

Committee(s)		Dated:
Corporate Asset Sub	For decision	11 July 2018
Epping Forest & Commons	For information	9 July 2018
Subject: Woodredon Estate properties – Update on Woodredon House and The Coach House and Request for Delegated Authority to dispose of The Lodge and Laundry Cottage		Public
Report of: City Surveyor (CS.288/18)		For Decision/ Information
Report author: Fiona Pearson		

Summary

Following Corporate Asset Sub Committee approval in February 2018 to market for disposal Woodredon House, The Coach House and The Lodge, these properties have now been marketed by the City's appointed property consultants Savills plc (Savills) since May 2018. Best offers are due to be received on 3 July 2018. Vacant possession of Laundry Cottage, which obtained Committee approval separately in September 2016 to dispose, has only recently been obtained. This property will now be marketed by Savills with best offers to be received by end of July 2018.

Interest to date in relation to Woodredon House and The Coach House has been from various parties either looking to convert both properties into residential apartments, retain as a single dwelling, or continued use as a care home. Interest to date for The Lodge is from the owner/occupier market proposing to refurbish the premises for use as a single dwelling as per the existing residential status. It is assumed that Laundry Cottage is likely to attract interest from this same market.

This report seeks approval;

- i) To a bid evaluation criteria as detailed within this report to enable the City Surveyor and Savills to assess received offers for the disposal of Woodredon House (former nursing home) and The Coach House over the summer recess. The evaluation criteria will enable an appropriate balance between the City's fiduciary duties and role in the preservation and management of Epping Forest, and then to develop a shortlist of preferred bidders for further discussion/negotiation in order to make a final recommendation to the September Corporate Asset Sub Committee.
- ii) For Delegated Authority to be granted to the Town Clerk in consultation with the Chairman and Deputy Chairman of Corporate Asset Sub Committee to approve the terms for disposals of The Lodge and Laundry Cottage should this be necessary over the summer recess. It is anticipated if there are suitable bids received, potential purchasers from the owner/occupier market will wish to proceed without delay.

Recommendation(s)

Members of Corporate Asset sub Committee are asked to:

- Approve the proposed bid evaluation criteria for the disposal of Woodredon House and The Coach House to enable the City Surveyor and Savills to assess and determine the best offers over the summer recess and finalise a proposal for future recommendation.
- Delegate Authority to the Town Clerk in consultation with the Chairman and Deputy Chairman of Corporate Asset Sub Committee to approve the terms for the disposals of The Lodge and Laundry Cottage over the summer recess.
- Note the City Surveyor will be seeking delegated authority to deal with minor issues of a non - financial nature and where necessary in consultation with the Comptroller and City Solicitor. The Comptroller and the City Solicitor being instructed accordingly.

Members of both committees are asked to:

- Note the disposals will be subject to appropriate covenants and contractual provisions as a result of the City Corporation's retention of adjoining property and Epping Forest, and these will be specified when the final disposal terms are reported for future approval.
- Note that where access rights will be required over the City's retained property, appropriate use of any access will be granted with the ability for the City Corporation to recover relevant costs.

Main Report

Woodredon House and The Coach House, Woodredon Farm Lane

1. Following Corporate Asset Sub Committee approval on 13 February 2018 to market the disposal of Woodredon House (former nursing home) and The Coach House, all associated building, utility, asbestos, topographical surveys were prepared, Savills, the City Corporation's appointed property consultants. The properties went on the open market during May 2018.
2. Marketing has included circulating the sale brochure to over 200 recipients on Savills marketing list, launch of exclusive website pages and use of the Estates Gazette Interactive website. Further advertising was placed in local newspapers the Epping Forest Guardian and the Essex Chronicle for 28 days to comply with the requirements of the disposals and provisions of the Green Belt (London and Home Counties) Act 1938.

3. Savills have informed officers that the interest to date is from various parties either looking to convert both properties into residential apartments, retain as a single dwelling, or continuing use as a care home for assisted living. Savills expect bids for these uses will be subject to obtaining planning consent.
4. There is a best bids submission date of 3 July 2018. As part of the marketing process, Savills have indicated to each interested party there is to be a requirement from the City Corporation for overage regarding both properties.
5. In addition, applicants are being advised that the future uses of the properties need to be compatible with requirements for the Woodredon Estate to protect Epping Forest, as agreed when the Estate was transferred by special arrangement to the City of London by the Secretary of State for the Environment. Epping Forest land, including land designated as a Special Area of Conservation (SAC), adjoins the boundary of the Woodredon Estate and is 1km from the property boundaries and vehicular access to them lies through Epping Forest land. Thus disposals will be subject to appropriate covenants and conditions to address the following principle aspects;
 - a. Controlling future use/s to avoid damage or disturbance to the amenity and character of the surrounding Epping Forest land and the Woodredon & Warlies Estate buffer lands, as well as promoting good stewardship;
 - b. Changes of use to cause minimal impact on the surroundings compared to the existing use and the City's wider requirements, and which is supported by the local planning authority;
 - c. Not to undertake any illegal or immoral uses (a standard condition)
6. It is proposed that offers received are reviewed and scored against a set of evaluation criteria with a view to shortlisting 2- 3 bids for each property. The preferred bidders will then be asked to refine their bids and present them in more detail to enable officers and Savills to better understand and fully evaluate these offers for further consideration by Corporate Asset Sub Committee in September 2018. The proposed bid evaluation criteria is as shown below:

	Evaluation Criteria	Weighting
1.	Price / overage	45%
2.	Compatibility with locality / support Epping Forest values	25%
3.	Financial viability / strength / strategy of proposal	10%
4.	Planning certainty / level of risk	10%
5.	Bidder's track record / proven experience / funding strategy	10%

7. Bidders will be required to present overage proposals. The proposed evaluation process and subsequent negotiations will identify the preferred bid and bidder with whom suitable covenants and contractual conditions details can be negotiated, including separate easement terms for access rights, in order to present for future approval.

8. Once this part of the process has been concluded and a final preferred offer agreed, a recommendation to accept this offer and finalised heads of terms for the disposal will be presented to Corporate Asset Sub Committee for approval.

The Lodge, Woodredon Farm Lane and Laundry Cottage, Green Lane

9. Following Corporate Asset Sub Committee approval on 13 February 2018 to market the disposal of The Lodge, Savills placed the property on the open market during May 2018. It was launched via their website as well as the Estates Gazette Interactive website. Again, advertising was placed in local newspapers the Epping Forest Guardian and the Essex Chronicle for 28 days to comply with the requirements of the disposals and provisions of the Green Belt (London and Home Counties) Act 1938.
10. All interested parties to date are potential owner occupiers who have expressed an intention to refurbish the premises as a single dwelling as per the existing residential status. A best bids submission date has been set for 3 July 2018.
11. Vacant possession of Laundry Cottage has recently been obtained. Savills are in the process of preparing marketing particulars and anticipate this property will be launched to the market shortly with best bids being sought by end of July 2018.
12. Laundry Cottage, being of similar size, construction and condition as The Lodge is expected to draw interest from the same owner/occupier market.
13. Delegated Authority is now being sought to enable the Town Clerk in consultation with the Chairman and Deputy Chairman of Corporate Asset Sub Committee to consider best bids, approve a preferred bidder and terms for disposal of The Lodge and Laundry Cottage over the summer recess.

Legal Implications for Woodredon House, The Coach House, The Lodge and Laundry Cottage

14. The properties form part of the Woodredon Estate which was acquired by the former Greater London Council pursuant to the Green Belt (London and Home Counties) Act 1938 (Act).
15. Disposal is authorised by Section 5 of the Act which does not stipulate the need to obtain best consideration. There is no prohibition on imposing restrictions, the power to do so being implicit in Section 5 and Section 24 of the Act.
16. The properties are being advertised in two local newspapers for 28 days. After this period expires, the City can apply for the necessary ministerial consent to sell with the sale proceeds applied according to Section 25 of the Act.

Conclusion

17. Although the Woodredon Estate is held by City Fund, this does not impose a universal requirement to obtain best consideration. The evaluation criteria for Woodredon House and The Coach House will help ensure that these properties are sold on optimum terms, reflecting both the City's financial and the future operational responsibilities in respect of both the management and protection of Epping Forest and its buffer lands.
18. Delegated Authority sought to enable the Town Clerk in consultation with the Chairman and Deputy Chairman of Corporate Asset Sub Committee to consider best bids, approve a preferred bidder and terms for disposal of The Lodge and Laundry Cottage expediently and in line with normal market expectations over the summer recess.

Background Papers

- Woodredon & Warlies Park Estate – Disposal Options for Woodredon House, The Coach House, The Lodge and update on No.2 Green Lane Bungalow and Park View Bungalow – CASC – 13 February 2018
- Declaration of built estate as surplus to operational requirements – Woodredon House and Laundry Cottage – EFCC – 20 November 2017
- Operations Property Review – Progress Report – CASC 22 May 2017
- Surplus Properties on the Woodredon and Warlies Estate to be declared surplus to City Corporation Requirements – CASC 18 November 2016
- Operational Property Review – Progress Report – CASC 19 July 2016
- Woodredon Estate – Declaration of built estate as surplus to operational requirements (SEF 32/16) – EFCC– 4 July 2016
- Woodredon House – Urgency Item in response to Court Action for forfeiture of lease –EFCC – 4 July 2016

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