

MUNICIPAL YEAR 2016/17 – REPORT NO. 36

MEETING TITLE AND DATE:

Cabinet – 7th July 2016

Report of:

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Resources and Customer
Services.

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Agenda Part: 1

Item 14

William Preye Day Centre, Houndsfield Road, N9 – Redevelopment Options -

WARD: Jubilee

KD - 4295

Cabinet Members consulted:

Cllrs Lemonides, Oykenner, Sitkin & Cazimoglu

1. EXECUTIVE SUMMARY

- 1.1 The William Preye Day Centre is located at 6 Houndsfield Road, Edmonton, N9 7RA. The Centre was declared surplus to operational requirements and has been disused for operational purposes since April 2015.
- 1.2 Several options were considered for this property, including its reinstatement as a community hall, its use as a dementia care respite centre, a mixed use scheme and housing for people with special needs. However, an options appraisal suggests that the site should be redeveloped for residential purposes.
- 1.3 This report outlines the rationale for the proposed scheme, and seeks in principle approval for the scheme, and authority to progress the scheme with detailed feasibility work and the procurement of consultants to undertake such work.

2. RECOMMENDATION

It is recommended that Cabinet:

- 2.1 Provisionally approves the redevelopment of the William Preye Day Centre, 6 Houndsfield Road, Edmonton, N9 for housing, subject to final details being approved by the Cabinet in a subsequent report;
- 2.2 Agrees the addition of the project to the Capital programme as detailed in the Part 2 report to enable the feasibility and demolition to proceed and notes the revenue cost which can be contained within the existing capital financing budget.

- 2.3 Approves the commencement of the procurement of consultants to prepare plans for the scheme as detailed within the Part 2 report, and delegates approval for the appointment of consultants to the Cabinet Members for Finance and Efficiency & Housing and Housing Regeneration in consultation with the Director of Finance, Resources and Customer Services.
- 2.4 The procurement of a developer/contractor to take forward a scheme on receipt of planning permission; but the award of a contract to be subject to further Cabinet approval.
- 2.5 The grant of delegated authority to the Assistant Director –Property Services in conjunction with the Assistant Director - Legal Services and Governance to enter into contracts and approve the demolition of the Centre.

3. BACKGROUND

- 3.1 The William Preye Day Centre (WPC) has been vacant since April 2015 and is considered to be surplus to the Council's requirements.
- 3.2 The centre was used as a Council owned adult day facility and is located on Houndsfield Road, Edmonton, N9. The Centre was underutilised and HHASC have relocated users to other facilities.
- 3.3 The WPC is situated directly opposite Houndsfield Primary School and adjacent to the Parker Centre run by AGE UK. Please see attached plan at appendix 1
- 3.4 The Parker Centre is to be refurbished by the current tenant and their lease regularised with regards to their occupational status.
- 3.5 The Council will work with the tenant to realise their aims for the Parker Centre, however no timetable for the works or funding avenues have been explored by AGE UK at the time of this report being written.
- 3.6 Once the programme and a contractor for the works have been appointed, a suitable decant venue will be sought by the Council to house the tenants in the interim whilst a refurbishment of the site is undertaken.
- 3.7 A licence to occupy will be granted to AGE UK for the decant period. Any cost to make the property health and safety compliant will need to be met from the designated department.
- 3.8 The Council owns the site freehold and it is within the General Fund portfolio in terms of Capital Accounting.
- 3.9 The Property comprises a single storey building of circa 280sqm with interconnecting access to the Parker Centre. The total site area including the car park measures 822sqm.(0.2 acres)
- 3.10 A detailed condition survey of the building was undertaken in 2014. The Centre has a significant repairing liability estimated at over £330,000. The majority of these works would need to be undertaken prior to any reoccupation of the building.

- 3.11 Several options were considered for the site's reuse, including: including a Care facility for Dementia and Respite, function hall to provide banqueting services, disposal of the freehold on the open market and leasing the site via an open market tender. These options are outlined in Part 2.
- 3.12 The recommended option is to redevelop the site with 7 No. 3 bedroomed family houses for sale. On street parking will be provided for the Parker Centre and for the residential units.
- 3.13 The scheme will have an appropriate level of sustainability and environmental quality demanded by 21st century houses, and dependent on further viability testing, it is envisaged that modern methods of construction (MMC) may be used.
- 3.14 Given the relative simplicity of the project, it is proposed that the Council directly develops this scheme to maximise its income potential. In this regard the Council would set-up a special purpose delivery vehicle for development, construction and sales purposes, and would appoint a contractor using a JCT contract form.
- 3.15 Levitt Bernstein Architects has already been appointed to undertake work on several residential- led projects across the Council under KD 4196. They will be appointed under the same fee schedule tendered and a separate appointment letter will be issued for this project.
- 3.16 Further consultants will need to be appointed to assist in preparing surveys, plans, specifications and drawings to support the submission of a planning application. The results of these various surveys, due diligence surveys, including financial assessments will be reported back to Cabinet for approval prior to the submission of a detailed planning application for the site.

3.17 Envisaged Headline Delivery Timetable

Milestone	Date
Appointment of lead Designer	June 2016
Site Investigations Report	October 2016
Stage 3ii Designs	October 2016
Details of overall scheme to Cabinet	November 2016
Planning Submission	November 2016
Planning Decision	January 2017
Contractor Award Report and final approval to proceed	February 2017
Start on Site	April 2017
Practical Completion	October 2017

The table above provides an indicative timetable for the project's delivery and are subject to change.

Next Key Steps

- 3.18 Due diligence of the site has already commenced and will include the following surveys:

- Geotechnical and soil contamination studies
- Traffic and highways Study
- Arboricultural Survey
- Bat/Ecological Surveys
- Legal Title check
- Flood Risk assessment
- Noise/ air and daylight study

3.19 The proposed delivery model will also need to be refined, and this will include a further review of the scheme's viability.

3.20 The following table outlines the staged approach to be adopted and the key decision reports required and are discussed further in the Part 2 report.

	Stage 1: Design Development & Feasibility	Stage 2: Planning and Procurement of Contractor	Stage 3: Award and start on site
Key Areas of work	<ul style="list-style-type: none"> • Design work to RIBA Stage 3ii • Final Feasibility Testing 	<ul style="list-style-type: none"> • Finalise planning submission. • Finalise contractor tender pack. • Commence procurement of contractor 	<ul style="list-style-type: none"> • Construction programme.
Decision Reports	<ul style="list-style-type: none"> • Decision Report • Report to Cabinet on Scheme Details 	Once planning decision obtained, report will be submitted to Cabinet with a recommendation to award a construction contract and to proceed with the scheme.	

3.21 The financial justification for recommending the site for redevelopment is detailed in the Part 2 report.

4. PROPOSAL

4.1 To proceed with detailed feasibility as a residential development opportunity as detailed in Part 2 of this report.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 Not trying to redevelop the site is considered a lost opportunity to the Council.

5.2 Alternative options have been considered; please see Part 2 of this report.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The existing Centre is no longer considered to be fit-for-purpose, has a significant repairing liability, and is surplus to the Council's requirements.
- 6.2 The proposed redevelopment of this site with a residential scheme is considered to be financially viable and feasible in planning terms. The scheme will also generate much needed income for the Council.
- 6.3 The relative simplicity of the scheme also presents a unique opportunity to deliver much needed family housing within a quick turn-around period.

7. KEY RISKS

See Part 2.

8. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

8.1 Financial Implications

See Part 2.

8.2 Legal Implications

- 8.2.1 Under section 8 of the Housing Act 1985 the Council as local housing authority has a duty to keep under review the provision of housing in its area, and has power under section 9 to provide housing accommodation through erecting or acquiring houses. Local authorities also have a general fiduciary duty to Council Tax payers and must therefore take whatever is the overall most reasonable and cost effective course of action in order to deliver best value from sites in their ownership.
- 8.2.2 The general power of competence in s.1(1) of the Localism Act 2011 states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The recommendations within this Report are in accordance with these powers.
- 8.2.3 The procurement of contractors and providers of professional services in connection with the proposed development must be carried out in accordance with EU/UK law and the Council's contract Procedure Rules.
- 8.2.4 The legal documentation implementing the recommendations contained in the Report must be in a form approved by the Assistant Director (Legal Services and Governance).

8.3 Property Implications

- 8.3.1 The existing facilities at the William Preye Centre are no longer fit for purpose, have a significant repairing liability and are considered surplus to the Council's requirements.
- 8.3.2 The Council owns the freehold of the property and there are no legal encumbrances.
- 8.3.3 The proposed scheme is considered to be financial viable and feasible from a planning perspective, and will provide the borough with much needed family housing units and a financial return to the Council.
- 8.3.4 As with all developments, the proposed scheme is not without risks. Please see Part 2 Report – Key Risks.
- 8.3.5 There is a continued liability to the Council in terms of health and safety, repairing liability, empty rates, and security of vacant building from squatters and a short term financial liability. To reduce this holding cost, it is recommended that the Centre is demolished as soon as possible.
- 8.3.6 Full due diligence will be carried out including full legal, financial and environmental reporting.
- 8.3.7 Separation works will need to be undertaken including all services between the WPC and the Parker Centre.

9. PERFORMANCE MANAGEMENT IMPLICATIONS

The project will be managed externally through the Council's Co-Sourcing agreement with Bilfinger GVA. The project will be monitored and entered onto the Council's Verto and Covalent systems.

10. EQUALITIES IMPACT ASSESSMENT

Scheme will be DDA compliant. Parking for Parker Centre will also be a requirement upon the scheme to deliver.

11. HR IMPLICATIONS

Delivering this development scheme together with various other projects in the pipeline will require additional resources, In house support will be augmented from our co-sourcing partnering arrangements.

12. PUBLIC HEALTH IMPLICATIONS

New residents will benefit from high quality and spacious new homes, which will be well insulated, have adequate private amenity space and dual aspect in most cases. The quality of new homes will positively impact the health of residents.

13. IMPACT ON COUNCIL PRIORITIES

13.1 Fairness for All

The proposed redevelopment of this site can provide additional accommodation to a much higher standard. There will also be an increase in the supply of much needed new housing for different tenures and income levels.

13.2 Growth and Sustainability

Increasing the supply of new housing can satisfy market demand in the borough for new housing, and help meet the borough's housing needs.

New homes will be designed to meet relatively high standards for sustainability. The Code for Sustainable Homes is being superseded but the Council will insist on Code for Sustainable Homes Level 4 or equivalent for its new developments.

13.3 Strong Communities

Local residents and key stakeholders in close proximity to the proposed development, will be consulted about the scheme..

BACKGROUND PAPERS

None

Appendix 1- Site Plan