

Report
No.
DRR
19/062

London Borough of Bromley

PART ONE

**Decision
Maker:** EXECUTIVE

Date: Wednesday 12 February 2020

**Decision
Type:** Non-Urgent Executive Non-Key

Title: **AUTHORITY TO ENTER INTO NEGOTIATIONS TO DISPOSE
OF FORMER ADVENTURE KINGDOM BUILDING, BROMLEY
CIVIC CENTRE TO CREATE A NEW NHS HEALTH AND WELL
BEING CENTRE FOR BROMLEY**

**Contact
Officer:** Michael Watkins, Assistant Director – Strategic Property:
Michael.Watkins@bromley.gov.uk

Chief Officer: Sara Bowrey Director Housing, Planning and Regeneration

Ward: Bromley Town

1. Reason for report

The Bromley CCG have formally requested that the Council considers disposing of the former Adventure Kingdom building to them, at market value, so that it can be redeveloped by the CCG for a new Bromley Town Centre Health and Well Being Centre.

2. **RECOMMENDATION(S)**

2.1 **The Executive is recommended to agree to in principle to dispose of the site at market value to Bromley CCG and authorises the Assistant Director – Strategic Property to negotiate terms of sale with the CCG subject to a report being made to the Executive for final decision.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: There is an impact on vulnerable Adults and Children to this consent, as ultimately those groups will use the proposed Health and Wellbeing Centre, which would be located closer to other Council services.
-

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A:
 3. Budget head/performance centre: N/A
 4. Total current budget for this head: £N/A
 5. Source of funding: N/A
-

Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement:
 2. Call-in: Call-in is applicable.
-

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): A co-located Health and Well-being Centre at the Civic Offices would improve synergies for residents who wish to use the services of the Council and the CCG.
-

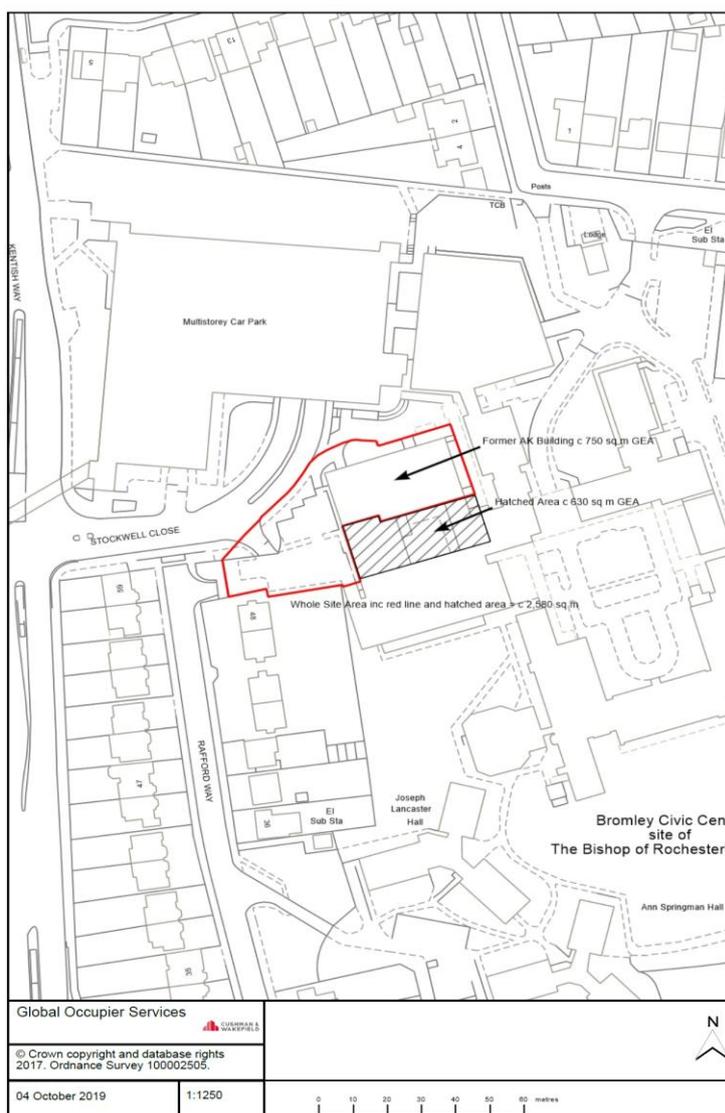
Ward Councillor Views

1. Have Ward Councillors been asked for comments?

3. COMMENTARY

- 3.1 The Bromley CCG have formally requested that the Council considers disposing of the former Adventure Kingdom building to them, at market value, so that it can be redeveloped by the CCG for a new Bromley Town Centre Health and Well Being Centre.
- 3.2 The vision which underpins the Bromley Health & Wellbeing Centre is aligned fully with a number of NHS national policies and strategies including;-
- Five Year Forward View;
 - Healthy Lives, Healthy People: Our strategy for public health;
 - Transforming Community Services;
 - The NHS Outcomes Framework;
 - Quality, Innovation, Productivity and Prevention (QIPP) programmes.
- 3.3 In addition to facilitating the Strategic Goals of local Commissioners and the health economy wide clinical case for change, the centre aligns particularly with national health policy goals around strengthening primary care, reducing over reliance on hospital care and improving the care of patients with long term conditions, enabling them to remain in the community.
- 3.4 The CCG requirement is for a 2130SqM facility which has been based upon the output from a dynamic activity modelling exercise undertaken by the CCG. This has incorporated demand projections provided by the CCG and agreed with its various stake-holders throughput and utilisation assumptions.
- 3.5 Attached at Appendix 1 is the Tenants Requirements for the Bromley Health & Wellbeing Centre which is provided for information. It should be noted that the plan contained within this document includes the Great Hall – which is not in scope. The CCG requirement can be met on the Adventure Kingdom site as detailed at 3.8.
- 3.6 The CCG have been seeking suitable sites within Bromley Town Centre for some years and have commissioned various site searches to find suitable and deliverable space to meet their funding window of commitment from Central Government. More recently the CCG has engaged with Officers to ascertain if there were any Council assets which would fit their needs. Consequently the Adventure Kingdom site was identified as being a standalone site which is not required for Council usage and could be developed out as a Health and Wellbeing Centre.
- 3.7 The CCG has been awarded two separate tranches of capital funding for the development of the Bromley Centre, subject to final business case approval. The total funding earmarked for the scheme is circa £11m, made up of £3m from the NHS ETTF fund and £8m from NHS wave 4 capital funding. Officers are therefore of the opinion that the CCG has adequate funding in place for such a purchase.

3.8 A Plan of the Former Adventure Kingdom site is detailed below:



3.9 The current occupier of the building is the Bromley Borough Foodbank who have been let the building for a short term period with the existing lease due to expire on 6 June 2020. The Foodbank were made aware that their lease would be temporary in nature and this was acknowledged by them at the commencement of the lease. The Foodbank is keen however, to have as much notice as possible of the need to vacate (the lease has a landlord's rolling 6 month break option), so they can look elsewhere and plan accordingly. It should be noted that there is not any obligation on the Council to provide alternative accommodation for the Foodbank. However, Officers will assist to see if the Council has any suitable vacant accommodation at the point when vacant possession is required. Should the Executive agree to the disposal in due course of this building, then it is possible that the CCG may consider letting the Foodbank remain whilst Planning Permission is sought for their scheme.

3.10 The Adventure Kingdom building abuts the Great Hall and in order to create the area required for a new Health and Well Being Centre a small area of the Great Hall will need to be included in the disposal. This area is detailed on the above plan as the hatched area.

Site separation works would need to be undertaken to separate the two buildings and re-provide facilities such as kitchens and WC's to the Great Hall.

- 3.11 Any decision must be consistent with the emerging Civic Centre Accommodation Strategy which will be reported to Members in June 2020.
- 3.12 This will include timescales for the phasing of the demolition of the Adventure Kingdom site so as to allow redevelopment of the retained Council Offices.
- 3.13 The CCG capital proposal for funding supports the purchase of the site at market value as part of the overall capital allocation and budget. The CCG recognises the Council's statutory obligation to secure the best consideration reasonably obtainable Under section 123 of the Local Government act 1972 and the purchase will be at market value.
- 3.14 . In order for the CCG to commence negotiations and undertake further due diligence and prepare a final business case which will be predicated on an agreed purchase value, the recommendation to in principle dispose of the site is required. As the site will not be marketed the Council will need an independent valuation to determine market value.
- 3.15 The CCG fully recognise that the Council would not be able to make any final commitment at this stage until all the necessary due diligence work by the parties involved are completed and assessed. Once negotiations as to purchase value have been concluded these would then be reported to the Executive prior to making any final decision to dispose of this asset.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 There is an impact on vulnerable Adults and Children to this consent, as ultimately those groups will use the proposed Health and Wellbeing Centre, which would be located closer to other Council services.

5. POLICY IMPLICATIONS

- 5.1 A Council that manages its assets well.

6. FINANCIAL IMPLICATIONS

- 6.1 The disposal of the Adventure Kingdom site will generate a Capital Receipt. The impact of this will be report to the Executive prior to making any final decision to dispose of this asset. The site is currently let to Bromley Borough Foodbank at a peppercorn rent and premise running costs are included within the Civic Centre overall building costs.
- 6.2 The disposal of the Adventure Kingdom site will generate a Capital Receipt. The impact of this will be reported to the Executive prior to making any final decision to dispose of this asset.
- 6.3 If the Council subsequently agrees to dispose of the site to the CCG, the market value of the site will be independently assessed to ensure that the Council complies with its Section 123 obligations.

7. PERSONNEL IMPLICATIONS

N/A

8. LEGAL IMPLICATIONS

- 8.1 Section 123 of the Local Government Act 1972 applies to any disposal of Council owned land. Legally, councils have the power to dispose of land 'in any manner they see fit' for the 'best price consideration reasonably obtainable'.
- 8.2 The recommendation is to sell at market value which as there will not be a competitive process will need to be determined by .an independent valuation

9. PROCUREMENT IMPLICATIONS

9.1 Should any specialist valuation works be required then it is proposed appointing Cushman and Wakefield via the Council's TFM Contract using the Schedule of Rates for Professional Fees contained within that contract.

Non-Applicable Sections:	Personnel
Background Documents: (Access via Contact Officer)	