Putting the Community First



AGENDA ITEM: 10	Page nos. 36 - 44	
Meeting	Cabinet Resources Committee	
Date	10 November 2005	
Subject	Spencer House, 156/162 Station Road, Hendon, NW4 3TG	
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.	
Officer Contributors	Rob Colville, Principal Valuer, Property Services & Valuation	
Status (public or exempt)	Public (with a separate exempt section)	
Wards affected	Hendon	
Enclosures	Appendix A – Submission summary	
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 6 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 – 10th February 2005 – resolved that the freehold sale of Spencer House be approved in principle, and that 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.

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 6 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 Spencer House 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.
- 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 In accordance with the decision of the committee on 10th February 2005, all existing tenants of the Spencer House premises were decanted and provided with alternative accommodation. The property was subsequently 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 acquisition of the premises.
- 8.2 Tenderers were asked to submit plans and drawings of their scheme proposals as well as an outline programme of delivery and a financial offer.
- 8.3 By the closing date 43 submissions had been received. Six further bids were received after the tender deadline. The detail of the submissions and comments thereon are set out in Appendix A and in the exempt report.
- 8.4 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 6 bidders be invited to develop their schemes further in consultation with the Head of Planning and submit best and final offers for consideration by a future meeting of the committee.

9. LIST OF BACKGROUND PAPERS

9.1 None.

Legal: SWS BT:

APPENDIX A

BID	TENDERER	PROPOSAL	OTHER COMMENT
1	The Tannen Group Ltd	Construction of a 40+ bed purpose-built nursing home.	The offer is made subject to satisfactory survey and subject to contract.
2	Community Housing Association	Construction of a 21 Unit 100% affordable housing scheme. 8 units for shared ownership and 13 units for rent. 60 habitable rooms.	The offer is made subject to contract, due diligence and planning
3	R Pathman	Refurbishment and letting of existing property	The offer is unconditional
4	Agudas Israel Housing Association	No scheme detailed	The offer is made subject to contract
5	Trentpeak Ltd	Refurbishment of the existing premises	It is not specified as to whether this is an unconditional or conditional bid
6	Fitzmor Ltd	2 * 2.5 storey residential blocks of flats, each one containing 7 units	This offer is unconditional
7	Gil Levy	Construction of a three storey 14 unit housing scheme of 19,612 sqft total with basement parking	The offer is made subject to planning
8	Obadiah Tamuno-opu Lulu Elekima	Refurbishment of the existing building to provide sheltered accommodation for the "less privileged, deprived and disadvantaged" members of the community of Barnet and victims of domestic violence in Barnet	The offer is submitted on a conditional basis although the conditions of sale are not detailed
9	Managing Partners Ltd	No scheme detailed	The offer is made subject to contract
-		Refurbishment of the existing building. The ground floor would be utilised as a medical clinic and kindergarten, with the first floor to be used as a house of multiple	
10	David Baruch	occupancy	This offer is unconditional
11	Borisa Ristic	Refurbishment and extension of the existing building to provide 17 residential flats targeted for key workers in the area. Addition of a third storey	It is not specified as to whether this is an unconditional or conditional bid

		with a hipped roof.	
		OPTION 1 - Refurbishment	
		of the existing building to	
		provide at least 24	
		residential units (3 * one-	
		bed, 1 * two-bed and 20 *	
		studio units). Subject to	
		planning, to provide an	
		additional third storey to	
		accommodate a minimum	
		of a further 5 and a	
		maximum of a further 9	
		one-bedroom flats,	
		increasing the total to up to	
		33 units. OPTION 2 -	
		Refurbishment of the	
		existing building to provide	
		20 * one-bedroom units.	
		Subject to planning, to	
		provide an additional third storey to accommodate a	
		minimum of a further 5 and	
		a maximum of a further 9	
		one-bedroom flats,	
	Pocket Living	increasing the total to up to	The offer is made subject to
12	(holdings) Ltd	29 units	planning
13	Lets Buy Ltd	No scheme detailed	This offer is unconditional
	Golden Key		The offer is made subject to a
14	Estates Ltd	No scheme detailed	full viewing of the property
	Ellison Estates	Refurbishment and letting	
15	Ltd	of existing property	This offer is unconditional
		Construction of two * 2.5	
		storey residential buildings,	
		one to be sold on a	
		commercial basis (8 * 2-bed	
		and 4 * 3-bed units) and	
		one to be used for	
		affordable housing (4 * 1-	The offer is made subject to
16		bed, 4 * 2-bed and 1 * 4-	The offer is made subject to
16	CPR & S Patel	bed units)	contract and planning
17	Churchcrest	Construction of a 60	The offer is made subject to
17	Ltd	bedroom nursing home	planning
		Construction of 2 * 2.5	
		storey blocks of residential	The offer is made subject to
10	Higgins Homes	apartments comprising 14	The offer is made subject to
18	Plc Mr Dindorio	units in total	planning and site survey
19	Mr Pindoria	No scheme detailed	This offer is unconditional
		Construction of a residential	
		development comprising 9 *	The offer is made subject to
		two-bed flats, 8 * one-bed	satisfactory title, planning, site
	Family Housing	flats and 3 * three-bed flats.	survey and soil investigation,
20	Association	Total of 20 units	vacant possession and contract.

		Construction of a residential	
		development comprising 30 residential units. 6 * 1 bed/2	
		person, 3 * 2 bed/3 person	
		and 3 * 2 bed/4 person flats	
		for general needs rent. 9 * 1	
		bed/2 person, 2 * 2 bed/3	
		person, 4 * 2 bed/4 person	
		(73 sqm) and 3 * 2 bed/4	The offer is made subject to
		person (66sqm) for shared	planning, site survey and
21	Servite Houses	ownership	receipt of satisfactory title.
			Option 1 is unconditional.
	Rockley Done	Construction of a 65 had	Option 2 is made subject to planning and includes an
22	Rockley Dene Homes Ltd	Construction of a 65 bed care home with nursing.	planning and includes an overage provision.
		Refurbishment of the	
		existing building to	
		accommodate vulnerable	
		people in consultation with	
		Barnet Council (preferred	
	Trymax	use), for mainstream	
23	Investments Ltd	tenants or Middlesex	This offer is unconditional
23	Ezra Attia Ltd	University students No scheme detailed	This offer is unconditional
24	EZIA Allia Liu		
	McCorthy 9	Construction of a 2 to 3	The offer is made subject to
	McCarthy & Stone	storey block of Category II sheltered accommodation	planning for Category II sheltered accommodation, soil
	Developments	containing one and two	tests, site survey and
25	Ltd	bedroom flats for the elderly	satisfactory title
		Construction of a three	
		storey care home for the	
		elderly, providing 30 self-	
		contained units. Option 1	
		allows for the London Borough of Barnet to be	
		granted nomination rights	
		for 40% of the total places	
		available. Option 2 does not	
	The Lohana	provide the London	
	Community	Borough of Barnet with any	Option 1 is conditional. Option 2
26	Trust	nomination rights.	is unconditional
27	First Central Ltd	No scheme detailed	This offer is unconditional
		Construction of a 4 storey	
		residential development	
		including 4 * 1 bed units	
		and 34 * 2 bed units (38 in	
		total). The proposed tenure	
		mix is for 13 social rented	
		units, 6 shared ownership	The offer is made which the
20	Circle Anglia	units and 19 units for	The offer is made subject to
28	Ltd	private sale.	planning

29	Bauhaus Development Ltd	Refurbishment of the existing building and extension to accommodate a new mansard second floor. The development would provide 44 bed-sit units.	This offer is unconditional
30	Starfayre Ltd	Construction of a 48+ bed care home	The offer is made subject to planning for a 48 bed care home
31	Wheatley Homes Ltd	Construction of a three- storey block of one and two bedroom apartments. It is proposed that 30% be allocated as affordable (30% for rent and 70% for shared ownership) to be sold to a RSL.	The offer is made subject to obtaining satisfactory planning consent, completion of soil and site surveys and vacant possession.
32	Acorn Homes GB Ltd	Construction of a terrace of 9 * 4- bedroom town houses with front and rear gardens. Each house is three-storeys with the top storey in the roof space.	The offer is made subject to contract
33	Berger Homes UK Ltd	Construction of a three- storey 21 flat residential development. No allowance appears to have been made for affordable housing provision.	This offer is unconditional
34	Xland Ltd	Short to medium term - Refurbishment of the existing building and grounds and the letting of the property for residential use. Long term - Re- development of the site for the construction of a residential scheme.	This offer is unconditional
35	SRJB Hayeem	Refurbishment and letting of the existing building	This offer is unconditional
	M Lamba & K	Refurbishmentandextension of the existingbuilding to provide 50 self-containedstudentaccommodationroomseachwithitskitchenetteandshower/toiletfacilities.Addition of a mansard 2nd	
36	Desai	floor.	This offer is unconditional

		Construction of a 14 * 2-	
		bedroom residential	
		development. The scheme	The offer is made subject to
37	Arkley Land Ltd	includes ten * 700 sqft units and four * 1000 sqft units.	The offer is made subject to contract and planning
		Construction of a 50 bed	
		residential development. 17	
		units have been allocated	
		for affordable housing, with the remaining 33 units for	
38	Executec Ltd	private sale.	The offer is unconditional
		Construction of a three-	
		storey block of 12	
	T Loughman &	residential flats, together with 3 * three-storey town	
39	Co Ltd	houses	This offer is unconditional
		Construction of a minimum	
		two-storey building comprising 14 * two-	
		bedroom residential	The offer is made subject to
	James,	dwellings (each with a	contract, site survey, soil
40	Matthew & Howard Reiff	gross internal area of 900 sqft).	investigations and receipt of planning permission.
		Construction of 58 self-	
		contained studio units and one-bed flats. 13 units are	
		to be provided on each of	
		the 2 existing floors, a	
		further 11 units on a new second floor and a further 9	Option 1 is offered subject to
		units within a new pitched	contract and site survey as well
		roof. It is also intended to	as receipt of planning
	Arlen	extend the building on three storeys to the rear, thus	permission. Option 2 is offered subject to contract and site
41	Properties Plc	adding a further 12 units.	survey
		Initial refurbishment of the	
		existing building to provide a residential care home for	
		the elderly. The premises	
		will be extended or	
	Goldkey	redeveloped to	
42	Construction & Services Ltd	accommodate the target of at least 50 bedrooms.	This offer is unconditional
·	20	Construction of a three-	
		storey 14 unit residential	
		development. The scheme comprises 4 * two-bedroom	
		apartments, 8 * three-	
	.	bedroom apartments and 2	
12	Michelen Dosign Ltd	* three-bedroom	This offer is unconditional save
43	Design Ltd	penthouses.	as being subject to contract.

		Refurbishment of the existing building to house	It is not specified as to whether this is an unconditional or
44	N Nathwani	the elderly.	conditional bid
	Bellstone		The offer is made subject to
45	Homes Ltd	No scheme detailed	vacant possession.
		OPTION 1 - Construction of a 14 unit residential development. OPTION 2 - Construction of a 54 bedroom residential care home. OPTION 3 - Construction of a 12,000 sqft medical centre.	This offer is unconditional although both option 3 and
	Roselodge	OPTION 4 - Construction of	option 4 state that they are
46	Group Ltd	office accommodation.	offered subject to planning.
		Refurbishment of the existing building for residential and care home use for the elderly or as sheltered accommodation	
47	R & J Parmar	for the elderly.	This offer is unconditional
48	Safeland Plc	No scheme detailed To operate the building as a	This offer is unconditional save as to being subject to contract.
		hostel for homeless people,	
49	Prime Central Properties Ltd	students or various councils.	The offer is made subject to contract and vacant possession.