

Case Study

Selling a surplus site, generating over £15m for reinvestment in the NHS Estate

MARIE FOSTER
NURSING HOME,
LONDON

Background

Site:

Across 2.5 acres, previously occupied by Royal Free Hospital as the Marie Foster Neurological Rehabilitation Unit – vacated in 2011

Customers/stakeholders:

- Barnet Clinical Commissioning Group (CCG)
- London Borough of Barnet

NHSPS representatives:

- Dan Hotson, Principal Transactions Manager

The Challenge

Barnet CCG announced the site surplus to requirements in September 2017, and the property had been vacant since 2011.

NHS Property Services (NHSPS) then had to deliver the greatest value for the NHS, maximising the site's value and finding a suitable buyer.

The Solution

NHSPS teams carried out extensive due diligence to de-risk the site (including ecological, heritage and presence of reptiles and bats) before working with architects and town planners to design a residential scheme for the site.

We then undertook a series of pre-application meetings with the Local Planning Authority, securing a positive pre-planning application response from Barnet Council for 74 flats and 7 houses on the site. This significantly enhanced the value of the site, minimising the town planning risk for any prospective purchaser.

We launched a marketing campaign with Montagu Evans, with a brochure, website and adverts in the Estates Gazette. The site was sold for £15.5 million, significantly higher than the original valuation, and we completed in March 2019. The site was sold to a private care home provider, meaning the future of the site will remain within the health and care sector.

The Result

Securing planning permission for residential units helped us to **sell the site for £15.5 million, £7.5 million more than the original valuation**, which can now be reinvested into the NHS estate.

Surrendering liability of the site will also **save the NHS £60,000 per annum in running costs**.