

CABINET

22 October 2013

Title: Becontree Heath Masterplan and Land Sales	
Report of the Cabinet Members for Housing and Regeneration	
Open report, with an exempt appendix (Appendix D)	For Decision
Wards Affected: Heath, Valence and Whalebone	Key Decision: Yes
Report Author: Suzanne Pettigrew, Regeneration Manager	Contact Details: Tel: 020 82275738 E-mail: suzanne.pettigrew@lbbd.gov.uk
Accountable Divisional Directors: Jeremy Grint, Divisional Director of Regeneration, and Ken Jones, Division Director of Housing Strategy	
Accountable Directors: Graham Farrant, Chief Executive, and Darren Henaghan, Corporate Director of Housing and Environment	
Summary: On 24 April 2012 (minute 144), Cabinet agreed that Althorne Way, a council owned residential tower block would be included on the Estate Renewal programme for demolition. Cabinet also agreed that a comprehensive masterplan would be prepared for the surrounding Becontree Heath area to regenerate the area and ensure that the leisure, residential, retail/supermarket, vehicle and pedestrian areas integrate to improve the quality of the environment and encourage visitors to make full use of all the facilities in this area. The report recommends development strategies for the delivery of individual sites in the plan.	
Recommendation(s) Cabinet is recommended to: (i) Agree the Becontree Heath masterplan proposals as set out in the report which include the potential sites identified for redevelopment, the Merry Fiddlers Public Realm improvements, the procurement of a Developer Partner for Althorne Way and other potential sites, and the commencement of enveloping works to Stour Road and Gosfield Road housing blocks; (ii) Authorise the Chief Executive, in consultation with the Head of Legal and Democratic Services, the Chief Finance Officer and the Cabinet Member for Finance, to agree the terms of sale of Becontree Leisure Centre car park and vacant strip of land to Morrisons, as shown on the map at Appendix B, and to enter into all necessary agreements;	

- (iii) Agree to begin negotiations with the owners of the Ship and Anchor site with the option of acquiring the privately owned land and marketing the site for a commercial use;
- (iv) Agree that Becontree Heath be included as a potential pilot project under the proposed Borough-wide ECO retrofitting scheme partnership with British Gas, which is to be the subject of a detailed report to the next meeting of Cabinet on 19 November 2013;
- (v) Note that a further report will be presented to Cabinet in due course to seek the necessary approvals, including the allocation of funding for the redevelopment works, to enable the delivery of the Becontree Heath proposals; and
- (vi) Agree that consultation is carried out with local residents and businesses on the proposals.

Reason(s)

In order to assist the Council to achieve its vision to 'Encourage growth and unlock the potential of Barking and Dagenham and its residents' and the priorities 'Creating thriving communities by maintaining and investing in new and high quality homes' and 'Maximise growth opportunities and increase household income of borough residents'.

1. Area Context

- 1.1 On 24 April 2012 (minute 144), Cabinet agreed that Althorne Way, a council owned residential tower block would be included on the Estate Renewal programme for demolition. Cabinet also agreed that a comprehensive masterplan would be prepared for the surrounding Becontree Heath area to regenerate the area and ensure that the leisure, residential, retail/supermarket, vehicle and pedestrian areas integrate to improve the quality of the environment and encourage visitors to make full use of all the facilities in this area.
- 1.2 Becontree Heath is a predominantly residential neighbourhood. Its retail offer consists of a number of shopping parades (Fiddlers and Whalebone Lane South), a large Morrisons supermarket and petrol station. It has a Neighbourhood Centre planning designation; the economic vitality and viability of the neighbourhood centre is encouraged under Policy CM5 in the Local Plan. The area also comprises the new Becontree Leisure Centre, Council offices at Stour Road, small green spaces, and housing, as well as health facilities at Laburnum Health Centre. All of these uses are grouped around the road junction locally referred to as The Fiddlers. The map in Appendix A illustrates the key components of the area.
- 1.3 The shopping parades include around 60 individual retail units. A diverse range of specialist and traditional retailers are present, along with an Iceland and Morrisons, bank and a petrol station. Across from the shopping parade, the former pub the Ship and Anchor is a prominent building on the junction that has since fallen empty. Within walking distance of the Leisure centre are two secondary and three primary

schools and, to the east, the Civic Centre bordering Central Park (part of the Green Belt) which links into Eastbrook End Country Park.

- 1.4 Heath Ward, where the majority of the masterplan area lies, is one of the most deprived wards in the borough and the 10th most deprived ward in the country.
- 1.5 Strong clusters of housing tenures and types define the area. Based on the 2001 census 40% of housing in the area is council rented, 5.6 % is private rented and 52.4% is owner occupied accommodation. This is still a high proportion of council rented accommodation in comparison with owner-occupied properties, therefore there is scope to further diversify the housing mix by providing more private housing for sale. To the north-west of the masterplan area the housing is predominantly inter- and immediate post war private sector housing (owner occupied and private rented). To the west and south, the inter-war Becontree estate comprises mostly council rented, low rise terraced properties, with an increasing number of private houses acquired over the last two decades under Right to Buy. To the east, either side of Wood Lane and between the Fiddlers junction and the Civic Centre, the residential stock is almost all Council-rented medium and high rise blocks built in the 1960' and 70's.
- 1.6 The area has no tube or rail links but has a number of bus routes linking it to Dagenham East, Dagenham Heathway, Barking, Romford and Ilford underground and overground stations. Apart from the road junction improvements currently underway, no further public transportation improvements are planned for this area.

2 Recent Developments

- 2.1 Several schemes affecting the masterplan area have been completed recently, or are on-going and expected to be finalised in the near future. These projects complement the proposed masterplan by improving movement in the area and enhancing the quality of the environment:
 - The completion of the new leisure centre in 2011 has resulted in significantly more people visiting the area and presents real potential inward investment for retailers and a more attractive proposition for homes being built. Its high quality and improved hard and soft landscaping to the public realm of its immediate boundary have highlighted the tired and neglected quality of the public realm of the wider area.
 - The public realm/shopping parade improvement works along Whalebone Lane South have created a more pleasant and integrated façade for its adjoining businesses.
 - The Merry Fiddler's junction improvement scheme is a £1m, 3-year highways project aimed at reducing the severance effect of the junction, reducing traffic queuing and improving the quality, efficiency, safety and ease of use for pedestrians and cyclists of the junction and the entry and exits respectively from Becontree Avenue, Althorne Way, Morrisons supermarket and Stour Road. The project, funded by TfL and Section 106 monies, will also deliver safety/accessibility improvements to several adjacent junctions/turnings, as well as improvements to the public realm. The scheme is due to be completed in March 2014.

- The Fiddlers Business Partnership meeting is a regular meeting hosted by LBBB for retailers and business in the area.

- 2.2 The Local Development Framework Site Specific Allocations (SSA) policy SM10, suggested uses for future development of this area should include an expansion of existing health facilities on site. This could be relevant in relation to re-allocating the pharmacy currently located on Althorne Way Estate. Further recommendations for future uses are bus standing facilities, housing and retail. If new housing were to be planned, the SSA suggests complementing this with public transport improvements due to the existing poor public transport (PTAL level 1).
- 2.3 Concerns expressed by the residential and business communities are that the full social and economic potential of the area is not being realised due to the severance effect of the junction (works currently underway). The other concern is the poor quality of the environment and public realm.
- 2.4 The following report highlights what further interventions the Council should make to masterplan the area in order to deliver regeneration, stimulate local growth and development, and guide Council and private investment in key development opportunities. Together this will deliver real improvements for the local environment, shops, businesses and residents.

3 Issues Affecting the Area

3.1 Issues Affecting the Area:

- Different land uses and destinations are not well integrated
- Althorne Way estate regeneration
- Redevelopment opportunity sites and demand for additional housing
- Severance effect of the Fiddlers Junction and isolation of various activities on each of the junction
- Poor quality public realm
- Lack of accessibility and permeability for pedestrians and cyclists around the area
- Dominance of car parks on streetscape
- Vacant and underused open space sites
- Recently built Leisure Centre with complementary public realm improvements
- Poor urban design and physical appearance, inactive frontages
- Possible expansion of Morrisons and impact on car parks

- 3.2 In response to these issues, the Living and Working Board (16th September 2013) agreed that a Cabinet report should be progressed to agree a masterplan for the area.

4 Masterplan Objectives

- 4.1 The masterplan is aimed at re-integrating the currently disjointed land uses and commercial activity by linking vacant, unproductive and undeveloped sites. The existing projects have kick-started two main aims of this plan; to improve car, cycle and pedestrian flows, and enhance the quality of the public realm. The masterplan will unlock economic growth by regenerating key sites and creating a visual link in the streetscape. Residents will enjoy a better quality of life as a result of upgraded

open spaces and public realm, renovated housing stock and amenities, and newly built homes. The masterplan aims to achieve the following objectives:

1. Improve living standards by optimising poor quality estates and to regenerate and increase the housing stock;
2. Increase the quality of parking facilities for cars and cyclists, by providing further strategic parking opportunities that encourage combined shopping trips, create safe pedestrian routes and pleasant public realm;
3. Improve the quality of the public realm according to the works already carried out around the leisure centre;
4. Improve cycle and pedestrian safety and accessibility, as a means of increasing the number of journeys made by these modes;
5. Attract further inward investment, encourage local business to expand and facilitate improvement to their business strategy and physical manifestation in the public realm;
6. Co-ordinate the investment in the Becontree Heath area.

5. Masterplan redevelopment sites

A proposed masterplan area is included in Appendix A. The delivery of these individual sites will be crucial to the comprehensive redevelopment of the area:

Former Ship and Anchor Pub Site and Adjacent Land Owned by the Council (Site 1- Appendix A)

- 5.1 The site is in two separate ownerships, LBBD own part of the site which is currently vacant apart from advertising hoardings on the exterior. The income from the advertising hoardings is currently around £20,000 per annum. The former Ship and Anchor pub site is owned privately, but has not been in use for some time. The owner approached the Council with a view to buying the Council's adjoining land with a potential proposal to develop a hotel on site. However, discussions did not progress further. Now there is an opportunity to bring both sites forward for redevelopment as one piece of land, which would increase its value and commercial viability. In addition there is an unused piece of Council owned green space to the east of the pub site that could be incorporated as part of a wider development scheme, which would need further feasibility testing in relation to the impact on the road network.
- 5.2 Property consultant GVA Grimley has examined the viability of potential uses on the site. A petrol station was included as an option but is not recommended based on access issues. The second potential use identified of a drive through restaurant is recommended as a potential use, but as a coffee shop and not a fast food chain, as this would not conform with the Council's planning policy of not locating fast food restaurants within 400 metres of schools. A stand alone commercial or retail unit were also considered. The option of a hotel use was not explored but, as was proposed by the private owner, it could be a potential option given the visible location of the site.
- 5.3 It is proposed to identify the site as a redevelopment opportunity in the masterplan with potential for commercial/retail use (A1- A3 uses) as well as hotel use (C1), and to begin negotiations with the Ship and Anchor owners to dispose of the entire site for a commercial use, incorporating the adjoining Council-owned green space. In

the short term the hoardings contract for the LBBB site could be renewed with appropriate break clauses to allow for comprehensive redevelopment of the site in the future. Further information on valuations in respect of this site are included in Appendix D in the private and confidential section of the agenda.

Merry Fiddlers Shopping Parade - Public Realm Improvements (Site 2)

- 5.4 Transport consultant Parsons Brinkerhoff were commissioned to carry out the redesign of the junction, this included an options analysis of the public realm in front of the Fiddlers shopping parade. It is recognised that this space could better enhance the setting of the shopping parade and improve pedestrian movement across the junction between the retail and leisure centre uses.
- 5.5 Following analysis of initial designs and officer consultation the concept design in Appendix C is recommended as the preferred approach for this space. It includes re-configuring the parking bays so they are nearer to the shops and less prominent in the space, a raised table pedestrian crossing, central pedestrian route through the space, and improved landscaping. The scheme is subject to further detailed design, costings and consultation with businesses and residents. Funding for the implementation of this scheme has been secured via Transport for London.

Morrisons Supermarket Extension & Merging of Leisure Centre and Morrisons Car Parks (Site 3)

- 5.6 Morrisons have submitted a planning application to extend their store into their existing car park. The application is to be considered by the Development Control Board on 14 October 2013. The extension, if approved, will provide an extended store frontage that links to the Fiddlers shopping parade visually and it is hoped it will increase combined shopping trips. The scheme involves the extension of the supermarket along Wood Lane on its existing car park, and, to compensate for lost parking spaces, Morrisons are proposing to create an extension their car park onto a strip of LBBB owned land south of the existing car park (see area outlined in green on plan in Appendix B). This land is currently vacant and unused. In addition Morrisons are also proposing to acquire the Becontree Leisure Centre car park from the Council to create a joined car park for both the supermarket and the leisure centre. This area is outlined purple on plan in Appendix B.
- 5.7 It is proposed that the Council disposes of the freehold of this vacant site, and the leasehold of the leisure centre car park, to Morrisons to create a combined car park for shoppers and leisure centre users to park anywhere within this space. It is expected that a combined car park will host fewer parking spaces overall but will enable larger parking bays, a safer, pedestrian-friendly layout and the extension of the retail space. It will also give users the opportunity to combine their trips between different uses in the area. The proposed terms of the disposal are set out in Appendix D (private and confidential section).
- 5.8 Right-turns are being discontinued from the Morrisons car park as part of the junction improvements, allowing left turns only onto Wood Lane. Vehicles will continue to be able to exit the car park via Althorne Way and also via new link to Rainham Road North via Stour Road. The proposed combined car park layout takes into account this change. The junction improvements approved by Cabinet on 19 March 2013 included the combination of the Leisure Centre and Morrisons car

parks.

21 – 91 Althorne Way and other potential housing sites (Sites 4- 8)

- 5.9 This block has been identified for demolition in the estate regeneration programme, approved by Cabinet on 24 April 2012 (minute 144). Since then the decant of the block has been on-going; the tenant re-housing is progressing well with approximately 10 tenants left in the block. All leasehold purchases have been agreed with 1 left to complete. There are 2 commercial tenants remaining on the ground floor and alternative premises are currently being sought. As well as the residential and commercial uses there are several utility boxes and an electricity sub-station on the site which may have time and cost implications unless they can be incorporated in-situ into any future development proposal.
- 5.10 The Council has made a large financial commitment to the decanting and buying back of leasehold interests to enable the redevelopment of Althorne Way. The redevelopment of this site is vital to the successful redevelopment of Becontree Heath and must successfully connect the surrounding developments and land uses, as well as incorporate additional development sites, which are expected to deliver a more comprehensive and viable scheme.
- 5.11 An active street frontage along Wood Lane is recommended to enhance the streetscape closer to pedestrian flows, such improvements create a sense of enclosure, activity and safety. In addition additional private housing will be sought as part of the redevelopment to diversity the housing mix in the area. Furthermore, the London Plan states that there should be no net loss of affordable housing through estate regeneration schemes.
- 5.12 As this site is part of a larger masterplan, combining Althorne Way with other sites in the area, new mixed tenure housing could be considered for all of these sites. The other possible sites (as referred to in the map at Appendix A) include:
- Site 5: Green Space to south of Stour Road, with the option of further extending this option east along Stour Road. This site is owned by LBBD.
 - Site 6: The inclusion of the TfL owned bus terminus is subject to agreement with TfL however this is a large site and its redevelopment would provide an enhanced frontage onto Wood Lane. Initial discussions have taken place with TfL to explore the potential of bringing the bus terminal into the Althorne Way development scheme.
 - Site 7: Green space in front of Laburnum House; this site may be impacted by overshadowing from the tower blocks. It would, however, together with the bus terminal, create a more comprehensive frontage development onto Wood Lane. The land is owned by LBDD.
 - Site 8: The green space to the east and south of Butler Court could provide additional homes. The land is owned by LBBD.
- 5.13 The next step will be to appoint a development partner using the Council's or the GLA Development Panel setting out a clear brief specifying the mix of housing and other uses to be provided (private and affordable housing, commercial uses)

including the identification of the additional sites listed above in the development brief. The appointment of a developer partner for the scheme, and a development options appraisal, will be brought back to Cabinet for approval.

Stour Road Offices and Car Park (Site no 9)

- 5.14 Both LBB office buildings (Numbers 2 and 90 Stour Road) were identified some time ago as being surplus to the Council's Corporate Accommodation Strategy and are due to be vacated and closed by 2014. Staff at 90 Stour Rd will be moved out by November 2013, with 2 Stour Rd to follow in 2014, with staff being relocated to the Civic Centre.
- 5.15 90 Stour Road is physically linked to adjacent residential blocks, whereas 2 Stour Rd could be removed with less impact on the surrounding area. The sites are identified as potential redevelopment options in the masterplan, subject to the necessary approvals under the Council's Corporate Accommodation Strategy arrangements.

British Gas ECO Pilot Scheme (Affecting wider Becontree Heath area)

- 5.16 The Cabinet will be presented with a report at its next meeting (19 November 2013) on the proposal to enter into a partnership with British Gas who will invest up to £35 million in a borough-wide housing retrofitting scheme. The works will include installing cavity wall insulation, external solid wall insulation, and district heating systems, where feasible.
- 5.17 Becontree Heath has been nominated for a pilot scheme totalling a £4.4million investment in the area. There are two parts to the project: the insulation of cavity walls on existing council properties (up to 399 homes) and subject to public consultation, the installation of a district heating system fuelled by biomass. The district heating system would incorporate a smart metering system and provide an estimated 47% reduction in residents' annual fuel bills. The main boiler/plant for the district heating system would be installed at the back of a building, with pipe lines running underground to other large buildings in the area. The large number of redevelopment sites in the masterplan area would allow for maximum efficiency of the district heating system. The maintenance, billing and metering would be managed by British Gas.
- 5.18 As an additional element of the fully-funded pilot, British Gas would provide external wall insulation to an extra 100 flatted dwellings, subject to further discussions.
- 5.19 Disruption is expected to be minimal although thorough public consultation would be carried out to determine residents' views and concerns in advance of any works taking place. If given the go ahead, works would begin in 2013 and be completed in 2014/15.

Stour Road and Gosfield Road Housing- Improvement works

- 5.20 There is currently a capital allocation of £5m in the HRA Investment Programme for enveloping works to Becontree Heath including external cladding, windows and internal works. This is profiled £1m in 2013/14, £2m in 2014/15 and £2m in 2015/16.

6 Public Consultation

- 6.1 Public consultation has taken already place in relation to the junction works, Althorne Way estate regeneration and the Morrisons planning application. Further consultation with Ward Councillors, local residents and businesses on the wider masterplan would be undertaken, as well as more detailed consultation in respect of the individual sites as they come forward for redevelopment. As referred to above, there would also be consultation on the ECO pilot scheme.

7. Financial Implications

Implications completed by: Carl Tomlinson, Group Finance Manager

- 7.1 The report contains several master plan delivery options each of which have separate financial implications. In most cases, however, the financial implications cannot be specifically quantified as exact details of the proposals have not yet been drawn up and agreed. The following paragraphs do, however, identify the general financial implications for each of the proposals contained within the report.

Former Ship and Anchor Pub Site and Adjacent Council Owned Land

- 7.2 This area consists of three pieces of land, two of which are Council owned with the site of the Ship and Anchor pub being privately owned.
- 7.3 The preferred option of acquiring the Ship and Anchor site and then marketing the whole area for a commercial use is likely to ensure this site developed more quickly. However, initially the Authority will need to enter purchase negotiations with the current owners of the former public house. GVA Grimley has advised on the likely purchase price and this is shown in Appendix D. This sum will need to be recouped when the whole site is sold to a private developer.
- 7.4 Once the Council has acquired the Ship and Anchor site, revenue funding will be required to meet the cost of any necessary premises maintenance, NNDR charges and security costs until it is sold. These costs will be met from current budgets.
- 7.5 The value of the combined site has not been assessed and will depend upon market conditions at the time of the sale and further negotiations with prospective developers.
- 7.6 The advertising hoardings that currently exist on the Council owned area of land adjacent to the former pub earn the Authority around £20,000 per year and if the site was sold then this income would be lost.
- 7.7 If, as the master plan recommends, the whole site was to be sold for a commercial or retail use then the Authority would receive a capital receipt and on completion of the redevelopment, increased NNDR income would go some way to offsetting the loss of the advertising revenue currently received.
- 7.8 In addition, it is highly likely that the Authority would enter into a Section 106 agreement with the developer or receive a sum through the Community Infrastructure Levy. These sums would contribute towards funding the enhancement of the public realm of the adjacent area.

Merry Fiddlers Shopping Parade – Public Realm Improvements

- 7.9 The proposed works can be funded from sums received from the TfL LIP programme. It is anticipated that the future cost of maintaining any enhanced highways infrastructure and public realm will be met from existing budgets, however, this will depend on the final scheme designs that are agreed following consultation with local stakeholders.

Morrisons Extension and the Redevelopment of the Leisure Centre and Morrisons Car Parks

- 7.10 There is an estimated income from Becontree Leisure Centre Car Park of approximately £20,000 to the council. This is currently collected through the pay and display machines and via cashless payment facilities, and is part of the Parking Services base budget. Following the sale of the car park, this income will be forgone to the service.
- 7.11 There are associated costs of maintenance and enforcement of the car park which is estimated to be in the region of £18,000. The majority of this amount relates to a small percentage of the wider enforcement and overhead costs of the service so unlikely to be realised if the car park is sold. Therefore, there will remain an ongoing pressure in the parking account of £20,000 until these costs can be appropriately re-distributed.
- 7.12 The proposed extension to the Morrisons store will result in the Authority receiving a share of the increased NNDR that would be chargeable. As mentioned above, a section 106 agreement has also been drawn up which will contribute to the proposed improvements to the local public realm.
- 7.13 The proposal will require the Council to sell to Morrisons the freehold for an adjacent HRA strip of land and the leasehold of the Leisure Centre car park. These sales will create a capital receipt for the Council; however, amounts are currently subject to negotiation.

Estate Regeneration, 21 – 91 Althorne Way

- 7.14 The cost of demolishing the flats at Althorne Way has been included in the Council's Housing Investment Programme and the associated costs involved in buying back leasehold properties and re-housing existing tenants have been and will continue to be met from Housing capital budgets.
- 7.15 Future development options will need to be the subject of a further Cabinet report, showing detailed project appraisals, so that the financial implications can be properly assessed.
- 7.16 There are also proposals within the report to provide additional private and affordable housing although at this early stage there is no indication as to how many additional properties will be provided.
- 7.17 The provision of net additional housing will enable the Authority to claim a new homes bonus from the Government and will also result in an increase in the Council Tax base. This income will be offset by the additional demand that extra residents will no doubt place on the services the Council provides.

- 7.18 The Council is likely to incur a cost if it is to bring the bus terminus into the Althorne Way development scheme. As negotiations with TfL have not yet taken place the cost of acquiring this area of land is not currently known.

Stour Road Offices and Car Park

- 7.19 Plans for the future use of the offices at 2 and 90 Stour Road is contained within the Council's Office Accommodation Strategy. Financial implications will be considered as part of the Strategy.

British Gas ECO Pilot Scheme

- 7.20 British Gas has proposed a programme of energy efficiency and heating investment in Borough's flatted estates up to the value of £35 million, with works completed by March 2015.
- 7.21 This is the subject of a separate Cabinet report due in November 2013 which will consider the full financial impact on the council. The current proposal includes using £4.4m of the available funding to pilot the scheme on Becontree Heath.

Becontree Heath Enveloping

- 7.22 There is currently a capital allocation of £5m in the HRA Investment Programme for enveloping works to Becontree Heath. This is profiled £1m in 2013/14, £2m in 2014/15 and £2m in 2015/16.

8 Legal Implications

Implications completed by: Jason Ofosu, Senior Property Lawyer

Advertising hoarding at Former Ship and Anchor Pub

- 8.1 The licence for advertising hoarding for the LBBB site could be renewed on a short term basis and should contain a break clause allowing the Council to terminate the licence at any time on short notice. The council would be able to exercise this break clause on the grounds of redevelopment. The flexibility of the Council-only break clause would allow the council to continue to gain income from the site and still redevelop the site in the future.
- 8.2 The Council could jointly market the site with the owners of the Ship and Anchor. Section 120 of the Local Government Act 1972 provides a general power to a council to acquire land by agreement. There is no "best value" requirement per se in relation to an acquisition; however there is an overriding duty for council decisions to be administratively and fiscally responsible and justifiable. Therefore the Council should first obtain an independent valuation before it makes any offer to purchase the former Ship and Anchor Pub. If negotiations were not successful the Council could decide to exercise its powers to compulsorily purchase the former pub.

Morrison's

- 8.3 Under Section 123 of the Local Government 1972 the Council has the power to dispose of freehold land. The only constraint is that the land must not be sold for less than market value. One constraint is that the disposal must be for the best consideration reasonably obtainable unless there is ministerial consent or the transfer is to further local well being. If the land is to be sold at less than market value then under paragraph 5.1 of the Council's Land Acquisitions and Disposal Rules (Part D of the Constitution) an Appraisal at Undervalue must be completed and considered by the Property Asset Group (PAG) and, if supported, referred to Cabinet for consent.
- 8.4 Paragraph 6.4 of the Council's Land Acquisition and Disposal Rules permit disposal to a special purchaser (described in the constitution as a purchaser with an interest in an adjoining property or with an inferior or superior interest in the property) rather than needing to market the site. Morrison's would be a special purchaser and the Council can negotiate the sale of the vacant land with them.
- 8.5 The Council can enter into a long lease with Morrison's of the car park. Property Services and the Legal Practice should be consulted on the terms of the lease. Morrison's would be responsible for the security and upkeep of the Car Park. The management responsibilities of Morrison's should be set out in a Management Agreement between the Council and Morrison's. The Legal Practice should be consulted on the terms of this Agreement prior to entering into it.

21-91 Althorne Way and other potential housing sites

- 8.6 Once the tender has taken place and a developer has been chosen the Council would enter into a Development Agreement with the developer. Legal Practice should be consulted on the necessary documentation.
- 8.7 This report states that the Council or the GLA Development Panel or Framework would be used in procuring a partner for the re-development of Althorne Way. The EU Procurement Regulations permits the setting up of frameworks for use by the public bodies referred to at the time the framework was advertised in the OJEU. The relevant framework procedures should however be adhered to in this procurement, and all relevant agreements should be presented to the Legal Practice prior to entering into them.
- 8.8 Furthermore Cabinet is being asked to authorise that the Chief Executive, in consultation with the Chief Finance Officer, the Head of Legal and Democratic Services and the Cabinet Member for Finance, to agree the terms of, and enter into, all necessary agreements.
- 8.9 Under the Council's Contract Rules (Rule 13.3), the Chief Commissioning Officer has the power, in the absence of direction to the contrary from Cabinet, to award contracts of above £50,000 in value provided this is undertaken in consultation with the Council's Section 151 officer (currently the Chief Finance Officer).

9 Other Implications

- 9.1 **Risk Management** - Delivery of the proposed schemes and sites in the masterplan, if they require capital expenditure, will be subject to the Council's internal Capital Programme Management Office structure. This process requires all of the project risks, for each site separately and combined as a programme, to be identified and mitigated via an actively managed risk management plan before approval is given for the scheme to commence.
- 9.2 **Contractual Issues** - The proposal to deliver any new homes will be through the use of the Council's existing Construction and Professional Services Frameworks or GLA frameworks and panels, if appropriate. This will ensure compliance with both the Council's Contract Rules and the Public Contracts Regulations 2006 (as amended).

Future management arrangements for sites (such as the Morrisons car park arrangement) will be dealt with under delegated powers via the required legal processes, following agreement of this report.

- 9.3 **Staffing Issues** - There are no staffing implications arising from this report, the land disposal, acquisitions, procurement of a developer, planning application process, appointment of a main contractor and project management of any construction can be dealt with by officers from Regeneration, Property, Development Management and Asset and Capital Delivery in the course of their normal duties.
- 9.4 **Customer Impact** - Approval of the proposed masterplan will contribute directly to the delivering the Council's corporate priorities of: Reduced crime and fear of crime, Improving health and well-being through all stages of life, Creating thriving communities by maintaining and investing in new and high quality homes, and maximising growth opportunities and increasing the household income of borough residents. The delivery of these objectives will be achieved by improving the quality and heat performance of new and existing homes, discouraging fast food takeaways near schools, improving the quality of the environment, encouraging walking and cycling, and reducing crime, fear of crime and anti-social behaviour (via developing vacant /neglected sites, increasing the amount of people using the area, improving natural surveillance and improvements to the physical environment).
- 9.5 **Safeguarding Children** - The regeneration and development of sites for housing will improve conditions for those families in housing need who are housed in them. The decision not to pursue a drive through takeaway as a potential use for the LBBB/Ship and Anchor site due to the proximity of several local schools will also safeguard the health of children.
- 9.6 **Health Issues** - The masterplan will improve the quality of housing and the environment; discourage additional fast food takeaways, improving the heat performance of existing and new Council housing stock and encourage more people to walk and cycle in the area. The delivery of these objectives will have a positive impact on the health and well-being of residents and visitors.
- 9.7 **Crime and Disorder Issues** - Section 17 of the Crime and Disorder Act 1998 places a responsibility on councils to consider the crime and disorder implications of any proposals. The proposals contained will help make the area safer by improving the quality of the environment, unlocking vacant sites and making the area more

vibrant, therefore encouraging more natural surveillance via people walking and cycling between sites.

- 9.8 **Property / Asset Issues** - The masterplan will have an impact on future use of the Council's Property and Assets where the sale or acquisition of land is concerned.

Background Papers used in the preparation of the report:

- Becontree Heath Masterplanning- Cabinet, 24th April 2012
- Becontree Leisure Centre Car Park Property Appraisal Group report- 27 June 2013
- LAW Board Report Becontree Heath Masterplan- 16 September 2013
- Merry Fiddlers Junction Cabinet Report -19 March 2013

List of appendices:

- **Appendix A** – Proposed Masterplan Sites
- **Appendix B** – Morrison's and Council Car Park land
- **Appendix C** – Merry Fiddlers Public Realm Design
- **Appendix D** – Land Valuations (exempt information)