St Mungo’s
217 HARROW ROAD W2 5EH
DEVELOPMENT OPPORTUNITY
PARTNER SOUGHT
St Mungo’s Community Housing Association (“St Mungo’s”) is seeking a development partner with whom to deliver the redevelopment of 217 Harrow Road, Westminster. With a site area of some 0.12 ha (0.3 acres) the site presents a rare development opportunity in this location. It is expected that the site is capable of providing in excess of 5,000 square metres of new accommodation.

The principle aim of this project is to create a new hostel to support St Mungo’s work in the City of Westminster through the release of surplus property for residential development (up to 60 residential units).

The Opportunity

- Located in the City of Westminster, 2 minutes’ walk to Royal Oak underground station
- Easy access to the varied amenities of Little Venice, Warwick Avenue, Portobello Road and Notting Hill
- Positive ‘pre-app’ response for up to 60 residential units and replacement hostel, subject to statutory consents
- Opportunities to further optimise the site for redevelopment

The site provides an excellent opportunity for residential redevelopment, subject to obtaining the necessary consents. Located approximately two minutes from Royal Oak station (Zone 2) and within walking distance of Warwick Avenue, Bayswater and Queensway tube stations the site represents an excellent residential development opportunity. Also within walking distance is Paddington Station which offers swift services to central London, Heathrow Airport and beyond. Further transport improvements will be delivered when Crossrail opens in 2019.

It is intended that the hostel facility, and some ‘move on accommodation’ is delivered back to St Mungo’s at nil cost, facilitated by adjacent residential redevelopment.

St Mungo’s is seeking a partner with the skills, experience and financial capacity to deliver a development scheme which meets both parties’ requirements.

St Mungo’s is a registered charity and housing association whose aim it is to support and aid the homeless community on their journey from sleeping on the streets towards a more stable and prosperous future. St Mungo’s provides support and services across London and southern England to prevent homelessness and also assists clients who have already experienced it. In addition, St Mungo’s strives to engage and educate communities and the wider public to increase empathy and awareness towards the homelessness, act as a voice for the homeless community, lobby and facilitate government policy change.

St Mungo’s was founded in 1969 by a small group of volunteers who decided to take action on the homelessness issue in London. Their initial approach began with talking to and offering food to the homeless community, before eventually managing to secure a former Marmite factory in Vauxhall as their first hostel. St Mungo’s has since pioneered many of the innovative services that are now widely part of homelessness recovery and reintegration programmes, such as specialist projects for those sleeping rough with mental illness or alcohol dependency issues. Today, they house around 2,500 homeless individuals each night.

St Mungo’s exists to end homelessness and aims to intervene before homelessness becomes a reality. To this end, it offers preventative services that seek to empower people to resolve their personal and housing issues and avoid homelessness and the damage that it causes to individuals. This may include individuals facing social isolation or crisis due to their mental health problems, people in prison or on probation, young people leaving care or those who need support in their transition to adulthood.

In terms of future ambition, the Board of Trustees has recently approved a 5-year plan which seeks to reverse the rise in rough sleeping in the country and to at least halve the number of people sleeping rough in the areas in which it operates. St Mungo’s has outlined the following five strategic goals to meet this ambition:

- Improve services and housing so they are even safer and more efficient in changing the lives of clients
- Interconnect more with local partners to ensure clients can access the specialist services they need for their recovery
- Innovate new evidence based services that prevent and tackle rough sleeping
- Influence national and local government to implement new rough sleeping strategies
- Involve clients in all of St Mungo’s work

In light of the first strategic goal, St Mungo’s is seeking to redevelop the existing Harrow Road hostel to provide a new 45 bed hostel for its clients, facilitated by the release of part of the site for adjacent development. In addition, St Mungo’s would like to try and introduce some ‘move on’ accommodation within the residential element to facilitate clients’ transition to living independently.
The property is located at 217 Harrow Road and is registered at the land registry under title numbers NGL642754 and NGL928618, with the registered proprietor being St Mungo’s Community Housing Association. The boundaries of these titles will be confirmed during the procurement process.

The property currently comprises a hostel offering 31 beds for homeless men and women with alcohol and drug dependency issues, and a further 10 beds for men with mental health issues. The site has served as a homeless facility for the last 30 years and is supported by Westminster City Council’s “supporting people” funding programme.

The existing building was built in the early 1960s and is a 3.5 storey concrete framed building with a cellular layout. The property is in a tired condition internally and externally, the quality and layout of the accommodation offered is poor and requires substantial investment to bring it up to current standards. St Mungo’s Board have therefore approved redevelopment of the site.

Location

217 Harrow Road is located within the Westbourne ward in the City of Westminster and is bordered to the south by the A40 (Westway) and to the north by the Harrow Road itself, which provides vehicular access to the property. The western boundary of the site is formed by an operational petrol station and a newly completed residential development of some 13 storeys (known as Torquay House), which was built by the London Hostel Association in 2014. The eastern boundary is abutted by a health care centre with offices above, which have been let to the NHS and forms the Grand Union Health Centre.

The wider townscape is varied in style and includes buildings of 3-5 storeys in height, as well as six 21 storey towers, built in the 1960s. The towers are set back from the adjacent streets by public green spaces. Directly opposite the site and adjacent to Westbourne Green is a three storey mixed used public building that houses the Westbourne Green Surgery and Youth Club, which was completed in 2006.

The site is located to the north of the main railway line to Paddington and the underground network. Royal Oak underground station (Hammersmith & City / Circle line), Warwick Avenue underground station (Bakerloo line) and Paddington mainline station are 0.1 miles to the south east, 0.6 miles to the north east and 0.6 miles to the south east respectively. Royal Oak station provides direct services to King’s Cross St. Pancras and Liverpool Street in 17 and 23 minutes respectively. Warwick Avenue provides services to Oxford Street within 10 minutes, with access to Bank via the central line being a further 8 minutes.

There are also multiple bus routes running to central London and the City. In addition to desirable connectivity, the site is within close proximity to Westbourne Green (the largest open green space within the ward) and is within walking distance of Little Venice (0.5 miles to the east). In terms of leisure and amenity facilities, Whiteleys shopping centre is located approximately 0.5 miles to the south of the property which houses several national retailers, a cinema, a gym and a bowling alley.
THE OPPORTUNITY

St Mungo’s Objectives

The redevelopment of 217 Harrow Road provides an outstanding opportunity for a development partner to work alongside St Mungo’s to develop some 60 residential units and re-provide a modern self-contained hostel. It is the preference of St Mungo’s, Westminster City Council (WCC) and the Greater London Authority (GLA) that (subject to viability) the opportunity for ‘facilitating’ residential development should maximise the potential for the delivery of affordable housing, in addition to the development of the new hostel. St Mungo’s is in discussions with the WCC’s cabinet member for Housing about the prospect of grant funding to support the maximum levels of affordable housing for this project. Shortlisted parties will, during the procurement process, be able to meet with Housing officers from WCC to discuss the prospect of grant funding.

Redevelopment of 217 Harrow Road will facilitate the creation of a modern and high quality self-contained hostel with en suite facilities to assist in the rehabilitation of occupants’ recovery from the effects of homelessness. The new facility would provide c.45 self-contained studios with a range of additional services including a mental health facility, social enterprise, health and wellbeing support services. The hostel would also create a “move on” capacity in which clients would be offered the opportunity for a graduated reintroduction to independent living.

St Mungo’s is seeking a partner to lead, finance and procure the planning, design and delivery of a new hostel and the facilitating residential development. St Mungo’s development partner will have the opportunity to secure returns from the sale/letting of the facilitating residential development.

Grant Support

Through discussions with St Mungo’s, the Housing team at Westminster City Council has suggested that the Council would be minded to provide grant support (“top up grant”) for the redevelopment of this property. This support, from the City’s Affordable Housing Fund, would be on the basis that the ‘facilitating’ residential development maximises the potential for affordable housing. This support is subject to further discussions and conditions. St Mungo’s will expect its partner to join it in discussions with both the City of Westminster and the Greater London Authority to confirm the potential for grant support for both the replacement hostel and the supporting residential development.

In submitting bids to St Mungo’s developers will be invited to first establish the optimum scheme which delivers all of St Mungo’s objectives and maximises the residual land value of the site. Once the optimum scheme has been described, tenderers will be invited to describe their scheme and business plans in the event that the grant monies are forthcoming.
Pre-Application Response from WCC (October 2016)

A pre-planning application for the proposed development was submitted on 21st April 2016. The focus of the application was to maximise the site and deliver a new hostel of c.45 bed spaces and c.54 dwellings in a mid-rise tower of 13 storeys for 100% affordable housing, in response to guidance from WCC.

The scale and massing of the proposed development has been designed to sit within its built context and in accordance with the ‘saved’ parts of Westminster’s Unitary Development Plan (UDP) Chapter 10: Urban Design and Conservation DES 3 High Buildings. With reference to this policy, DLA Architecture has developed the following proposal:

- The ‘plinth’ extends over 4 stories and creates a protected scape which enhances the frontage of the site on Harrow Road.
- The residential section of the development is housed in a mid-rise block of 13 storeys, to match that of neighbouring Torquay House.
- The two storey ‘pavilion’ sits to the rear of the plinth and acts as a protective buffer between the residential tower block and the Westway. It is designed to be a sculptured, stand-alone building that adds to the character of the development and will provide an element of fluidity between the elevations.

A response to the pre-application was received on 3rd October 2016, which was positive in principle, subject to adjustments in massing and design. WCC welcomed a mix of intermediate and market housing within the residential element and acknowledged that the market housing was potentially necessary to cross fund the redevelopment of the hostel.

The complete feasibility study (dated April 2016), pre-app submission and response can be found on the online procurement portal at www.delta-esourcing.com.

Pre-Application Two (August, 2017)

In August 2017, DLA Architects were asked by St Mungo’s to review the pre-application response and address the concerns highlighted regarding massing and design. As a result, three revised options were submitted to Westminster Council Planning officers on the 12th September 2017.

Realising the opportunity to further optimise the site, the revised development scheme included 53 residential units (potential alternative mix could increase this to 59 residential units) and 56 hostel units (inclusive of 11 move-on studios). The proposed residential scheme comprises of 27 studio flats and 26 one-bed flats (51%/49% respectively). The scheme ensures separate entrances to the hostel and the residential block.

A written response from WCC to the second pre-application submission is awaited but is expected to refer to Option 1 (above) as the preferred, of the three.

Please note that images are not to scale and for indicative purposes only.
St Mungo’s will enter into a contractual development agreement to realise the potential of this scheme. The development partner will be procured via an Official Journal of the European Union (OJEU) procedure. The process will comprise a Competitive Procedure with Negotiation.

In selecting a development partner, St Mungo’s is seeking a partner that best demonstrates an understanding of St Mungo’s objectives, has suitable skills and resources to meet these objectives, and can demonstrate experience of partnership project delivery in a comparable setting.

Role of the Development Partner

Following the Contract Award, the successful Tenderer will be required to appoint its own teams and successfully manage the development project through RIBA stages 1-7 including:

- Concept and detailed design process with continued engagement and approval of key stakeholders and St Mungo’s as landowner
- Public consultations stages
- Planning stages
- Pre-construction programme
- Construction programme & works on site (may be sub-contracted)
- Construction phasing and logistics noting conditions
- Sales period (as may be required)
- Handover

In delivering this project the parties will work together to finalise the design of the hostel and the residential accommodation to both parties’ satisfaction.

Development Partner Selection

The procurement process will take place on the following basis:

- Standard Questionnaire (“SQ”) – two scored questions
- Invitation to Submit Initial Tenders (“ISIT”) – up to five parties, scored 100% on quality
- Invitation to Submit Detailed Tenders (“ISDT”) - three parties
- Invitation to Submit Final Tenders (“ISFT”) – scored 70% quality, 30% commercials

Following SQ St Mungo’s will provide no more than five parties with an Invitation to Submit Initial Tenders (“ISIT”). No more than three parties will then be provided with Invitations to Submit Detailed Tenders (“ISDT”). There will then follow at least two rounds of negotiations before the shortlisted parties are issued with an Invitation to Submit Final Tenders (“ISFT”).

All procurement documents can be downloaded from https://www.delta-esourcing.com/respond/U8FY23X69X
Further Information and contacts

For further information or to arrange a viewing please contact the agents below.

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