

DMPC Decision – PCD 1093

Title: Sale of 128 Catford Hill

Executive Summary:

This site was approved for marketing and disposal in October 2020 via PCD 583. MOPAC approved the terms of the sale to the highest bidder on 22 July 2021 via PCD 986, and 8 September 2021 via PCD 1031. This decision seeks approval for the disposal of the site on the terms and conditions set out in the restricted part 2 paper. The highest bidder amended its offer after 8 September but it still remains the highest bidder. The MPS recommend that the sale proceeds to the previously approved bidder on the terms identified in Exempt Appendix 2. The sale proceeds will support the 2021/22 capital receipts budget and support the capital programme investment in front line policing.

Recommendation:

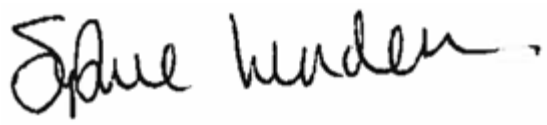
The Deputy Mayor for Policing and Crime is recommended to approve the disposal of the freehold interest in 128 Catford Hill at the value and to the bidder identified in Exempt Appendix 2 following an open market tender process.

Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature



Date 16/12/2021

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

1. Introduction and background

- 1.1. This site was approved for marketing and disposal in October 2020 – PCD 583. MOPAC approved the terms of the sale to the highest bidder on 22 July 2021 – PCD 986, and 8 September 2021 – PCD1031.

2. Issues for consideration

- 2.1. The highest bidder amended its offer after 8 September but it still remains the highest bidder.
- 2.2. The MPS recommend that the sale proceeds to the previously approved bidder on the terms identified in Exempt Appendix 2.
- 2.3. In this instance the approval of the final sale terms is required from the DMPC as not all the criteria required for a delegated approval by the Director of Property Services have been met. Further detail is provided in Exempt Appendix 2.
- 2.4. Property Services consider the disposal of the freehold to the bidder identified in Exempt Appendix 2 achieves value for money having followed an open and transparent marketing and tendering exercise and having sought professional advice from independent property advisors.

3. Financial Comments

- 3.1. The detail of the expected capital receipt is set out in the restricted section of the report. The sale proceeds will support the 2021/22 capital receipts budget and support the capital programme investment in front line policing.

4. Legal Comments

- 4.1. The MOPAC has the power to dispose of surplus properties (including land) under paragraph 7 (2) (b) of Schedule 3 of the Police Reform and Social Responsibility Act 2011 (“the Act”). Further, paragraph 7(1) of Schedule 3 of the Act allows the MOPAC to do anything which is calculated to facilitate or is conducive or incidental to the exercise of the functions of the office.
- 4.2. The Deputy Mayor for Policing and Crime may under the MOPAC Scheme of Consent and Delegation approve all disposals of properties with an estimated value of £1 million or above on a case by case basis before the property is marketed and /or dispose of property that is felt to be of an exceptional nature because of the particular sensitivity or because of a particular public interest element. Following approval, the MPS Director of Property Services may dispose of the property to the highest bidder where the price equals or exceeds the agreed estimate, notifying the MOPAC in writing of the disposal. As the proposed final sale terms do not meet all the criteria required for a delegated approval by the MPS Director the decision rests with DMPC.

5. GDPR and Data Privacy

- 5.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 5.2. The MPS assure that programme does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

6. Equality Comments

- 6.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 6.2. The MPS state that they consider there to be limited equality or diversity issues arising as a result of the proposed disposal. The property identified in this paper has no public facing functions, and open market sales making the properties available to all members of the public.

7. Background/supporting papers

- Appendix 1 MPS Paper REQUEST FOR APPROVAL TO DISPOSE OF 128 CATFORD HILL FOLLOWING AN OPEN MARKET TENDER PROCESS

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date: n/a

Part 2 Confidentiality: Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

ORIGINATING OFFICER DECLARATION	<i>Tick to confirm statement (✓)</i>
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.	✓
Commercial Issues Commercial issues are not applicable	✓
GDPR/Data Privacy GDPR compliance issues are covered in the body of the report	✓
Drafting Officer Alex Anderson has drafted this report in accordance with MOPAC procedures.	✓
Director/Head of Service: The MOPAC Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓

Chief Executive Officer

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature



Date 15/12/2021



REQUEST FOR APPROVAL TO DISPOSE OF 128 CATFORD HILL FOLLOWING AN OPEN MARKET TENDER PROCESS

MOPAC Investment Advisory Monitoring – December 2021

Report by the Director of Property Services on behalf of the Deputy Commissioner

Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC

Summary

This paper requests the Deputy Mayor For Policing and Crime's (DMPC) approval to dispose of the freehold interest in 128 Catford Hill following an open market tender process. This paper seeks amendment to the terms of the sale previously approved by the DMPC on 8th September (ref: PCD 1031).

Recommendations

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

- 1. In accordance with the current MOPAC Scheme of Consent and Delegation approve the disposal of the freehold interest in 128 Catford Hill at the value and to the bidder identified in Exempt Appendix 1 following an open market tender process;**
- 2. Note in this instance the approval of the final sale terms is required from the DMPC as not all the criteria required for a delegated approval by the MPS Director of Property Services have been met;**
- 3. Note the disposal is consistent with the DMPC Decision – PCD 583 of 30th October 2020 to dispose of the property in principle and market the property for sale;**
- 4. Note that following previous approval by the DMPC to the sale terms – PCD 1031 of 8th September 2021, the approved purchaser amended its offer and approval to the amended sale terms is now sought;**
- 5. Note that the capital receipt from the disposal will support the Capital Programme.**

Time sensitivity

A decision is required from the Deputy Mayor by 22nd December in order that sale documents can be finalised and the sale proceed at the earliest opportunity.

Non-confidential facts and advice to the Deputy Mayor for Policing and Crime

Introduction and background

1. The property is vacant and decommissioned. Following the Deputy Mayor for Policing and Crime's Decision – PCD 583 of 30th October 2020 the property was openly marketed during February and March 2021. Knight Frank as agents acting on behalf of MOPAC placed advertisements in the national property press, hosted details on their website and distributed particulars of the property to interested parties. Bids for the property were invited to be received by the agents no later than 19th March 2021.
2. All bids were invited on an unconditional basis and subject to a standard five year forward-sale clawback clause, to enable MOPAC to take benefit in the event that the purchaser subsequently sells the property on at a price in excess of that originally paid to MOPAC. Bidders were also advised to consider including provision for additional sales overage or planning clawback in their bids.
3. 3 bids unconditional on planning were received by the deadline. Based on advice from external consultants Knight Frank the DMPC initially approved the terms of the sale to the highest bidder on 22nd July (ref PCD 986).
4. On 23rd July the then approved bidder amended its offer as detailed in Exempt Appendix 1. The amended offer no longer made the previously approved purchaser the highest bidder and based on advice from Knight Frank the DMPC approved the sale to the resultant highest bidder on 8th September 2021 (ref PCD 1031) on terms as detailed in Exempt Appendix 1.
5. However, subsequent to the DMPC's approval of 8th September the approved bidder amended its offer as detailed, and for the reasons, set out in Exempt Appendix 1. With the amendment to the offer the approved purchaser remains the highest bidder and with external advice from Knight Frank, Property Services recommend the DMPC approve the sale on the amended terms identified in Exempt Appendix 1.
6. In this instance the approval of the final sale terms is required from the DMPC as not all the criteria required for a delegated approval by the Director of Property Services have been met. Further detail is provided in Exempt Appendix 1.
7. Property Services consider the disposal of the freehold to the bidder identified in Exempt Appendix 1 achieves value for money having followed an open and transparent marketing and tendering exercise and having sought professional advice from independent property advisors.

Contributes to the MOPAC Police & Crime Plan 2017-2021

8. The Police & Crime Plan 2017 – 2021 has committed to 'invest in the tools they (officers) need to do their job' and invest in core (buildings that are expected to be retained for a minimum of 20 years) buildings 'to create a modern environment for our staff and the public who need our services'.
9. In support of this commitment this paper seeks approval to dispose of the property as detailed generating capital receipts in support of the capital programme.

Financial, Commercial and Procurement Comments

Capital Implications

10. The disposal of the freehold interest in 128 Catford Hill is consistent with DMPC Decision – PCD 583 of 30th October 2020 to dispose of the property in principle and market the property for sale.
11. If approved the sale proceeds from the sale of the property will support the 2021/22 capital receipts budget. Including the sale of 128 Catford Hill the receipts forecast for 2021/22 as at the end of October 2021 is £87.5m against the revised October 2021 budget of £85.3m. The amended offer will result in a reduced receipt from the sale but due to increases in forecast receipts from the sale of other properties the 2021/22 forecast remains unchanged.

Revenue Implications

12. The revenue costs related to the holding and maintenance of this property are £81k per annum. Maintenance/repair works have been kept to a minimum.
13. Costs to hold the property in the longer term are not included within property revenue budgets; a longer term hold will require funding to be provided through future business planning processes.

Legal Comments

14. The MOPAC has the power to dispose of surplus properties (including land) under paragraph 7 (2) (b) of Schedule 3 of the Police Reform and Social Responsibility Act 2011 ("the Act"). Further, paragraph 7(1) of Schedule 3 of the Act allows the MOPAC to do anything which is calculated to facilitate or is conducive or incidental to the exercise of the functions of the office.
15. The report confirms the property is surplus to requirements and was marketed in an open and transparent method in order to secure value for money and achieve the best return in all of the circumstances.

16. This report confirms the capital receipt from the property disposal will assist MOPAC securing the maintenance of the Metropolitan Police Service, and ensure that it is efficient and effective, as required under Section 3(6) of the Act.
17. The Deputy Mayor for Policing and Crime may under the MOPAC Scheme of Consent and Delegation approve all disposals of properties with an estimated value of £1 million or above on a case by case basis before the property is marketed and /or dispose of property that is felt to be of an exceptional nature because of the particular sensitivity or because of a particular public interest element. Following approval, the MPS Director of Property Services may dispose of the property to the highest bidder where the price equals or exceeds the agreed estimate, notifying the MOPAC in writing of the disposal.
18. The disposal will be subject to contract and external lawyers will be instructed through MetLaw (DLS) to complete the conveyance.

Equality Comments

19. There are considered to be limited equality or diversity issues arising as a result of the proposed disposal.
20. The property identified in this paper have no public facing functions.
21. Private treaty disposals are open market sales making the properties available to all members of the public.

Privacy Comments

22. The programme does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

Real Estate Implications

23. As identified in this paper.

Environmental Implications

24. There are not considered to be any significant environmental implications to these disposals. The table below notes the impact on the MPS of selling the building.

	Higher	Lower	No Impact	Mitigation/ management of any higher impact
Level of energy use and associated carbon dioxide emissions		✓		Disposal of the property will reduce MPS CO2 emissions. A proportion of these emissions may be displaced to receiving

				buildings. A future occupier will use energy.
Level of water consumption		✓		The building referred to herein is surplus to requirements. There will be a reduction in MPS water consumption, although some consumption may be displaced to receiver buildings. A future occupier will use water.
Level of waste generation/waste requiring disposal	✓			The building referred to herein is surplus to requirements. Whilst there is a reduction in MPS waste from this site, a future occupier will generate waste and increased waste production may be displaced to receiver buildings. There will be a one-off occurrence of waste resulting from the MPS decanting the building; this will be dealt with in line with the MPS Waste SOP and CRE Waste Disposal Guidelines (currently being updated) to ensure the waste hierarchy is followed (reduce, reuse, recycle).
Level of travel and transport and associated emissions		✓		The building is being disposed of and all MPS visits to the property will cease. Travel and transport will be displaced to other sites. A future occupier will generate transport impacts.

Raw material use and finite resources (use of recycled materials and sustainable alternatives)			✓	Property will be disposed of. Some resource use will be displaced to receiver sites.
--	--	--	---	--

Background/supporting papers

The Mayor’s Office for Policing and Crime and Metropolitan Police Service
Public Access Strategy – November 2017

Request for Approval to Dispose of Surplus Real Estate Assets 2020/2021

Request for Approval to Dispose of 128 Catford Hill Following an Open Market Tender Process – June 2021

Request for Approval to Dispose of 128 Catford Hill Following an Open Market Tender Process – August 2021

Report Author: Andrew Denniss - Asset Management, Property Services

Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.

The Government Security Classification marking for Part 2 is:
OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of Request for Approval to Dispose of Surplus Real Estate Assets – 2019/2020 is exempt from publication for the following reasons:

Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).

The paper will cease to be exempt after 31st March 2026.