to the Brent Cross, Cricklewood and West Hendon Regeneration Area;
 - Delivering high quality, sustainable housing growth;
 - Continuing to grow successfully but realistically;
 - Creating the conditions for a vibrant economy; and
 - Promoting independence through housing choice.
- 3.2 The re-development also complies with strategic objectives in the Council’s Housing Strategy.

4. RISK MANAGEMENT ISSUES

- 4.1 The planning consent issued by the Council requires Barratt Metropolitan LLP (‘BM LLP’) to provide 1:1 parking spaces for the Initial Phase at West Hendon. This means that there is a requirement for one car parking space per dwelling. Although the Master plan for the whole scheme provides for this, the land transferred under the initial phase will not allow this condition to be satisfied. Therefore, without the use of the lower level Car Park at Tyrell Way, this planning condition will be breached.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The Council is committed to improving the quality of life and wider participation for all in the economic, educational, cultural, social and community life of the Borough. The regeneration of West Hendon will provide a mix of affordable, intermediate and private sale properties. The new mixed tenure housing will improve the community cohesion in an area with a highly diverse population. It will provide increased choice and opportunity for Barnet residents. This supports the overall aim of the council's Equalities Policy and supports the equality priorities outlined in Barnet's Equality Scheme.
- 5.2 It is not considered that the issue involved will give rise to any issues under the Council's Equalities policies and do not compromise the Council in meeting its statutory equalities duties.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 There are no procurement, performance and value for money, staffing, IT or sustainability implications. The financial and property implications are set out below.

7. LEGAL ISSUES

- 7.1 The car park forms part of the Council's West Hendon Housing Estate and is held for housing purposes under Part II the Housing Act 1985. Section 32 of the 1985 Act provides that a local authority may dispose of land held by them for the purposes of Part II in any manner, but only with the consent of the Secretary of State.
- 7.2 The General Consent for the Disposal of Part II Land 2005 provides local authorities with scope for flexibility without the need to obtain the Secretary of State's specific consent under Section 32.
- 7.3 Under General Consent E3.2(b)(i), a local authority may dispose of any land held for the purposes of Part II for a consideration determined by the authority "where the land is to be used for a purpose, other than use as housing accommodation, which does not involve trading for profit and is beneficial to persons, the majority of whom the authority expects to be inhabitants of the estate or neighbourhood in which the land is situated".
- 7.4 The consent leaves the consideration to the discretion of the authority, who need to be able to show that it is reasonable in the circumstances. The Valuation Manager confirms that the proposed grant of a lease of the car park to BMLLP complies with the terms of the General Consent.

8. CONSTITUTIONAL POWERS

- 8.1 Council Constitution, Part 3, Responsibility for Functions - paragraph 3.6 states the functions delegated to the Cabinet Resources Committee which includes all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

9. BACKGROUND INFORMATION

- 9.1 The Council is currently working with its development "partner", BMLLP on the delivery of the West Hendon Regeneration. The parties are currently working on the 'Initial Phase'

which comprises (1) the former Lakeview Children's Centre (which is now demolished) (2) Phase 2A - 1-12 Rosemead, 1-5 Warner Close. All conditions precedent for this phase have been satisfied and the land was transferred to BMLLP on 31 March 2011.

- 9.2 The planning consent issued by the Council requires BMLLP to provide parking at a ratio of 1:1 in accordance with the original planning brief for the West Hendon Regeneration. Although this has been built into the master plan, the delivery of the whole scheme is not yet viable so the scheme is currently being delivered on a phase by phase basis. BMLLP have agreed to proceed with the Initial phase, however the site boundary will not allow the parking requirements to be satisfied for this phase.
- 9.3 The Council has identified a solution to satisfy this planning condition. The lower level car park at Tyrell Way is currently under utilised by the residents of the West Hendon Estate. The car park has been closed for over 12 months due to crime and vandalism and is considered to be surplus to requirements. The Council propose to offer a lease to BMLLP to bring the car park back into use and in order that they may meet their planning obligations.
- 9.4 It is recommended that a lease to BMLLP be granted for the Lower Level car park at Tyrell Way and should include the following terms:
- (i) Tenant: Barratt Metropolitan LLP
 - (ii) Permitted Use: In accordance with Condition 9 Planning Reference W13937/04 – The site must be used to provide car parking for the development of Phase 2a Lakeside and in accordance with the Council's current adopted standards. The parking provision for residential units shall be at least 1:1 parking.
 - (iii) Lease Term: 25 years from the date of the lease
 - (iv) Security of Tenure: The lease will exclude the provisions of Sections 24-28 of the Landlord and Tenant Act 1954
 - (v) Rent: Year 1 to Year 5 (inclusive) – Peppercorn
Year 6 to Year 10 (inclusive) – Peppercorn rent subject to the Principal Development Agreement being unconditional, In the event that it is not unconditional, an Open Market Rent.
Year 11 to Year 25 (inclusive) – Open Market Rent
 - (vi) Determination In the event that the Council requires possession of the site for redevelopment purposes it may terminate the lease by giving at least 6 months' notice
- 9.5 The Council's fees and costs relating to the grant of the lease will be recharged to BMLLP.
- 9.6 In the event that BMLLP does not proceed with the West Hendon Regeneration Project, it will be necessary for them to review their current parking strategy and associated

obligations in order to seek an alternative solution as necessary. The Council is not obliged to identify an alternative parking solution if the proposed lease is determined.

10. LIST OF BACKGROUND PAPERS

10.1 None.

CFO: MC

Legal: SWS

