

 <p>Brent</p>	<p align="center">Cabinet 11 April 2016</p> <p align="center">Strategic Director of Resources</p>
<p align="right">Kensal Green</p>	
<p>51 (Knowles House), 53 (former Anansi Nursery) and Westbrook Community Centre, Longstone Avenue, London NW10 3UN – Investment Proposals.</p>	

1.0 SUMMARY

- 1.1 The Strategic Property Plan 2015-18, Brent's Corporate Plan 2015/16, and the Temporary Accommodation Reform Plan presented to Cabinet on 14 March 2016 sets out a presumption for Brent to retain its limited property assets, utilising them to support regeneration, generating revenue savings, and new income generation.
- 1.2 This report proposes that capital investment be approved to enable Brent to redevelop 51, 53 and Westbrook Community Centre, Longstone Avenue, London NW10 3UN (the subject site), delivering 85 temporary and 40 new accommodation units for independent living homes and replacement community facilities, resulting in the termination of the existing leasing arrangements.

2.0 RECOMMENDATIONS

- 2.1 That Cabinet agree to capital investment of £24m, to bring forward the proposed 85 temporary and 40 new accommodation units for Independent Living homes and replacement community accommodation, subject to further viability testing, local consultation, and planning consent.

3.0 DETAIL

Background

- 3.1 51 Longstone Avenue (otherwise known as Knowles House), 53 Longstone Avenue (previously known as the College Green School Annexe and the Anansi Nursery) and the Westbrook Centre, together form a 0.48 hectare (1.19 acre) site that was identified in the Council's Strategic Property Plan 2015 to 2019 and the Corporate Plan 2015/16 as an opportunity site with residential or possible educational potential.
- 3.2 The premises are shown in the Appendices attached to this report comprising:
- Appendix 1: Location Plan

Appendix 2: Site Plan

Appendix 3: Building Element Plan

- 3.3 The site was first leased by Willesden Borough Council (as predecessors to the London Borough of Brent) on 21st March 1938 as part of larger site comprising a southern extension to Roundwood Park. The freehold was subsequently transferred to Brent on 1st April 1971 and registered under title No NGL220638, with parts of the title, including the subject premises, being appropriated from Park use. On 11th October 2010, the Council gained title to a further 49.7 square meters (sqm) of grass verge fronting Knowles House on a possessory basis under registered title No AGL219473.
- 3.4 The site is surrounded by other Council owned assets including Council housing managed by Brent Housing Partnership (BHP) at 1 to 47 Longstone Avenue and 178 to 212 Harlesden Road to the south; the Roundwood Youth Centre to the East; and Roundwood Park to the north.
- 3.5 There are three elements to the site:
- 3.5.1 51 Longstone Avenue (Knowles House) was constructed in the early 1970s as a purpose built home for the elderly which ceased operations in November 2011. The premises comprise a net internal area (NIA) of 1860 sqm over a three-storey building with each floor having living accommodation, and a disabled shower room with WC. In addition the ground floor has a lounge/dining area, activity room, kitchen, large dining room and staff office. The site includes gardens and car parking spaces.
- 3.5.2 53 Longstone Avenue was previously used as the Anansi Day Nursery, and in recent years as bulge class provision trading as the College Green Nursery, but now is vacant. Internally the property is in a good state of repair comprising a NIA of 410 sqm comprising 4 no classrooms, a large common area, staff rooms, office, school kitchen, staff kitchen, toilet facilities for adult plus children's, storage space. The premises have a permitted planning use falling with Class D1 of the Planning Use Classes Order (crèches, day nursery, nurseries, schools, education and training centres, etc.). The premises in many ways form a single building with the adjoining 51 Longstone Avenue, with shared utilities, and 51 extending at first floor level over 53.
- 3.5.3 Westbrook formerly operated as a community centre for the elderly with dementia. The premises comprise a NIA of 162 sqm and are a single storey building including a hall and a further ancillary room, kitchen, office, showers and toilets.
- 3.6 The existing accommodation is outdated and nearing the end of its useful life, no longer meeting modern housing or energy efficiency standards.

Existing use

- 3.7 On 22 April 2013, Brent's Executive approved that Number 51 (Knowles House) be used to provide temporary accommodation to persons in housing need arising under Part VII of the Housing Act 1996 for a period of 2 years, and possibly extending to 4 years.

- 3.8 In respect of Number 51, on 11 October 2013, Brent's Planning Committee, by way of planning application number 13/1344, approved proposals for change of use from care home (use class C2) to a hostel providing bed and breakfast accommodation (use class Sui Generis) for a temporary period of 2 years.
- 3.9 On 13 March 2014, Number 51 was let to Altwood Properties Ltd, selected via the Council's Private Managed Temporary Accommodation Framework Agreement, on a two year management contract for the provision of bed and breakfast accommodation for homeless households. The contracted out lease to Altwood expires on 31st March 2016. The occupiers are non-secure licensees. The scheme accommodates forty eight non self-contained units with shared facilities. The Council has the option to extend the contract for a further two years, until March 2018.
- 3.10 A subsequent planning application 15/4481 was submitted, and planning permission was granted on 15th January 2016 to extend the scheme until 31st March 2018 subject to a number of conditions. These conditions relate to concerns by neighbouring residents relating to increased anti-social behaviour in the area, and specifically affecting the neighbouring blocks being managed by BHP. It should be noted that based on police crime statistics, overall crime, including anti-social behaviour, in the area has reduced over the past several years.
- 3.11 While it is not clear who the perpetrators of the anti-social behaviour are, in order to deter anti-social behaviour, officers are working to fulfil these planning conditions and address concerns by working closely with BHP, the managing agent and the police. For example, the common parts of the adjacent blocks will be prohibited for public use by the tenants of the scheme, and tenants that access these spaces may have their tenancies ended. A closed circuit television system (CCTV) assessment will also be carried out by officers to determine the merits of the installation of CCTV.
- 3.12 The proposal is that under the temporary accommodation scheme extension (up to a maximum of 31st March 2018), the lease on Number 51 will need to contain the necessary break clauses to enable vacant possession to be obtained. Currently the provider is seeking a minimum extension up-to March 2017. This may result in an early break penalty if the site is required for redevelopment sooner than this.
- 3.13 Number 53 is currently vacant following marketing. The proposal is to extend provision from Number 51 into 53, subject to planning permission being obtained for change of use. Planning application number 15/5219 was submitted on 1 December 2015 and approved. The proposal is for temporary consent for change of use, from children's day nursery (use class D1) to a hostel providing bed and breakfast accommodation (use class sui generis), for a temporary period of 2 years.
- 3.14 Following closure, the Westbrook Community Centre was let to the Young Graduate Day Nursery, on a lease contracted out of the security of tenure provisions of the Landlord and Tenant Act 1954 for 5 years from 20th March 2014, expiring 19th March 2019, but with a mutual break clause as at 19th March 2017 (the 3rd anniversary).

Business Case

- 3.15 The proposed redevelopment of Knowles House provides a significant opportunity for the council to provide good quality housing for vulnerable households, while also generating significant revenue savings in two key areas of expenditure: Temporary Accommodation (TA), and care homes. In summary terms, the proposal is to redevelop the site to provide approximately 85 new TA units and 40 units of supported housing, together with replacement non-residential space, assisting the Council with meeting its statutory duty to provide for homeless families.
- 3.16 Brent has approximately 3,000 households in TA, one of the highest numbers of in England. Although the borough has been successful in reducing numbers recently, there are still too many households in temporary accommodation, which is inadequate for their needs and the needs of their children. This has resulted in significant financial pressures on the Council.
- 3.17 Projections are that the non-staffing spend on TA and private sector landlord incentives is expected to increase from just over £2.0m in 2016/17 to around £3.1m by 2018/19. Against this backdrop, proposals were presented to Cabinet on 14 March 2016 on the TA reform plan. One of the key proposals of the reform plan is to develop council owned sites, including Knowles House, to provide good quality self-contained TA and to reduce Bed & Breakfast costs accordingly.
- 3.18 The New Accommodation Independent Living (NAIL) Programme is a council cross-departmental programme set to deliver, 529 new units of 'accommodation plus' for people who are assessed as having social care needs and who can no longer be supported to manage in their own home, by March 2018. NAIL accommodation is being created with individualised person centred on-site care and support to enable Brent residents, who would otherwise need to be placed in a care home setting, to be supported in the community, and to maintain their health, wellbeing, and independence in a home of their own.
- 3.19 While the primary driver of the NAIL programme is to maximise the choice, control and independence of Brent residents with high care and support needs; it will also deliver significant efficiency savings from the Adult Social Care (ASC) care home budget, which accounts for the largest area of ASC spend. This will be achieved through ASC being responsible only for meeting the cost of people's care and support needs, as opposed to care home provision, where ASC is also responsible for all accommodation costs.
- 3.20 The demand for school use is projected to grow in future years and if this site were to be considered for this use, would require a comprehensive approach to redevelopment, impacting the nearby Roundwood Centre Youth Centre, Allotments and Roundwood Park (Appendix 4)., Due to the pressing need for new homes now, the proposal is to continue with housing development.

Proposals

3.21 Based on an initial feasibility study, the site has capacity to provide approximately 85 TA units and 40 NAIL units, together with replacement community accommodation (D1 planning use), as summarised below:

Temporary Accommodation	NAIL accommodation	D1 planning use
56 x 2 bed/3 person flats (40m ²) 22 x 3 bed/5 person flats (60m ²) 7 x 2 bed/4 person wheelchair accessible flats (65m ²)	40 x 1 bed/2 person flats (55m ²)	Replacement community accommodation, subject to further analysis and market testing

Next steps

3.22 As next steps are undertaken, unknowns may result in dates changing. An early best case programme is outlined below:

1. Appointment of project manager or development agent, along with a technical team to start 2016, with the number of professional advisors increasing as the project achieves different milestones. As required a Cabinet update will be provided on procurement options, where anticipated contract values are expected to exceed the threshold for high value contracts.
2. In order to inform site design and eventually a planning application, the commissioning of site surveys is required. Again these will be commissioned on a needs basis, starting in April 2016.
3. The preparation of scheme feasibility design and cost analysis, allowing for testing of scheme assumptions and development viability by July 2016.
4. To undertake local consultation, to develop a local consultation plan, to seek approval and implement, September 2016.
5. To further develop design proposal and submit planning application December 2016.
6. To tender the construction works and start on site in phases, with the TA scheme starting first in April 2017 with completion in June 2018. The NAIL homes would then start on site in June 2018 and complete in July 2018. The phased approach to construction is intended to allow Altwood to continue to operate the temporary TA provision until such time as the new TA homes are completed, and the residents can be moved to the new accommodation.

Risks

- 3.23 The project will need to be very quickly properly resourced, in order to deliver the timetable as set out in the next steps.
- 3.24 Local opposition to the proposal - s detailed in the report, a previous application for change of use to temporary bed and breakfast accommodation met with some local opposition. These issues that were dealt with through a proposed action plan, resulting in planning approval, however a proposal that proposes to further intensify the site will need to be managed carefully.
- 3.25 Planning risks - the initial site designs will need to be modified and better aligned with planning policy.

4. FINANCIAL IMPLICATIONS

- 4.1 The financial appraisal for this scheme results in a positive NPV of £1.8m with a 28 year payback period.
- 4.2 As the proposal is to deliver care provision in part, this development will sit outside the HRA development programme, and will be funded via a combination of £0.5m contributions from the ASC capital programme, and unsupported borrowing to an estimated maximum of £24m. Debt costs associated with the additional unsupported borrowing will be met from the derived rental stream.
- 4.3 The scheme in its entirety is forecast to achieve £860k revenue savings per annum (cost of alternative provision)
- 4.4 The average weekly cost of temporary accommodation that this scheme will replace equates to £77 per week per unit. Therefore, the anticipated savings for the Housing Needs Temporary Accommodation budget are £340k pa with the use of 85 units.
- 4.5 Utilising Supported Living schemes as an alternative to Residential Care will equate to average savings of £250 per week per unit. Therefore, the anticipated savings for the Adult Social Care budget are £520k with the use of 40 units.
- 4.6 All three premises are jointly listed as a single asset for capital accounting purposes at a value of £4.25m. This figure would be adjusted to reflect redevelopment on completion.

5.0 LEGAL IMPLICATIONS

- 5.1 Unless the completed units are sold on to a Registered Provider, or funded through the Housing Revenue Account, the units can not be classified as affordable rent; although the Council can set rent levels similar to affordable rent levels and can utilise these as intermediate products.
- 5.2 The Council can grant non-secure tenancies to homeless households by relying on paragraph 4 of Schedule 1 to the Housing Act 1985, on the basis that they are being housed under the Council's duty and/or power to provide temporary accommodation under Part VII of the Housing Act 1996.

- 5.3 If the Council wishes to grant secure tenancies in respect of these units, it should be possible to arrange for the land to be transferred to the Council's Housing Revenue Account.
- 5.4 If the plan is for the Council to grant secure tenancies for these properties outside the Housing Revenue Account and in the Council's General Fund, this will require the consent of the Secretary of State to hold the properties outside the Housing Revenue Account (pursuant to section 74 of the Local Government and Housing Act 1989). This would not be a straightforward process and there are limited examples where this has occurred. Officers are considering options of setting up a housing investment vehicle which could enable properties to be owned by the company, and therefore outside the Housing Revenue Account, and any proposals for setting up such a company will be submitted to Cabinet.

6.0 EQUALITY AND DIVERSITY IMPLICATIONS

- 6.1 A screening analysis of the likely impact of the proposals in this report has been undertaken and concludes that, in line with the deliverables and outcomes set out in the business case, the impact for protected groups will be positive. A copy is attached at Appendix 5.
- 6.2 It is not recommended that a full equality assessment should be carried out in relation to the specific proposals set out in this report. However, a full analysis is being undertaken in relation to the Temporary Accommodation Reform Plan and this will also address the proposals in this report.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 7.1 There are no staffing or accommodation implications for Council employees.
- 7.2 There are staffing and accommodation implications for the TA operation (Number 51 and 52) and nursery (Westbrook Centre), who both understood at the start of their occupation their use would be temporary and limited to the term of their contract (TA until 31st March 2016 with a possible extension and Nursery until 19th March 2019 with a three year break on 19th March 2017).

8.0 ADDITIONAL

Appendix

1. Location Plan
2. Site Plan
3. Site Element Plan
4. Adjoining Landholdings
5. Screening Equality Analysis

9.0 Background Papers

Contact Officers

Sarah Chaudhry
Head of Property
Resources

020 8937 1705

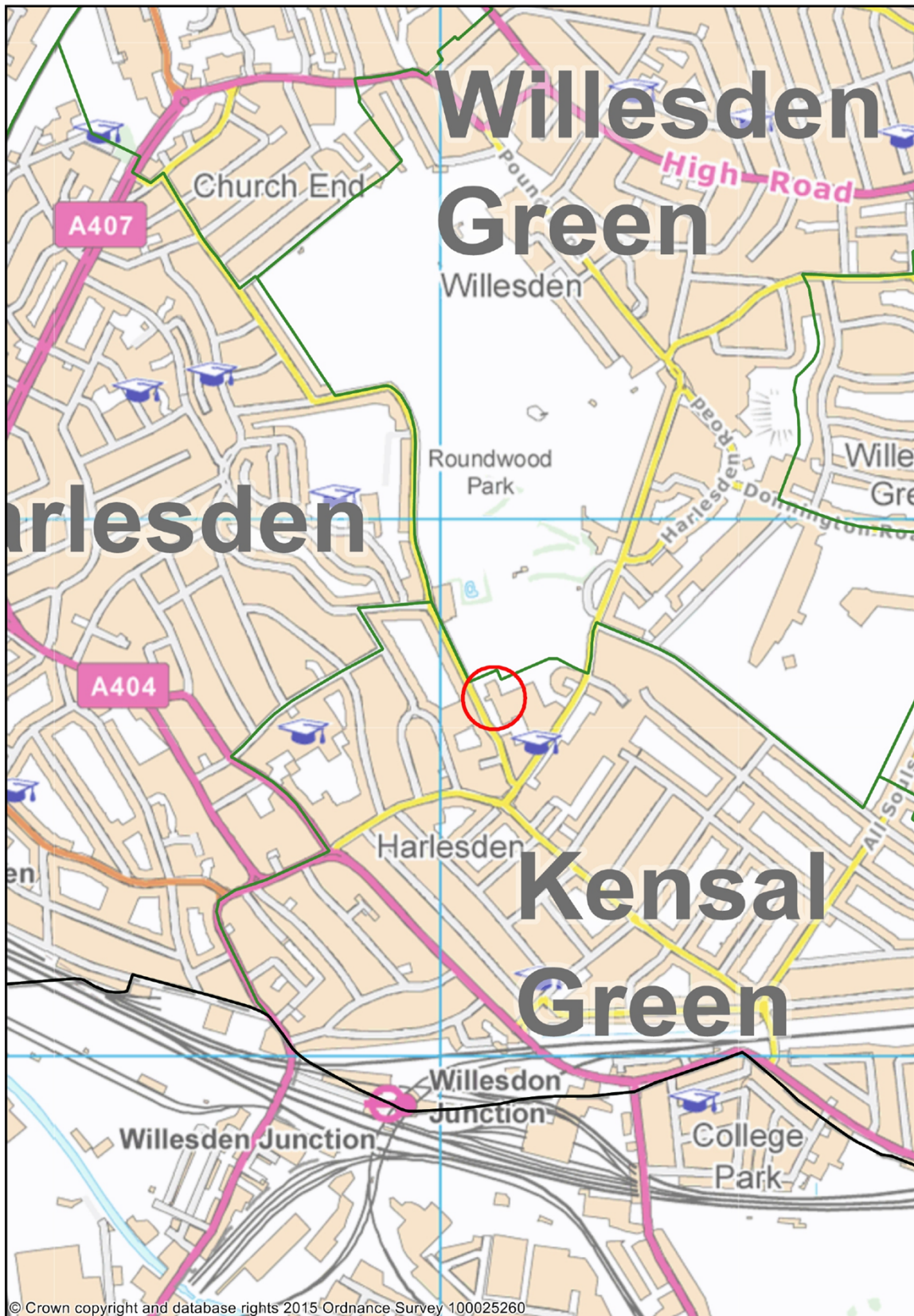
Sarah.Chaudhry@Brent.gov.uk

STEPHEN HUGHES

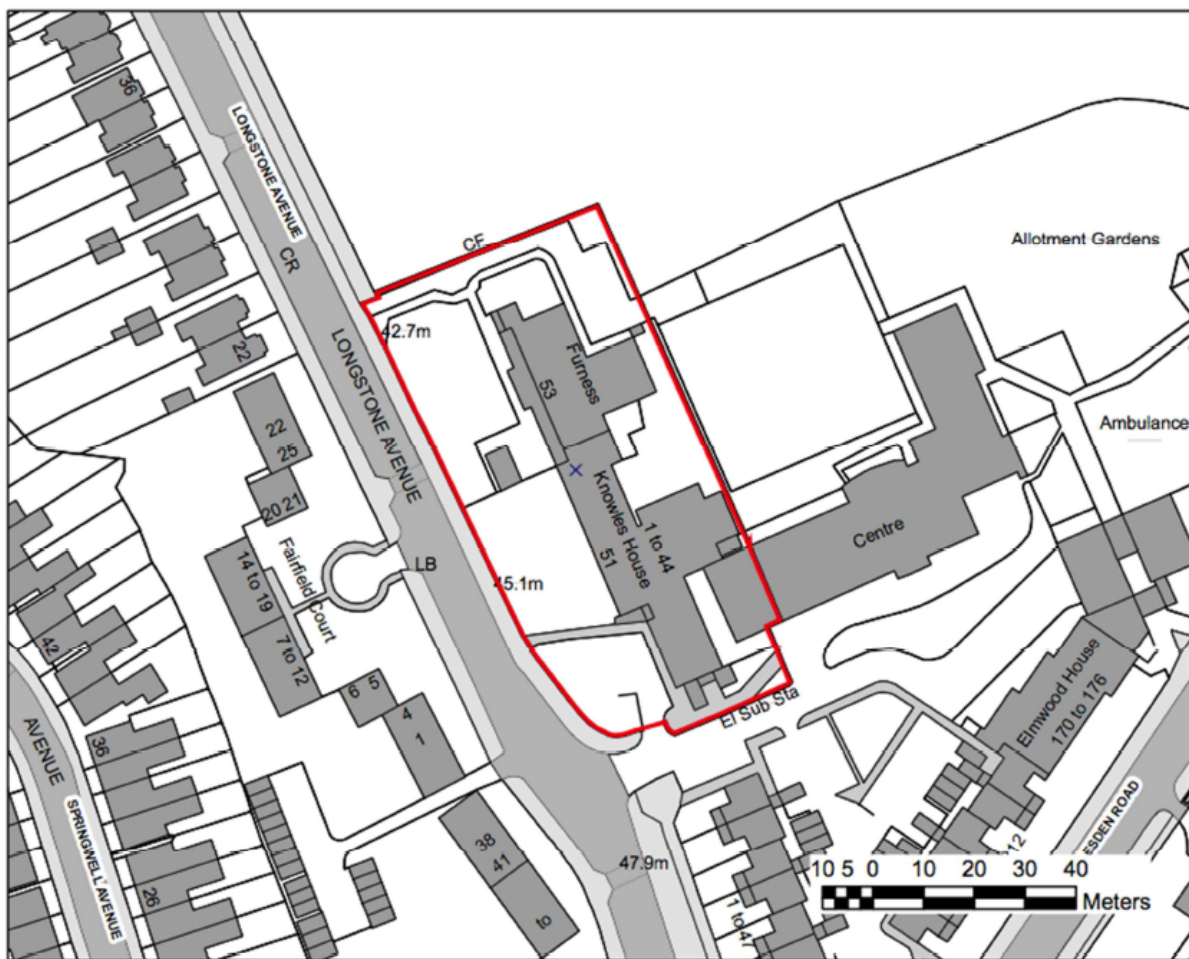
Strategic Director of Resources

Appendix 1: Location Plan

51, 53 and Westbrook Community Centre, Longstone Avenue,
London NW10 3UN.



**Knowles House &
Anansi Nursery,
51 Longstone Avenue,
London, NW10 3UN.
Indicative site boundary
shown outlined red.
Site Area = 4877 sq m/0.488 ha**






PSMA OS copyright statement
© Crown copyright and database rights 2012 Ordnance Survey 100025260
OS Open data copyright statement:
Contains Ordnance Survey data © Crown copyright and database right 2012

NORTH



Anansi Nursery, Knowles House, and Westbrook Day Centre, Longstone Avenue, London NW10 3UN



-  Anansi Day Nursery
-  Knowles House
-  Westbrook Day Centre

NORTH



1:500

Map to stated scale if printed at A3.

PSMA OS copyright statement
© Crown copyright and database rights 2012 Ordnance Survey 100025260
OS Open data copyright statement:
Contains Ordnance Survey data © Crown copyright and database right 2012

Appendix 4: Adjoining Land Holdings



Appendix 5: Screening Equality Analysis

Stage 1 Screening Data

What are the objectives and expected outcomes of your proposal? Why is it needed?

Brent has one of the highest numbers of households in Temporary Accommodation (TA) in England. Although the borough has been successful in reducing numbers recently, against the overall London trend, and has managed to dramatically reduce the number of households in Bed & Breakfast accommodation during 2015/16, there are still too many households in temporary accommodation which is inadequate for their needs, and the needs of their children. Similarly, there are large numbers of individuals in high-cost care homes who could benefit from greater independence in an appropriate supported setting.

The proposed redevelopment of Knowles House aims to provide good quality housing for vulnerable households, while also generating substantial revenue savings in two key areas of expenditure – Temporary Accommodation (TA) and care homes. In summary, the proposal is to redevelop the site to provide approximately 85 new TA units and 40 units of supported housing, together with replacement non-residential space.

In addition to temporary accommodation provision, the proposal will deliver supported housing in line with the NAIL programme. NAIL accommodation is being created with individualised, person centred on-site care and support to enable Brent residents, who would otherwise need to be placed in a care home setting, to be supported in the community and to maintain their health, wellbeing and independence in a home of their own.

Who is affected by the proposal?

The proposal primarily affects households currently in temporary accommodation awaiting suitable permanent accommodation, households applying as homeless in future and other households on the Needs Register. In addition, the proposal affects those in need of supported housing, in particular people currently living in a care home setting.

Could the proposal impact on people in different ways because of their equality characteristics?

Some protected groups are over-represented among homeless households. This is partly due to the criteria through which priority need is established under the relevant legislation: for example, a household may be regarded as being in priority need owing to age, to a physical disability or mental health condition or to pregnancy. It is also an effect of poverty and disadvantage: for example, some ethnic groups, such as Black Africans, are over-represented among homeless households compared to their presence in the general population.

With regard to the NAIL element of the proposal, the main relevant group is older people, although there is potential for the programme to assist younger people with physical or learning disabilities.

Could the proposal have a disproportionate impact on some equality groups? If yes, indicate which equality characteristic(s) are impacted

Yes, although the impact will be positive, through provision of appropriate accommodation to meet the needs of the groups noted above.

Would the proposal change or remove services used by vulnerable groups of people?

The proposal will change services used by vulnerable groups but, as noted above, the change is expected to result in improved services.

Does the proposal relate to an area with known inequalities?

Yes – see above.

Is the proposal likely to be sensitive or important for some people because of their equality characteristics?

Yes – see above.

Does the proposal relate to one of Brent's equality objectives?

The proposal relates to the following objectives:

- To know and understand all our communities
- To ensure that local public services are responsive to different needs and treat users with dignity and respect

Recommend this EA for Full Analysis?

No.

However, it should be noted that this proposal is one of a range that comprise the Temporary Accommodation Reform Plan, details of which are set out in a separate report to the March 2016 Cabinet meeting. A full analysis has been recommended in relation to the Temporary Accommodation Reform Plan and the impact of proposals relating to Knowles House will be considered as part of this exercise. Although it is anticipated that the impact of the proposals for Knowles House will be positive, ongoing monitoring of this and other areas will be undertaken to assess the outcomes following implementation.