



PROPERTY STRATEGY

2024-2027



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FOREWORD

In navigating unprecedented change, Brent Council must implement a progressive property strategy. This strategy aims to build a thriving and sustainable property portfolio for Brent's diverse community.

The strategy goes beyond just managing assets for rental income. It serves as a framework for using our property portfolio to unlock opportunities for economic growth, environmental sustainability, and social value.

Our vision is to create a sustainable, compliant, diverse and carbon-neutral property portfolio that contributes to thriving communities, enhances the local economy, and improves prosperity. Achieving this vision requires a collaborative approach, engaging with residents, businesses and community organisations to align our efforts with needs and enhance our collective potential.

Our Property Strategy sets a bold path towards adaptation, evidence-based decision-making, embracing change, and reimagining the potential of our property assets.

At the core of our strategy is a proactive approach to asset management. This ensures that every decision supports our Borough Plan 2023-27 and paves the way for a more equitable future for all of Brent.

I look forward to working with you to make this strategy successful for all.



Cllr Mili Patel
Deputy Leader and Cabinet
Member for Finance and
Resources

EXECUTIVE SUMMARY



Brent Council has developed its Property Strategy to align with the Borough Plan priorities and address the impacts of significant global shifts, including Brexit, the pandemic, and the cost-of-living crisis. These events have reshaped how we live and work and have profoundly affected how we use our properties and make decisions about our properties.

Our strategy is focused on using property assets to benefit our communities, support the economy and improve prosperity. Our approach goes beyond just managing buildings; it is about creating vibrant, secure and inclusive environments where our communities can grow, thrive and connect.

To optimise each property's use, benefits, safety, and inclusiveness, an asset review process, organised around four strategic themes, will be used to appraise each property. These four themes are supported by core principles that promote a responsive, data-driven approach to asset management. This framework not only aids in day-to-day decision-making but also endorses reimagining and reshaping our property portfolio to sustainably maximise its benefits to residents, businesses, and the voluntary and community sectors.

The Property Strategy is a crucial step towards creating social value and meeting the commitments of our Borough Plan. It fosters inclusivity, empowering communities on the starting premise of financial sustainability. We aim to work closely with stakeholders and the wider community to invigorate our property portfolio, ensuring it contributes to a legacy for Brent's present and future generations.

MISSION AND AIMS

As we continue to navigate through a period of scarce resources and environmental challenges, the strategic context in 2024 highlights the necessity for a balanced approach that aligns community expectations and financial sustainability, and ensures our property portfolio is well-maintained, accessible, inclusive, environmentally resilient, and compliant with regulations.

The gradual deterioration of some assets, especially vacant ones, combined with the pressures of environmental obsolescence and the need for budgetary prudence, presents a complex challenge.

Our community rightly expects spaces that support social well-being and economic activity. Yet, we must also secure a financial return to fund front-line services and maintain these spaces to futureproof against increasing environmental and statutory requirements.

The strategy provides a direction and a framework to address these challenges. It acknowledges that maintaining the status quo is not an option. Instead, we must strive for a dynamic management approach that can adapt to changing needs and priorities. This involves making difficult decisions and trade-offs about how we use, maintain, and invest in our properties to ensure they serve the best interests of our community – now and in the future.

“Without strategic intervention, we risk experiencing a decline in revenue, reduced available space, diminished social benefits, and potential issues with statutory compliance. By recognising and leveraging the untapped potential within our property portfolio, we can secure the necessary resources for essential investments in our assets, people, processes, and systems.”



Image top
Knowles House, Harlesden

Middle
Pakistan Community
Centre, Willesden

Bottom
Granville Centre, Kilburn

STRATEGIC CONTEXT

Market trends in recent years have impacted not only the financial performance of our property assets but also the availability and quality of the spaces we can viably let to community-based organisations, businesses and residents.

Hybrid Working Styles

The shift towards hybrid working has altered the demand for premises in Brent. The emerging trends have led to changes in office design expectations, digitisation, Internet connectivity, and a growing demand for more ways to foster inclusivity, energy efficiency, collaboration, and communication.

Environmental Sustainability

Properties failing to meet Minimum Energy Efficiency Standards (MEES) risk becoming obsolete, while 'green' buildings now command higher demand and maintenance costs. The Council's commitment to becoming carbon-neutral by 2030 and leading by example in retrofitting and reducing energy usage is crucial to changing attitudes and behaviours.

Whole Life Asset Management

Rising materials and labour costs make it more difficult to maintain buildings in good condition. Compliance with ever-increasing health and safety regulations and environmental performance is not only a legal responsibility but is increasingly becoming a determinant of property value and attractiveness to tenants.

Technological Advancements

With increasing choices, prospective tenants are expecting more from our buildings. To remain competitive, our buildings must offer robust Internet connectivity, access to essential amenities and flexibility to meet evolving needs.

Retail Shifts

Despite challenges posed by the pandemic on retail and high streets – and the growth of online shopping, retail spaces remain vital for local businesses. The "meanwhile uses" concept for our vacant spaces continues to be integral to our long-term regeneration approach, supporting entrepreneurship and community engagement.

Image far right top
Church End Road
market.

Image far right bottom
Freeman Family Centre,
Longstone Avenue



VISION

The direction of our property portfolio is clear: towards a more efficient and impactful collection of financially and environmentally viable assets aligned with the Council's key priorities. This does not necessarily mean reducing the number of properties we own; it is about strategically managing our assets to deliver more for our communities.

“TO CREATE A SUSTAINABLE, COMPLIANT, DIVERSE AND CARBON-NEUTRAL PROPERTY PORTFOLIO THAT CONTRIBUTES TO THRIVING COMMUNITIES, ENHANCES THE LOCAL ECONOMY, AND IMPROVES PROSPERITY.”

Image far right top
Volunteer at the Sikh Community Centre,
Stag Lane.

Image far right bottom
London Community Kitchen,
Civic Centre

This vision aligns with the Council's Borough Plan 2023-27 ambitions and priorities. It acknowledges the invaluable role our property portfolio plays not just in financial terms but in creating social benefits that touch every corner of our community.



STRATEGIC OBJECTIVES

Our properties are crucial to Brent's well-being and vibrancy, from supporting the voluntary and community sectors to providing commercial spaces that drive employment and economic activity. The strategy aims to support our communities by effectively and efficiently using our property assets.

The strategy will realign our work with context and prioritisations. It establishes a framework for the council to develop its property efficacy by:



Implementing Robust Processes

This means working collaboratively across the Council to drive up the quality of decision-making and understanding of broader social needs. It means establishing appropriate metrics to support decision-making with greater emphasis on condition survey data and ensuring the portfolio is responsive to changing market demands and needs.

Managing Portfolio Compliance

This means buildings that are legally compliant, fully functional, accessible, optimally utilised, and generate the necessary income and support Council priorities. The portfolio must be right-sized to respond to available budgets and ensure that it is maintained in a good and safe condition, reflecting the highest needs, minimising waste, and promoting resource efficiency.

Investing Sustainably

This means building flexibility to enable the Council to pivot and adapt to changing needs by redeveloping and repurposing our assets or disposing of assets not aligned with our corporate priorities.

Image far right
One Public Realm Estate
proposals, Northwick Park



THE PORTFOLIO



Our property portfolio delivers various benefits to diverse organisations and businesses each year, including spaces occupied by the voluntary and community sector (VCS).

Assets in scope

The properties in scope of this strategy include the following types of general fund assets:

- Community buildings
- Leisure and recreation facilities
- Retail units
- Offices
- Other, e.g. markets, farmland, industrial

A standout feature of our portfolio is the Civic Centre in Wembley, which plays a crucial role in our Property Strategy. It is a financial pillar and a hub for essential services and community activities. Table 1 below shows the number of different types of assets and the income generated by each sort.

TABLE 1: PORTFOLIO OVERVIEW

Use	No. of Assets	Sq.m	Total Passing Rent p/a
Community	54	19,110	£528,081
Leisure	12	10,347	£216,851
Retail	17	3,462	£47,410
Office	12	33,568	£1,448,382
Other	14	3,302	£83,248
Total	109	68,692	£2,323,972

Including our multi-let buildings, the portfolio's total number of leases is approximately 128.

When we break down the portfolio, we find that 49.5% (54 units) is dedicated to community use, highlighting the Council's focus on fostering social well-being and community engagement (Chart 1). Over two-thirds of our property space is geared towards office and community space (Chart 2).

CHART 1: DISTRIBUTION BY TYPE

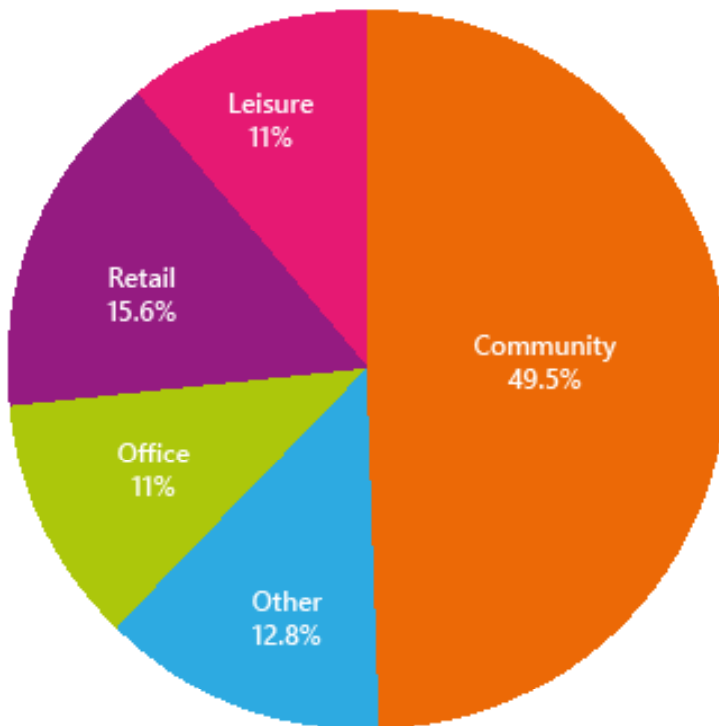


CHART 2: DISTRIBUTION BY SQUARE METERS.

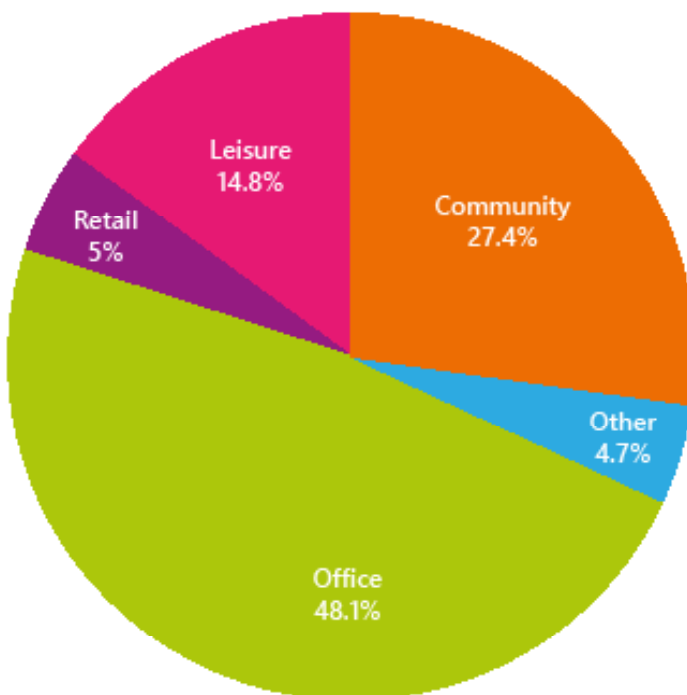


CHART 3: RATIO OF INCOME TO TYPE.

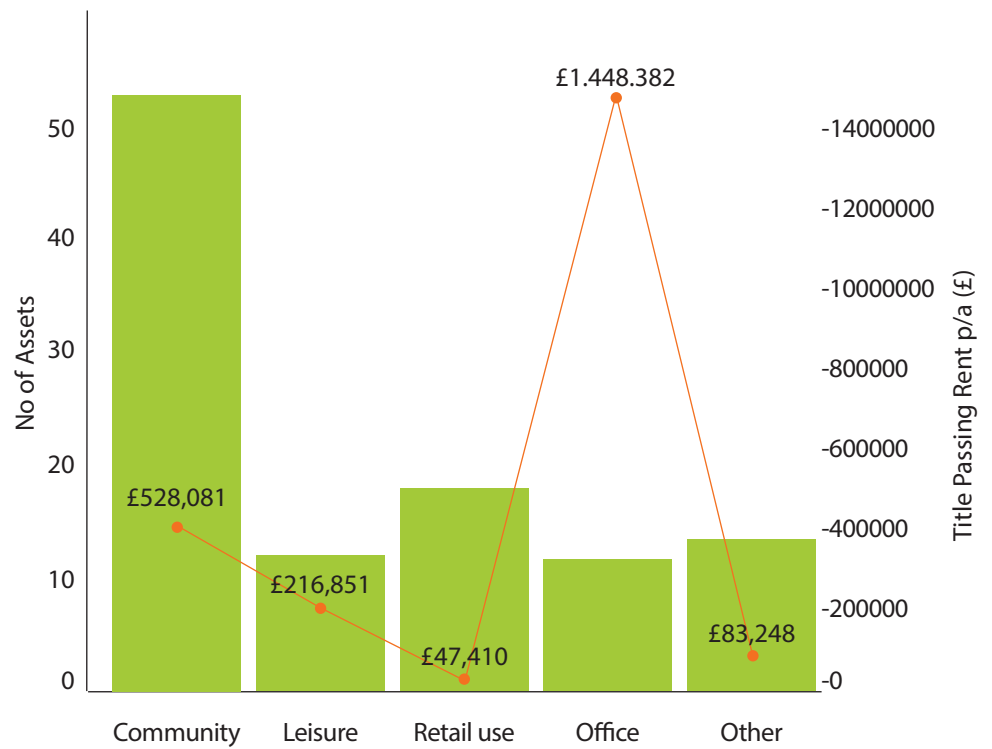


Chart 3 shows that we can no longer depend on income from our office spaces due to evolving work behaviours and arrangements. To ensure the sustainability of our portfolio, it is essential to diversify our revenue streams across all categories.

Assets out of the scope of this strategy

- Housing assets (Housing Revenue Account)
- Community schools and academies
- Day centres
- Family well-being centres
- Majority of Highways
- Most assets sold under long leases

Image far right top
Alric Avenue

Image far right bottom
Abbey Community Centre



STRATEGIC THEMES

Appraise every asset on its own merits for efficacy.

Segmenting the portfolio allows us to tailor strategies to maximise value and reduce risks associated with different asset types. Our approach revolves around four pivotal themes. This methodology categorises properties based on similar characteristics into distinct segments to allocate resources efficiently. The four segments and their strategic focus are shown below.

- Strategic Hold
- Actively Manage
- Invest
- Dispose

By adopting this segmentation approach, we are not just managing properties; we are strategically stewarding assets to serve the aims of our Borough Plan. Properties will be placed into strategic themes using a thorough asset review process and scoring methodology. The stages of this process include reviewing the following:

- Strategic relevance
- Financial and social benefits
- Condition and energy efficiency
- Accessibility
- Risks
- Opportunities

By applying this review process, we can identify properties that are working well, those that could work better, those that hold untapped potential (through improvement or alternative use) and those that provide no social or financial benefits and are surplus to requirement.

We have embedded principles under each objective to govern how we approach each decision related to that objective. These principles will provide a consistent approach to decision-making across the portfolio so that we can deliver the overarching strategy. The distinct themes and their principles are set out on the following pages.

Image far right top
WISE, Alric Avenue

Image far right bottom
Asian People Disability
Alliance, Alric Avenue



STRATEGIC HOLD



Image top
Learie Constantine Centre
Willesden

Middle
Brent Indian 'Swagat' Centre
Willesden

Bottom
Design Works
Harlesden

Comprising properties essential for the Council's long-term objectives, this segment includes assets critical for place shaping, economic benefits, or regeneration that are irreplaceable or currently provide substantial economic and social benefits.

Properties in this segment are suitable for current purposes, are in good condition, and require minor maintenance and infrequent reviews and intervention.

PRINCIPLES

Strategic Alignment

We will retain buildings that align with the Council's vision, mission, and values and contribute to economic development, prosperity, and stability.

Community Benefit

Buildings shall be retained when they provide essential goods or services to the community, support local businesses, e.g. meanwhile uses, or enhance the quality of life for residents.

Economic Viability

Buildings shall be retained when they generate revenue for the Council and are cost-effective to run, create jobs, stimulate economic activity, or attract investment.

Environmental

Retention decisions shall consider buildings' environmental impact, including their energy efficiency, ecological footprint, and potential for adaptive reuse or sustainable redevelopment.

Social

Buildings shall be retained when they provide accessible, affordable, culturally relevant goods or services to under-served populations or marginalised groups.

ACTIVELY MANAGE

Properties in this category can achieve more robust performance with relatively minor investments or management adjustments. Whether addressing arrears, tenant non-compliance, accessibility and energy efficiency, the right actions can enhance social and financial returns.

There is potential for improvement – operationally or strategically. These properties typically perform sub-optimally and need consideration to determine what the improvement could be and what is required to deliver it.

PRINCIPLES

Strategic Alignment

This policy aims to ensure that the management and operation of the Council's buildings comply with legislation and represent responsible use of scarce resources.

Community Benefit

Prioritise building spaces to organisations that provide goods or services that meet the local community's needs and gaps in the market. Support initiatives that promote social inclusion, diversity, and accessibility within buildings.

Economic Viability

Rent will be set and based on (1) open market value and (2), with some specific exceptions, a range of social factors reflecting the value the use of the premises may bring to the community, at all times satisfying legal requirements. Where necessary, take legal action to recover debts, regularise occupation, and enforce compliance.

Environmental

Implement energy-efficient practices and technologies where the energy efficiency measures meet the financial payback test to reduce buildings' ecological footprints.

Social

Foster economic growth and job creation by providing opportunities for organisations to use vacant buildings awaiting redevelopment (e.g. meanwhile use) to attract businesses and create employment.



Image top
Granville Centre, Kilburn

Middle
Community cafe, Monks Park

Bottom
Former Medical Centre
Chapter Road

INVEST



Image top
Grove Park building
Kingsbury

Middle
Brent Indian Swagat Hall
Willesden

Bottom
WISE (sensory room), Alric
Avenue

This segment highlights properties with significant upside potential that align with strategic priorities but require capital investment. These include development projects that can benefit from land assembly or redevelopment to meet emerging community needs.

These assets have the potential for significant improvement or redevelopment to unleash the true potential of the building or the overall site. Options appraisals and feasibility studies will be undertaken to inform the business case and the benefits to the community, as well as other cross-cutting benefits, such as delivering more homes.

PRINCIPLES

Strategic Alignment

Land and buildings shall be redeveloped when their existing use no longer aligns with our goals and when alternative forms of spaces and uses offer more excellent value to the community.

Community Benefit

Investment and repurposing decisions shall prioritise uses and activities that provide tangible social benefits to the community.

Economic Viability

Investment and repurposing decisions shall consider the potential for generating revenue, improving building conditions or use and attracting investment to the area through innovative uses and partnerships.

Environmental

Investment and repurposing decisions shall promote ecological sustainability and resilience, incorporating green building practices and energy efficiency measures.

Social

Decisions shall prioritise affordable housing, community services, cultural amenities, and public spaces.

DISPOSE

This segment targets properties that represent a financial strain rather than a benefit due to high costs, low growth prospects, or significant liabilities. These properties might also have limited connection to our regeneration agenda or our communities and have been vacant for long periods.

Therefore, these properties do not meet the criteria for the preceding three themes and are surplus to requirement. Such properties are rarely cost-neutral, often depreciate in capital value over time, and represent significant future liabilities for the Council.

PRINCIPLES

Strategic Alignment

Decisions shall be guided by legislation and the Council's strategic objectives, priorities, and long-term plans for capital or revenue generation and the level of investment in the assets.

Community Benefit

Equality impact assessments will identify local community needs and the needs and preferences of residents, businesses, and stakeholders affected by the transaction.

Economic Viability

Buildings shall be assessed for their current condition, market value, potential for redevelopment, and any outstanding liabilities or obligations that may affect their value or suitability for sale.

Environmental

Decisions shall consider buildings' environmental impact, energy efficiency, ecological footprint, and potential for adaptive reuse or sustainable redevelopment.

Social

Disposal opportunities shall be open and accessible to all qualified buyers, developers, and stakeholders without discrimination or favouritism.



Image top
Fortune Gate Road
Harlesden

ACTION PLAN

As part of the property strategy, we are committed to driving significant improvements in the operational performance of our property portfolio. Our approach encompasses vital areas critical to ensuring the portfolio's long-term sustainability, such as improving rent collection, energy performance and accessibility. Our portfolio management is active and forward-looking, pinpointing and leveraging opportunities to fill underutilised, under-rented, or vacant properties. We are dedicated to realising the full potential of our assets by renting them at their maximum market value while delivering meaningful social returns. Concurrently, we seek to make our spaces more energy-efficient and inclusive, catering to the varied requisites of our community. This includes deploying interim solutions that align with and bolster our broader regeneration initiatives.

As we prepare to implement the Property Strategy's transformative recommendations, we have begun a thorough review of our assets and data. We look forward to collaborating with you in the months and years ahead to make the strategy a great success for residents.

Indicative Timeline 2024/25

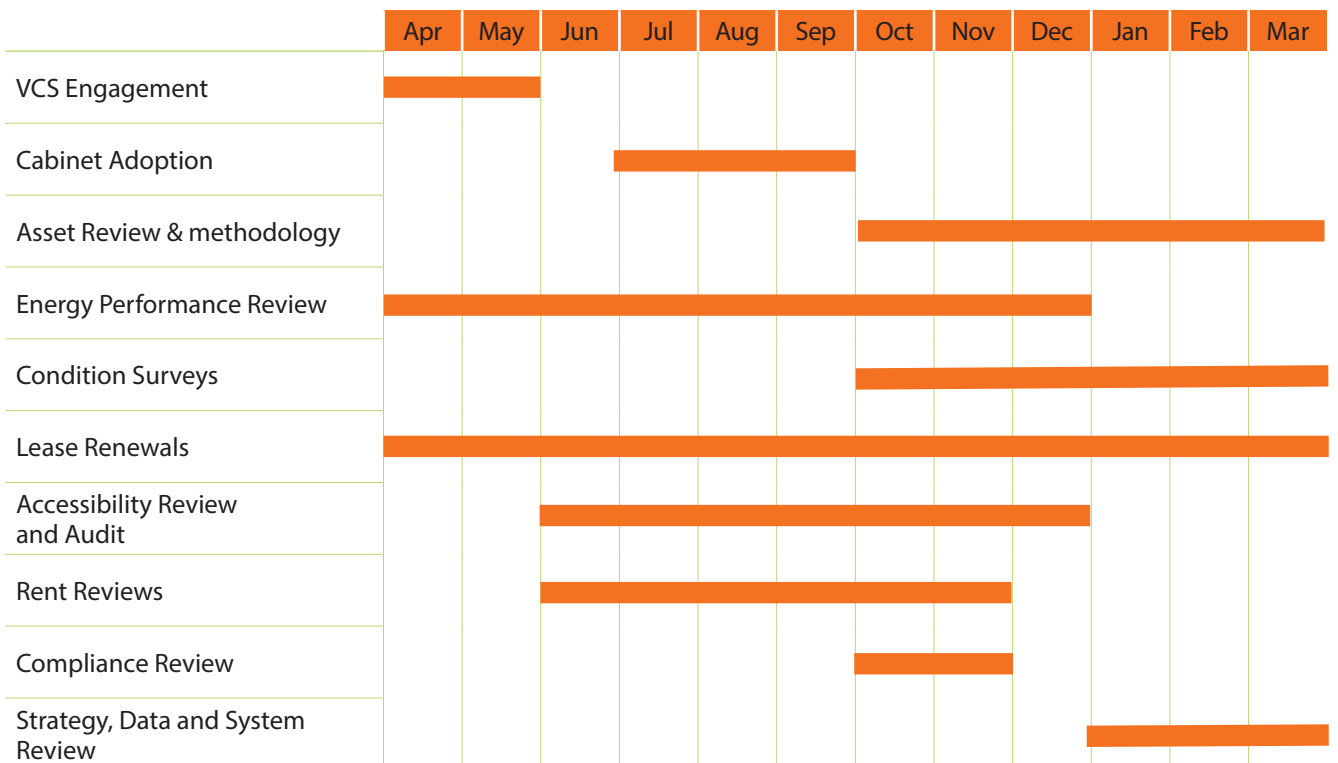




Image Top
Roundwood Park Cafe

Image Left
Kingsbury Manor, Kingsbury



London Borough
of Brent
Civic Centre
Engineers Way
Wembley
HA9 0FJ

www.brent.gov.uk