



ADVANCED PUBLICATION OF REPORTS

This publication gives five clear working days' notice of the decisions listed below.

These decisions are due to be signed by individual Cabinet Members
and operational key decision makers.

Once signed all decisions will be published on the Council's
Publication of Decisions List.

- 1. DISPOSAL OF LAND ADJACENT TO GENOTIN ROAD (EX ENFIELD ARMS SITE), ENFIELD, EN1 2AF (Pages 1 - 38)**

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Please note Part 2 report is now confidential appendix.

London Borough of Enfield

Operational Report

Report of: Mark Bradbury Director Property and Economy

Subject: Disposal of Land adjacent to Genotin Road (Ex Enfield Arms Site), Enfield, EN1 2AF

Cabinet Member: Cllr Mary Maguire

Executive Director: Sarah Cary

Ward: Grange

Key Decision: 5281

Purpose of Report

1. The vacant land adjacent to Genotin Road and Enfield Town Train station, (formerly the site of the Ex Enfield Arms Public house) has been declared surplus to the operational requirements of the Council.
2. Following Cabinet Approval on 14th October 2020, (KD5189) Strategic Property Services were commissioned to dispose of the asset and achieve “best value”.
3. The property has been marketed for sale by the Council’s property consultants, Avison Young.
4. This report provides details of the marketing process, bids received on a conditional and unconditional basis, matrix of offers, and analysis of bids received, together with summary and recommendations, (some of which is confidential and only disclosed in Part 2 Report, Appendix 1).

Proposals

5. It is recommended that the Council proceeds with an unconditional offer from Bidder A in accordance with the Heads of Terms appended in Part 2 (Confidential Report).
6. That the Head of Strategic Property Services has delegated authority to authorise non-material changes to the Heads of Terms and/or the Contract for Sale and otherwise in accordance with achieving “Best Consideration” within the meaning defined in S.123 Local Government Act 1972.

Reason for Proposal(s)

7. The vacant site is no longer required for operational purposes and therefore has been identified as surplus and released for sale to reduce the Council's borrowing requirements/contribute towards the Council's Capital Programme.
8. We are selling to Bidder A, the underbidder, as they achieved the highest unconditional bid and have been selected as the preferred bidder on this basis. Bidder A is proposing to redevelop the site for residential use as a flatted development. It is an attractive proposition as the offer is unconditional and therefore carries no planning risk to the Council. Bidder A has also agreed to an overage clause in the event of achieving a planning consent for an enhanced number of flats.

Relevance to the Council's Plan

9. The sale of the property will deliver a much-needed significant capital receipt to the Council and thereby helping generally to fund Council services which contribute to a strong and healthy community.

Background

10. The northern corner of the site accommodates a single storey cycle store that will be temporarily relocated offsite before being re-provided on site. The site does not include any part of the adopted highway (pavement). It comprises of vacant land encompassed by perimeter hoarding.
11. The site historically accommodated the Enfield Arms Public House that was demolished in 2005 to help accommodate the new one way gyratory system that was subsequently built. The site has not been used for any other use since that time. The total site area extends to approximately 0.18 acres (0.07 hectares).
12. Avison Young (AY) were instructed to market the site ("the property") for sale by way of an informal tender process, seeking conditional and unconditional offers for the freehold interest. Both due diligence and technical information were made available to interested parties via the AY website. The property was launched with a quarter page colour advert in the Estates Gazette in November 2020.
13. AY also undertook an e-marketing campaign targeting active developers, investors and agents in London and the South East. This included all AY contacts acquired from previous marketing campaigns for LB Enfield, as well as the marketing campaign for Southgate House and William Prey Centre.
14. During the marketing campaign AY received interest mainly from residential led developers.

15. A two-stage bidding process was implemented with initial bids sought on a conditional and unconditional basis, and a subsequent “Best and Final Offer” stage. This was to enable bidders to clarify the terms of their offer and potentially increase their initial offer and to include the provision of additional non-financial information in support of their bid.

Main Considerations for the Council

16. The summary of offers is confidential. A summary table illustrating the results of the best and final stage together with further information received is referred to in the confidential appendices (Part 2 Report). Details of the initial bids and analysis are available in the report from AY (Confidential).

Summary and Recommendation

17. A select number of parties were invited to best bids based on headline levels, conditionality of offers, timescales and certainty of receipt.
18. Following best bid submissions, the highest unconditional offer submitted was from Bidder A.
19. Bidder A also offered to incorporate the existing bike store into their proposed redevelopment scheme unlike other bidders and are in the unique position to temporarily relocate the bike store offsite to a nearby location that they own.
20. Bidder A also offered the most competitive timescales, proposing to exchange 4 weeks from receipt of the legal pack, with completion 4-6 weeks thereafter.
21. Bidder A is a cash offer (and not subject to any mortgage loan or mortgage valuation surveys) and therefore presents a low funding risk.
22. Bidder A is subject to a topographical survey and Phase 2 Soil investigation which they state can be undertaken within 4 weeks, prior to exchange of contracts.
23. Bidder A has also offered a planning overage.
24. Given the level of financial offer, funding position and not being subject to mortgage or valuation, and committing to competitive timescales, officers consider that the unconditional offer from Bidder A represents best consideration.

Safeguarding Implications

25. The cycle storage unit located on site will be re-provided on site and designed into the purchaser’s redevelopment plans. It will be temporarily re-located offsite whilst the site is under construction.

Public Health Implications

26. Disposal of this property will contribute to reducing the Council's running costs and contribute capital which will contribute to financial balance.

Equalities Impact of the Proposal

27. Corporate advice has been sought regarding equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for the approval of this report.

Environmental and Climate Change Considerations

28. The property is a derelict piece of land which has no utility supplies and therefore a current zero-carbon emission. This means that the disposal of these assets should not lead to a transfer of carbon emissions from the Council's operations to borough wide. However, any subsequent redevelopment by the buyer would have carbon emission considerations.

Consideration	Impact of Proposals
Adaptation and resilience	This proposal does not deal with matters which directly impact on climate change adaptation and resilience.
Energy consumption	There is currently no building on site and therefore no energy usage. There will likely be development on the site, which will be subject to planning consent, which means it will be delivered in line with the environmental and sustainability requirements of the current London Plan.
Carbon emissions and offsets	Delivery of the proposal should not in itself lead to any increase in emissions and no offsets are proposed. There could be impacts if the site is subsequently redeveloped although these would be dealt with through the planning and building control processes.
Environmental	Delivery of the proposal has no identified direct environmental impacts.
Procurement	No additional procurement of goods or services is proposed.

Risks that may arise if the proposed decision and related work is not taken

29. If the Council do not undertake regular reviews of its property holdings and dispose of surplus property then there are ongoing risks in relation to security, and increased revenue costs from reactive and planned maintenance associated with void property. In addition, there is the risk of a loss of interest on the capital receipt and less funding available for the Council's Capital Programme for other projects, whilst the capital receipt remains outstanding. This carries a risk of increased borrowing.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

30. There is a risk that the sale will not complete due to the buyer failing to proceed with the purchase. This risk is managed by undertaking due diligence on the buyer prior to seeking authority to dispose and ensuring that provisional Heads of Terms are agreed.

Financial Implications

31. The disposal of this property to the preferred bidder will generate a capital receipt. By regulation, this receipt will be available for investment in the Council's Capital Programme, funding of transformation projects, or for the repayment of external debt. Up to 4% of the capital receipt can be applied to costs of sale and the figure quoted in this report is prior to the deduction of these costs. The Council have also not opted to tax this asset so no VAT will be applicable to the sale price.

Legal Implications

32. The Council has a duty pursuant to s123 Local Government Act 1972 to dispose of property for best consideration reasonably obtainable.
33. The property has been marketed by way of an informal tender process seeking offers for the freehold interest and Avison Young have also undertaken an e- marketing campaign.
34. The highest bid submitted was from Bidder A. It has been recommended that this bid should be accepted.
35. The contract for sale, transfer deed and overage deed will be in a form approved by the Director of Law and Governance.
36. The recommendations contained within this report are within the Council's powers and duties.

Workforce Implications

37. There are no workforce implications

Property Implications

38. These are contained throughout this report.

Other Implications

39. None.

Options Considered

40. Do Nothing. This is not an option as the property is vacant and the land is not being used. In addition, the Council is incurring some "holding costs" in terms of security and outgoings.

41. Disposal. This will generate a much-needed capital receipt and reduce borrowings/contribute towards reserves and/or the Council's Capital Programme.
42. Solum Regeneration, a joint venture between Kier Property & Network Rail have expressed interest in the site to support redevelopment of Enfield Town Station. Solum have however declined to bid at this stage and indicative plans supplied by Solum have suggested that control of the site is not essential to deliver their proposals. In view of this and the fact that proposed improvements to the station have been mooted for some considerable time without any progress, the option of withdrawing the site from the market was not considered appropriate.

Conclusions

43. It is in the Council's best interests for financial, property and legal reasons, and for the wider community, to benefit from this property being sold to Bidder A who intends to redevelop the site and provide homes for the local area.

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Date of report: 23/04/2021

Appendices

Appendix 1: Particulars of Sale and Plan

Appendix 2: Part 2 (Confidential)

Background Papers

Avison Young full recommendation and analysis report. (Confidential)



Location

The site is conveniently located on the eastern side of Genotin Road, directly to the south of Enfield Town Station, a central position within the Town Centre.

The site is bound by a three-storey residential apartment building with associated car parking to the south; the railway line to the east; and Genotin Road to the west.

The surrounding area comprises a broad mix of uses, with a range of shops and amenities on Southbury Road (A110) and within the Palace Exchange shopping centre. To the south of the site on the corner of Genotin Road, a new high specification office development of c. 66,000 sq ft is currently under construction to form the HQ for global communication software company Metaswitch, a major office employer within Enfield.

Furthermore, there are several residential blocks in the immediate area that range in height from 3 to 13 storeys.

Description

The northern corner of the site accommodates a single storey cycle store that has been identified for relocation. The remainder of the site comprises vacant land encompassed by perimeter hoarding.

The site historically accommodated the Enfield Arms Public House that was demolished in 2005 to help accommodate the new one way gyratory system that was subsequently built. The site has not been used for any other use since this time. The total site area extends to approximately 0.18 acres (0.07 hectares).

Transport

The location of the site within Enfield Town Centre means it is well connected by road and public transport.

Enfield Town railway station is directly to the north of the site and is served by the London Overground with connections to Liverpool Street.

Genotin Road is located off of Southbury Road (A110) which runs through the town centre and provides access to the A10, which links to the M25 motorway.

The site benefits from a bus stop (R)

situated directly on the western boundary (named Enfield Town/Genotin Road). This is served by TfL buses 329, 377, 629, N29 and W8 providing services to the local area and beyond, including Bush Hill Park, Edmonton Green, and Charing Cross Station. There are four further bus stops on Southbury Road which provide services towards Forty Hill, Ponders End, Oakwood, Crews Hill and Waltham Cross.

Tenure

The freehold of the property is owned entirely by Enfield Borough Council under part of title number: AGL137821. All interested parties should make their own legal enquiries.

Planning

The site lies within the jurisdiction of the London Borough of Enfield.

Part of the site is in use as a cycle storage facility. The remaining part of the site was previously in use as a public house (Class E or sui generis, depending on whether it was a restaurant or a drinking establishment). Since the public house was demolished in 2005 this part of the site has remained vacant. Following the case law tests of abandonment, the vacant part of the site

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constitutes 'nil' use.

The property does not benefit from any existing planning permission for a change of use, however has significant redevelopment potential, subject to the necessary planning consents.

Any proposals will need to take into account the sites setting, with regard to the neighbouring Locally Listed Genotin Terrace and location directly to the east of Enfield Town Conservation Area. Potential uses identified include most town centre uses and/ or residential. Please review the Planning Appraisal in the data room for further information.

Further Information

We have been provided with the following information which will be made available via the Avison Young website:

- Planning appraisal
- Title information

To access this information please click on the link below:
www.avisonyoung.co.uk/15808

EPC

A copy of the Energy Performance Certificate will be made available within the data room.

VAT

The property has not been opted to tax and therefore VAT will not be payable on the purchase price.

Viewings

We will be conducting viewing days, which will be confirmed to interested parties in due course. Viewing slots will be strictly by appointment only.

Should you wish to make an appointment please use the contacts detailed below.

Offer and Terms

The property is being marketed for sale by way of an open informal tender process.

Unconditional and conditional offers are sought for the freehold interest, subject to contract.

Any offers must be submitted on a specific bid proforma available from Avison Young upon request and sent via email only to **james.warner@avisonyoung.com**

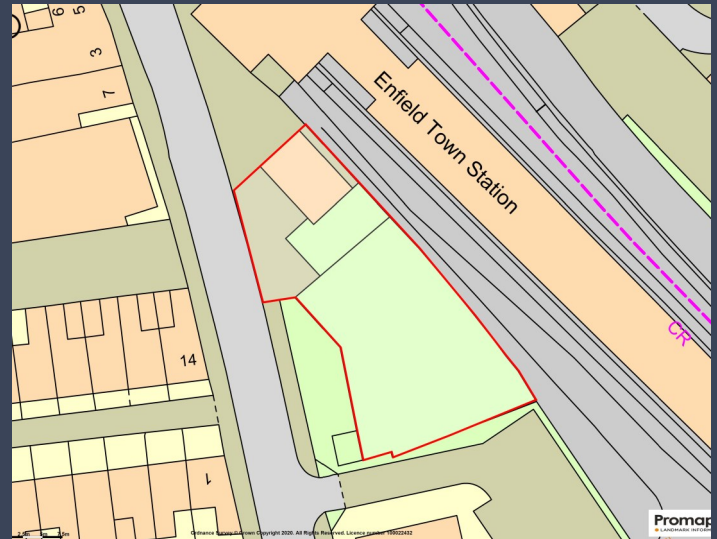
Offers must be received no later than **12 noon Tuesday 8th December.**

08449 02 03 04

avisonyoung.co.uk/15808



Enfield bike store identified for relocation



Indicative sale plan

Visit us online
avisonyoung.co.uk

65 Gresham Street, London, EC2V 7NQ

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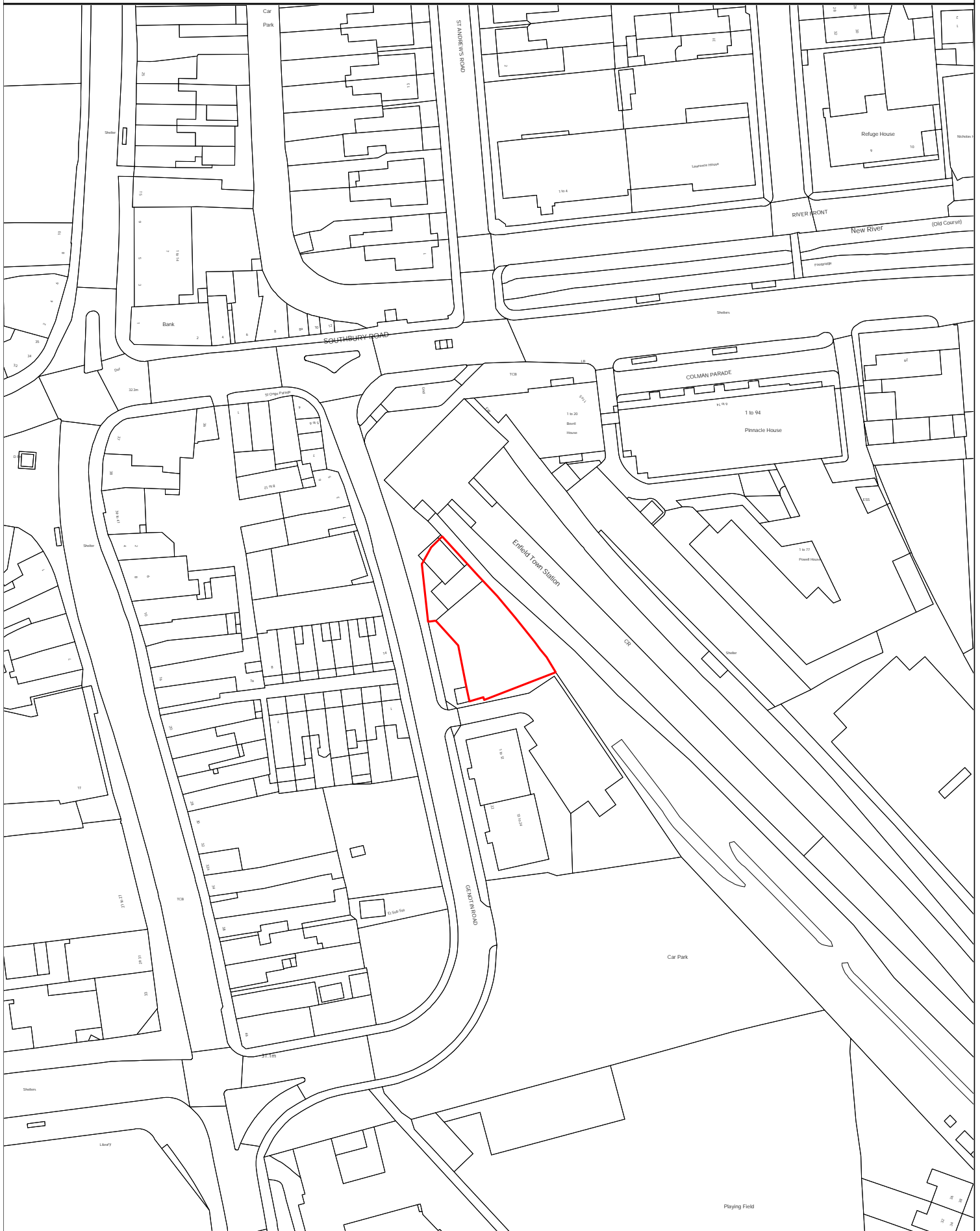
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- Corporate structure and ownership details.
- Identification and verification of ultimate beneficial owners.
- Satisfactory proof of the source of funds for the Buyers / funders / lessee.

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GENOTIN ROAD SITE ADJACENT TO ENFIELD TOWN STATION



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INDICATIVE BOUNDARY SUBJECT TO FURTHER DUE DILIGENCE
Scale:- 1:1250
Paper Size:- A4
Date:- 02 Oct 2020
Map Produced By Asset Information Team/FH



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