

AGENDA ITEM: 4

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Meeting	Cabinet Resources Committee
Date	10 February 2005
Subject	Disposal of land at 129/129A West Hendon Broadway, NW9
Report of	Cabinet Members for <ul style="list-style-type: none">• Resources• Performance, Partnerships & Best Value• Housing, Neighbourhoods & Community Safety
Summary	To consider the freehold sale of the shop, and flat over, at 129/129A West Hendon Broadway, NW9.

Officer Contributors	Judith Ellis, Principal Valuer
Status (public or exempt)	Public – with a separate exempt report.
Wards affected	West Hendon
Enclosures	Plan No.1
For decision by	Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	N/A

Contact for further information: Judith Ellis, Principal Valuer – 020 8359 7364

1. RECOMMENDATIONS

- 1.1 That the freehold sale of 129/129A West Hendon Broadway by public auction in accordance with the procedures set out in the Constitution be approved and that the appropriate chief officers be instructed to take the necessary action to implement the decision.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Resources Executive Committee 17.5.2000 - agreed that the Council should proceed with marketing the sale of the freehold interest in 129 /129a West Hendon Broadway, subject to the consent of the Secretary of State.

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Corporate Plan commits the Council to 'plan and manage land use and development in Barnet enhance quality of life and provide tangible benefits for the community.' The proposals in this report will achieve this by disposing of surplus land to realise a useable capital receipt.

4 RISK MANAGEMENT ISSUES

- 4.1 The ground floor of the premises is in poor condition. Whilst there has been limited expenditure on it in recent years it is likely that some expenditure will be required shortly just to keep it wind and water-tight. An early disposal will set a limit on the Council's potential financial liability.
- 4.2 It has been suggested that there may be merit in retaining the property for the possible future widening of Cool Oak Lane at its junction with West Hendon Broadway if required as part of the West Hendon regeneration scheme. The property is not included within the regeneration scheme boundaries. The adjoining site of 127 West Hendon Broadway (shown hatched on the plan) is included. As can be seen from the plan, if 129 was also taken for road widening purposes not only would there be the costs of buying out the first floor lessee and carrying out works to the flank wall of No.131 once No.129 is demolished, but the widening would also affect part of the developable area of the regeneration scheme and likely impact on houses in Cool Oak Lane. This has never been the intention and therefore the reservation of No.129 West Hendon Broadway for future possible road works is not considered appropriate.

5 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 5.1 A potential capital receipt in the sum set out in the exempt report.
- 5.2 There are no staffing or ICT implications. The property issues are set out below.

6. LEGAL ISSUES

- 6.1 None

7. CONSTITUTIONAL POWERS

- 7.1 Constitution – Part 3 Responsibility for Functions – Section 3.6 Functions delegated to the Cabinet Resources committee – All matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

8 BACKGROUND INFORMATION

PROPERTY DESCRIPTION

- 8.1 This property, shown edged black on the attached plan, was originally acquired in the 1960s by the Council as part of the West Hendon Housing Compulsory Purchase Order Area. It comprises a ground floor retail unit with separate residential accommodation on two floors over. The maisonette was sold leasehold under the right to buy scheme on 27 November 1989. The ground floor retail unit, which is in poor condition, has been vacant for a number of years. Previously there was an advertising hoarding on the flank wall of the building but as this had been located without landlords or planning consents by the owner of the maisonette it was removed.
- 8.2 The ground floor retail unit has a retail area of 350sq ft with storage of 114 sq ft unit, but has no wc or kitchen facilities and is in a dilapidated condition. There is a small yard to the rear which is shared by the shop and maisonette. Access to the maisonette is via the retail unit, which creates security issues for both the shop and flat. In view of the layout, shared access, and lack of basic facilities the unit is unlikely to be lettable without considerable expenditure. Its condition and lack of amenities is the reason why it has remained vacant, together with the long-term uncertainty caused by the initial West Hendon regeneration proposals.
- 8.3 The first floor maisonette, until recently, was occupied by the original leaseholders, who purchased the lease under the Right to Buy. They have since sold their interest to an investor who has refurbished the maisonette and let it on an unsecured tenancy.
- 8.4 The Secretary of State's approval to the freehold sale of the premises was given on 18th September 2001. In view of the West Hendon regeneration area proposals and, in the early stages, the uncertainty about which properties would be included within that scheme, it was considered prudent to retain the freehold interest in the short term. It is now known that the property is not included within the scheme boundaries.

PLANNING

- 8.5 No redevelopment of the property is envisaged at this stage, due to the density of the building and lack of additional land. It is possible that a purchaser may consider a change of use of the ground floor, but if this is achieved it is not regarded as being likely to have any significant effect on the value.

USE OPTIONS

- 8.6 The property is not required for the West Hendon regeneration scheme. All Heads of Service have been consulted and (subject to the issue raised in paragraph 4.2 above) confirmed that the premises will not suit current nor future service delivery needs. Thus, the premises are surplus to requirements.
- 8.7 The retail unit has not been let for a number of years and is considered unlettable due to its current condition and layout, together with the lack of basic facilities. The estimated costs to repair and refurbish the shop and provide it with basic amenities are not justified by the level of rent which it would command. However, such expenditure is likely to be justified for an owner-occupier.
- 8.8 There is no benefit to the Council in retaining the freehold. At the present time there is no significant income from the residential unit and none from the shop, and the property could become a financial liability. A disposal of the freehold would eliminate these problems and provide a capital receipt. The leasehold owner of the residential part has expressed an interest in acquiring the freehold, as have others making unsolicited enquiries.

METHOD OF DISPOSAL

- 8.9 The property could be offered for sale by tender. However, this will take some time and the price to be achieved would probably not justify the expenditure to be incurred in advertising and preparing particulars etc.
- 8.10 Because of the condition of the shop and the fact that the flat above has been sold on long lease it is likely to be of interest to investors and builders. Consequently, it is considered that the most appropriate method of disposal is by way of public auction. This will probably achieve a quick disposal at the best price reasonably achievable.

9. LIST OF BACKGROUND PAPERS

- 9.1 None

MO: RB

BT: CM

PLAN No.1

129/129A WEST HENDON BROADWAY, NW9

LOCATION PLAN



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NOT TO SCALE