

**AGENDA ITEM: 8**

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Meeting	Cabinet Resources Committee
Date	10 November 2005
<b>Subject</b>	<b>Vacant site, junction of Avion Crescent and Grahame Park Way, Colindale, NW9</b>
Report of	Cabinet Member for Resources
Summary	To report the outcome of the tender invitation and to seek approval for the next phase of the process.

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Officer Contributors	Rob Colville, Senior Valuer, Property Services & Valuation
Status (public or exempt)	Public (with a separate exempt section)
Wards affected	Colindale
Enclosures	Appendix A
For decision by	The Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	N/A

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## **1. RECOMMENDATIONS**

- 1.1 That the four tenderers listed in paragraph 2.2 of the exempt report be invited to work up scheme proposals for discussion with the Head of Planning and to submit final financial offers with the results being reported to a future meeting of the committee.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Cabinet Resources Committee – 10<sup>th</sup> February 2004 – resolved that the freehold or long leasehold sale of the land at Grahame Park Way be approved in principle, and the appropriate chief officers be instructed to offer the site for sale by non-binding tender in accordance with the procedures set out in the Constitution, reporting the outcome to a future meeting of the committee for further consideration.
- 2.2 Action taken under delegated powers by the Chief Valuer & Development Manager in consultation with the Cabinet Member for Resources – 14<sup>th</sup> July 2004 – That the Scout Association Trust Corporation be granted a lease of the land in Grahame Park Way, NW9, shown edged red on drawing No.22828/5, upon the terms set out in the report and that the Borough Solicitor completes the matter in a form to his approval.

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Corporate Plan commits the Council to plan and manage land use and development in Barnet to enhance the quality of life and provide tangible benefits for the community. Depending upon the option chosen, the proposals in this report could result in the achievement of a community benefit and a capital receipt, which could be used to assist in funding the capital programme.

## **4. RISK MANAGEMENT ISSUES**

- 4.1 The four selected tenderers will be set deadlines by which to prepare their schemes, have discussions with the Head of Planning and submit their final offers. The successful tenderer will be expected to exchange contracts for the purchase of the land with completion being conditional only upon the grant of planning permission for its agreed scheme.

## **5. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS**

- 5.1 There are no ICT or staffing issues.
- 5.2 The financial implications are set out in the exempt report. The useable part of the capital receipt will be used to support the capital programme.
- 5.3 The property issues are set out below.

## **6. LEGAL ISSUES**

- 6.1 None.

## **7. CONSTITUTIONAL POWERS**

- 7.1 Constitution – Council Procedure Rules – Financial Standing Orders & Rules for Disposal of Land and Real Property

7.2 Constitution – Part 3 - Responsibility for Functions – Section 3.6 Functions delegated to the Cabinet Resources Committee – All matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

## **8. BACKGROUND INFORMATION**

8.1 The Scout Association Trust Corporation held a lease of a site of 0.15 hectares in Grahame Park Way for a term of 28 years from 24 March 1974. The lease expired on 23 March 2002.

8.2 The Scouts have erected a single storey building on part of the site but the majority is left as open land. Attached drawing no. 22828/2 shows the land held by the Scouts under the 1974 lease. As part of the negotiations for the renewal of the lease the Scouts opted to give up part of the site – that part marked “B” on the drawing no. 22828/2.

8.3 Following vacation of the land marked “B” on drawing no. 22828/2 by the Scouts and in accordance with the decision of the committee on 10<sup>th</sup> February 2004, the property was widely marketed, inviting interested parties to submit tender offers and scheme proposals for the redevelopment of the site together with a financial offer for the freehold or long leasehold acquisition of the premises.

8.4 Tenderers were asked to submit plans and drawings of their scheme proposals as well as an outline programme of delivery and a financial offer.

8.5 By the closing date 19 submissions had been received. One further bid was received after the tender deadline. The detail of the submissions and comments thereon are set out in Appendix A and in the exempt report.

8.6 The purpose of inviting tenders for either the freehold or the grant of a lease was to give community and similar groups, which could not normally compete with developers on price, an opportunity of putting in leasehold bids which, whilst delivering a lower capital sum to the Council, would leave the latent development value with the Council for future realisation. It can be seen from the attached Appendix A that there were a number of offers from community groups and religious organisations but few opted for the leasehold alternative.

8.7 Some of the offers from the highest bidders are made subject to planning, whilst others are unconditional. The scheme proposals submitted so far are insufficient to say whether or not a planning permission is likely to be recommended for approval. It is recommended therefore that the top four bidders be invited to develop their schemes further in consultation with the Head of Planning and submit final offers for consideration by a future meeting of the committee.

## **9. LIST OF BACKGROUND PAPERS**

9.1 None.

Legal: SWS

BT:

## APPENDIX A

<b>Bid No.</b>	<b>TENDERER</b>	<b>PROPOSAL</b>	<b>OTHER COMMENT</b>
1	Peter Keegan	Use of the site for the storage of industrial vehicles and skips	The offer is made for the freehold interest subject to planning. No scheme drawings or delivery programme were included.
2	Harvest Church	Construction of a community centre offering nursery and day care facilities, a drop-in centre for the elderly, a youth club and after-school club, facilities for business and personal development and a pastoral counselling centre	The offer is made for the freehold interest subject to planning and site survey. No scheme drawings were included.
3	Steven Ettinger Longvale Estates Ltd	Use of the site for light industrial/ retail use as per the adjoining site, no.2 Grahame Park Way	The offer is made for the freehold interest subject to planning. No scheme drawings or delivery programme were included.
4	Rock Investment Holdings Ltd	Construction of 2 x two storey commercial units	The offer is made for the freehold interest subject to planning. No delivery programme was included.
5	Ricon Enterprises Ltd	Use of the site for the storage of small plant and industrial vehicles. A small site office/ storage unit would be erected.	This is an unconditional offer. It is not clear as to whether the offer is for the freehold or the leasehold interest.
6	Berry's Garden Company Limited	Use of the site for the storage of landscape gardening equipment and the erection of a small site office.	The offer is made for either the freehold interest or a leasehold interest with a 15 year term subject to planning. No scheme drawings were included.
7	Shree Swaminarayan Sidant Sajivan Mandal "Kum Kum" UK	The erection of a community centre catering for the provision of services to the "Swaminarayan" religion. The centre is proposed to be built on three storeys including basement car parking.	The offer is made for the freehold interest
8	MP Brothers Ltd	Use of the site for the erection of a building contractor and development company's head offices and workshop.	This is an unconditional offer. It is not clear as to whether the offer is for the freehold or the leasehold interest.

9	Antonio Petrucci & Robert Esson	Use of the site for the erection of a storage facility	The offer is made for a 25 year lease subject to the provision of a mains electricity supply, mains cold water supply, mains drainage and the installation of a telephone connection.
10	Delo Ltd	Construction of a communal hall catering for the needs of the orthodox Jewish community	The offer is made for the freehold interest and is subject to planning and legal searches.
11	Safeland Plc	No scheme proposal provided	The offer is made for the freehold interest and is made subject to contract.
12	Pradeep Mehta	Construction of a community/ social centre comprising dining room/function room, kitchen and stores, toilets, boiler room, garden and car park facilities.	This is an unconditional offer for the freehold interest in the site. No scheme drawings or delivery programme were included.
13	Castlestone Investments Ltd	Construction of a steel frame and steel clad building for B1, B2 and B8 planning uses. The building is to have a gross internal area of 4,250 sqft plus a mezzanine of 850 sqft.	The offer is made for the freehold interest and is submitted subject to planning and the completion of a contamination survey
14	James Salter	Construction of premises for the storage for janitorial supplies	The offer is made for the freehold interest and is submitted subject to planning and the completion of a site survey
15	O. Ogumuyiwa, O.Akinrinmade & L Benson	Construction of a communal hall on the site. Use unspecified.	The offer is made for the grant of a 100 year lease of the site and is submitted subject to planning
16	The Farooqia Association	Construction of a multi-ethnic community centre to fulfil the educational, cultural, social, religious and recreational requirements of the communities of Grahame Park and its surrounding areas.	The offer is made for the freehold interest and is submitted subject to planning and building regulations together with all relevant authorities for establishing a multi-ethnic education and community centre for the local residents
17	Mr R Bhatt	Construction of a communal hall on the site. Use unspecified although believed to cater for the Hindu Welfare Society.	The offer is made for the freehold interest. It is not specified as to whether the offer is conditional or unconditional

18	Eugene McGoldrick	Use of the site for the erection of warehouse and office accommodation with parking.	The offer is made for the freehold interest. It is not specified as to whether the offer is conditional or unconditional. No scheme drawings have been submitted.
19	Tichborne Family Trust	Use of the site for the provision of B1 light industrial units	The offer is made for the freehold interest and is submitted subject to planning for a change of use to B1. No scheme drawings have been provided.
20	Trenchco Ltd	Use of the site for the provision of B1 light industrial units of "standard" design, constructed on steel supports with profiled steel elevations and roof.	The offer is made for the freehold interest and is submitted subject to the grant of planning consent for B1 use with a minimum of 40% site cover. This was a late bid