



LONDON FIRE BRIGADE

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Report title

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## Former Mitcham Fire Station

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Report to

London Fire Commissioner

Date

20 June 2018

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Report by

Assistant Director, Technical and Commercial

Report number

LFC-0035

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### APPENDIX 1: OFFICIAL-SENSITIVE – COMMERCIAL

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#### Summary

This report seeks approval for officers and their advisers to progress the freehold disposal of the former Mitcham Fire Station and to progress the exchange of contracts to completion, in accordance with our Code of Practice on the Disposal of Land.

Commercially sensitive information is contained within the commercial appendix to this report.

#### Recommendation

The London Fire Commissioner gives approval to the Assistant Director, Technical and Commercial to accept the best consideration for the former Mitcham Fire station and to progress the agreed transaction to contract completion.

#### Background

1. This property was declared surplus to operational requirements as part of the PFI project, in March 2015.
2. The Property was subject to a right in favour of the London Borough of Merton having the right to purchase the Property. Officers in conjunction with their advisers completed a Deed of Release in June 2016, giving the LFC the right to disposal of the Property on the open market.
3. Discussions were then initiated with LB Merton to resolve some complexities with the freehold title to improve access/parking problems and achieve a cleaner property title for disposal. It was not possible to reach an agreement on this and officers have since progressed with the marketing and disposal of the property in accordance with our Code of Practice on the Disposal of Land.
4. Adverts for the sale of the property were placed in the relevant publications and journals. Details of the opportunity were provided to all of those parties who responded to the advert and to those organisations who had previously expressed an interest in the property (nearly 250 in total). Nine offers were received for the property, seven were unconditional and two were conditional. Further, information is contained in Table 1 within the commercial appendix.

5. Officers are currently proceeding in preparing the detailed heads of terms and legal documentation for the transaction with the highest advantageous offer. In the event of any unacceptable delays or attempts to renegotiate the commercial terms of the transaction by the highest bidders, then the transaction will be aborted and an alternative disposal with one of the other interested parties will be progressed.
6. The process described above is fully in compliance with our statutory duty (under the Local Government Act) to achieve the best consideration which is reasonably obtainable on all property transactions.

Finance comments

7. Financial comments are included in the commercial appendix to this report.

Workforce comments

8. None.

Legal comments

9. Commercial information is contained in a commercial appendix. The General Counsel has no further comments to make.

Sustainability implications

10. None.

Equalities implications

11. None.

List of Appendices to this report:

- a) Commercially sensitive Appendix

Consultation [Note: this section is for internal reference only – consultation information for public consideration should be included within the body of the report]

Name/role	Method consulted
Karen Boother (General Counsel)	email
Adrian Bloomfield (Head of Finance)	email