

NOTICE OF MEETING

OVERVIEW AND SCRUTINY COMMITTEE

**Tuesday, 6th December, 2016, 7.00 pm - Civic Centre, High Road,
Wood Green, N22 8LE**

Members: Councillors Charles Wright (Chair), Pippa Connor (Vice-Chair),
Makbule Gunes, Kirsten Hearn and Emine Ibrahim

Co-optees/Non Voting Members: Uzma Naseer (Parent Governor Representative),
Luci Davin (Parent Governor representative), Yvonne Denny (Co-opted Member -
Church Representative (CofE)) and Chukwuemeka Ekeowa (Co-opted Member -
Church Representative (RC))

Quorum: 3

1. **FILMING AT MEETINGS**

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on.

By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. **APOLOGIES FOR ABSENCE**

3. **URGENT BUSINESS**

It being a special meeting under Part 4, Section B, Paragraph 17 of the Council's Constitution, no other business shall be considered at the meeting.

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

5. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

To consider any requests received in accordance with Part 4, Section B, paragraph 29 of the Council's constitution.

6. CALL-IN OF CAB 121: SALE OF LAND AT KERSWELL CLOSE N15 5HT (PAGES 1 - 18)

- a. Report of the Monitoring Officer **TO FOLLOW**
- b. Report of the Director of Regeneration, Planning and Development **TO FOLLOW**
- c. Appendices:
 - Copy of call-in
 - Excerpt from the draft minutes of the Cabinet meeting held on 15 November 2016
 - 15 November 2016 Cabinet Report – Sale of Land at Kerswell Close, N15 5HT

7. EXCLUSION OF THE PRESS AND PUBLIC

Item 8 is likely to be the subject of a motion to exclude the press and public from the meeting as it contains exempt information as defined in Section 100a of the Local Government Act 1972; Para 3 – information relating to the business or financial affairs of any particular person (including the authority holding that information).

8. CALL-IN OF CAB 121: SALE OF LAND AT KERSWELL CLOSE N15 5HT (PAGES 19 - 24)

Felicity Foley, Principal Committee Co-ordinator
Tel – 020 8489 2919
Fax – 020 8881 5218
Email: felicity.foley@haringey.gov.uk

Bernie Ryan
Assistant Director – Corporate Governance and Monitoring Officer
River Park House, 225 High Road, Wood Green, N22 8HQ

Tuesday, 29 November 2016

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Appendices (For Information)

Copy of Call-in

Excerpt from the draft minutes of the Cabinet Meeting held on
15 November 2016

15 November 2016 Cabinet Report – Sale of Land at Kerswell
Close, N15 5HT

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'CALL IN' OF DECISIONS OF THE CABINET

This form is to be used for the 'calling in' of decisions of the above bodies, in accordance with the procedure set out in Part 4 Section H.2 of the Constitution.

TITLE OF MEETING	MEETING OF THE CABINET
DATE OF MEETING	TUESDAY, 15TH NOVEMBER
MINUTE No. AND TITLE OF ITEM	121. SALE OF LAND AT KERSWELL CLOSE N15 5HT

1. Reason for Call-In/Is it claimed to be outside the policy or budget framework?

The decision is outside the policy framework.

A) The Housing Strategy states a requirement in respect of intermediate housing affordability that housing cost (including mortgage costs and service charge) should not exceed 45% of net income received by a household; and that the households which should have priority in the provision of such housing are those with a gross income of £40,000 per annum or less, with the income range £30,000 to £40,000 given for households in 'Band D'.

In contradiction to this, the homes in the proposed development by Pocket Living would be unlikely to cost at or less than 45% of net income received by a household on £30,000 to £40,000.

B) The Unitary Development Plan (Saved Policies) gives reasons why open spaces should not in general be built on, and states (8.1) that "Existing open spaces should not be built on unless an assessment shows the open space to be surplus to requirements". The Key objectives (8.3) include ensuring that flora and fauna with environmental value or amenity value is protected and encouraged.

Under OS17 the document states that the Council will seek to 'protect and improve the contribution of trees, tree masses and splines to the local landscape character' including by (d) 'ensuring that when unprotected trees are affected by development, a programme of tree replanting and replacement of at least equal amenity and ecological value and extent is approved by the council.'

The area for sale to Pocket Living includes open space, a footpath and a considerable number of trees including large mature trees. These form an important barrier and provide absorption and mitigation for local people and pedestrians against the pollution and emissions from the adjacent extremely busy and congested road junction. In contradiction to the spirit and wording of the UDP, the proposal fails to protect the flora with its environmental and

amenity value, or the open (green) space, and the latter cannot be assessed as surplus to requirements. Also, a programme of replanting and replacement as per (d) above which could replace the local amenity and ecological effect of the trees on the site has not been proposed, nor does there appear to be any scope for such a scheme.

Further:-

- 1) There has been no consultation with or even information given to the local community, who should be given the opportunity to express their views given the importance of the issues.
- 2) The policy and presumption against building on open green space and removing trees requires very strong reasons to override, which have not been provided.
- 3) The Pocket Living model fails to provide genuine affordability, as the 20% reduction from average market prices for a 1 bed flat which the company offers is achieved through the reduction of 24% in floorspace below the London standard for a 1 bed flat.
- 4) Given that 36 flats which are not genuinely affordable are to be built on the site, the proposed sale price of the land does not represent value for money for the Council.
- 5) There has been no serious and thorough exploration of alternatives.
- 6) Where council owned land is built on, the priority should be for those most in need, which would be served by building council homes or failing that, other homes at social rents.

2. Variation of Action Proposed

Cancel the proposal to sell the area to Pocket Living.

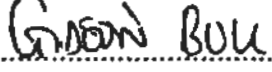
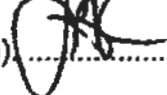



Explore alternative options, including building council homes or failing that, working with a Housing Association to build social homes on part of the area, while protecting the trees and enhancing the attractiveness, environmental value and amenity of the green space. Options for the site of the building currently used as a shop should also be considered.

The local community including residents of the estate/s, the residents' association; and environmental and other relevant organisations should be informed, consulted and involved in decision making about the future of the area.

Signed:

Councillor:  (Please print name): NOAH TUCKER

Countersigned:

- 1. Councillor:  (Please print name): 
- 2. Councillor:  (Please print name): CHARLES ADJE
- 3. Councillor:  (Please print name): ANNE JANNET
- 4. Councillor:  (Please print name): ZENA PKARSAZON

- 5
- 6
- 7

Date Submitted:

Date Received :

(to be completed by the Democratic Services Manager)

Notes:

- 1. Please send this form to:
 Michael Kay (on behalf of the Proper Officer)
 Democratic Services and Scrutiny Manager
 5th Floor
 River Park House
 225 High Road, Wood Green, London N22 8HQ
 Tel: 8489 2920
 Fax: 020 8881 5218

This form must be received by the Democratic Services and Scrutiny Manager by 10.00 a.m. on the fifth working day following publication of the minutes.

- 2. The proper officer will forward all timely and proper call-in requests to the Chair of the Overview and Scrutiny Committee and notify the decision taker and the relevant Director.
- 3. A decision will be implemented after the expiry of ten working days following the Chair of Overview and Scrutiny Committee's receipt of a call-in request, unless a meeting of the Overview and Scrutiny Committee takes place during the 10 day period.

4. If a call-in request claims that a decision is contrary to the policy or budget framework, the Proper Officer will forward the call-in requests to the Monitoring Officer and /or Chief Financial Officer for a report to be prepared for the Overview and Scrutiny Committee advising whether the decision does fall outside the policy or budget framework.

MINUTES OF THE MEETING OF THE CABINET HELD ON TUESDAY, 15TH NOVEMBER, 2016

PRESENT:

Councillors: Claire Kober (Chair), Peray Ahmet, Jason Arthur, Eugene Ayisi, Ali Demirci, Joe Goldberg, Alan Strickland, Bernice Vanier and Elin Weston.

Also Present Councillors: Engert, Newton, Connor, Tucker, Brabazon, G Bull and Diakides.

121. SALE OF LAND AT KERSWELL CLOSE N15 5HT

The Cabinet Member for Corporate Resources introduced the report which sought approval to provide a long lease to Pocket Living of land opposite Kerswell Close, in order to develop 36 housing units subject to planning permission being obtained. The land at Kerswell Close was currently a grassed communal area and car parking area with a retail unit located on it and adjacent to St. Ann's Road and was currently HRA land. The land offers the opportunity to provide a new development of affordable housing in the Borough. There was strong demand for intermediate housing in the area and this site provides an opportunity for 36 affordable home ownership units to be built subject to approval of the planning scheme.

In response to Cllr Engert's question, the planning application decision would take account of priorities for provision of green spaces.

In response to Councillor Tucker's request for Cabinet to postpone the decision:

- The Leader responded that it was important to take account of London as a rapidly growing city with an increasing population and understanding the difficulties in being able to provide housing when conditions were stacked against the Councils. This would mean re-considering the density of housing in the whole of London and not just in Haringey. The Council were striving continually for affordable housing to meet the scale of housing demand and considering sites that had not been used for housing before.
- Also in terms of the quality and space provided by Pocket homes, the Leader advised visiting the Pocket Living website to gain an understanding on quality of the homes that they have provided in boroughs such as Camden and Lambeth.

Councillor Strickland continued to respond to the issues raised on planning, consultation with the local community and affordability of housing.

- In relation to the concerns about the protection of green space and the potential impact of the proposed building on the look and feel of the area, these would be part of Planning's committee's consideration. Once plans for the site were submitted to planning, by Pocket Living, there would be full public consultation instigated allowing these issues/ concerns to come forward prior to consideration of this application at Planning committee.
- In relation to concerns about the realistic affordability of these homes and the expected income levels of people that would be able to afford these homes, the Cabinet Member for Housing, Regeneration and Planning referred to the evidence base of the recently agreed intermediate housing strategy which pointed to a demand for this type of housing. Also the Housing strategy approved by Cabinet in October and proceeding to full Council on the 21 November, includes an increase in intermediate housing. Therefore the Council policy was clear on this.
- Councillor Strickland outlined that shared ownership had a valuable role in the borough and in Tottenham. It was important to note that pocket homes would remain affordable in perpetuity which guarantees this type of housing remains affordable in the future and is attractive option when considering development on Council land.
- Councillor Strickland advised that all the normal building regulations and rules would apply in the planning process even though Pocket Homes had a prescribed design.
- In terms of the affordability of these homes, these would be in the average salary range of a key worker and there was a desperate need for intermediate housing as evidenced by the 'First Steps' website which indicated that 2300 people in Haringey had registered interest in one bedroom homes, demonstrating clear demand.
- It was important to note that intermediate housing was part of the housing solution mix and not 'instead' of affordable housing.

RESOLVED

1. To declare surplus to requirements the land at Kerswell Close (and edged red on the attached plan in Appendix A).
2. To authorise the disposal of the land on a long lease and based on the heads of terms set out in Appendix B of the land to Pocket Living LLP for the sum of £1,000,000. This will be subject to providing 36 units of intermediate housing which is also subject to planning.

3. To delegate the authority to agree the final price and heads of terms to the Director Regeneration Planning and Development after consultation with the Cabinet Member for Housing Regeneration and Planning and S151 officer.
4. To note that the retail unit on the site will be disposed of with a loss of £8,000 pa and that budgets be aligned to reflect this.

Reasons for decision

Pocket Living specialises in affordable housing developments and is in a position to deliver a scheme that will maximise the number of units on the site. This supports the Council's Corporate Plan and housing priorities for the Borough.

Alternative options considered

The Council could retain the land. However this would limit the opportunity for development and it is unlikely that the number of affordable units would be delivered on the site as proposed by Pocket Living.

The Council could dispose to a Registered Provider. However a number of other potential Council development sites will shortly be considered for disposal via this route and Pocket Living will provide a diversity of affordable tenure within this portfolio with their affordable sale product.

125. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded from the remainder of the meeting as the items below contain exempt information, as defined under paragraph, 3 Part 1, schedule 12A of the Local Government Act 1972.

126. SALE OF LAND AT KERSWELL CLOSE N15 5HT

As per item 121.

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Report for: Cabinet 15th November 2016

Title: Sale of land and retail unit at Kerswell Close

Report authorised by : Lyn Garner, Director Regeneration Planning and Development

Lead Officer: Jon McGrath, Assistant Director Corporate Property and Major Projects

Ward(s) affected: St.Anns and Seven Sisters

**Report for Key/
Non Key Decision:** Key

1. Describe the issue under consideration

- 1.1 The land at Kerswell Close is currently a grassed communal area and car-parking area with a retail unit located on it and adjacent to St. Ann's Road and is currently HRA land. The land offers the opportunity to provide a new development of affordable housing in the Borough. There is strong demand for intermediate housing in the area and this site provides an opportunity for 36 affordable home ownership units to be built.
- 1.2 Pocket Living is proposing to create the development on the site subject to planning. Pocket Living LLP was awarded £21.7m equity funding for 10 years by the Mayor of London as part of his Housing Covenant commitment to help thousands of low income working people into home ownership. This funding is expected to see around 400 Pocket Living LLP homes developed in the first two years alone, committing to the GLA that profits will be reinvested alongside the Mayor's capital over the life of the programme
- 1.3 The report sets out the proposal to provide a long lease to Pocket Living of the site in order to develop the 36 housing units subject to planning.

2. Cabinet Member Introduction

- 2.1 The sale of the land at Kerswell Close provides an opportunity for Pocket Living to provide a high percentage of affordable housing in the Borough. There is an increasing demand for intermediate housing and this site is well located to provide 36 affordable home ownership units.

3. Recommendations

3.1 The Cabinet is asked to agree:

- a) To declare surplus to requirements the land at Kerswell Close (and edged red on the attached plan in Appendix A).
- b) To authorise the disposal of the land on a long lease and based on the heads of terms set out in Appendix B of the land to Pocket Living LLP for the sum of £1,000,000. This will be subject to providing 36 units of intermediate housing which is also subject to planning.
- c) To delegate the authority to agree the final price and heads of terms to the Director Regeneration Planning and Development after consultation with the Cabinet Member for Housing Regeneration and Planning and S151 officer.
- d) To note that the retail unit on the site will be disposed of with a loss of £8,000 pa and that budgets be aligned to reflect this.

4. Reasons for decision

- 4.1 Pocket Living specialises in affordable housing developments and is in a position to deliver a scheme that will maximise the number of units on the site. This supports the Council's Corporate Plan and housing priorities for the Borough.

5. Alternative options considered

- 5.1 The Council could retain the land. However this would limit the opportunity for development and it is unlikely that the number of affordable units would be delivered on the site as proposed by Pocket Living.
- 5.2 The Council could dispose to a Registered Provider. However a number of other potential Council development sites will shortly be considered for disposal via this route and Pocket Living will provide a diversity of affordable tenure within this portfolio with their affordable sale product.

6. Background information

- 6.1 The land forms a communal grassed area on the corner of Kerswell Close and St. Ann's Road. The land includes a retail unit which currently trades as an Oriental Food store (formerly public toilets). There is a path through the land which will need to be reflected in the planning proposals.
- 6.2 Disposing of the land will enable the development proposed by Pocket Living to take place and therefore support the Regeneration of Tottenham in line with the Council's aspirations. There are few opportunities available in the Borough to provide such a number of affordable units and will make

good use of the funding available to Pocket Living from the Mayor of London's capital budget.

- 6.3 Pocket Living LLP is a housing developer who specialise in building affordable housing. They have completed developments in Hackney, Hammersmith & Fulham, Westminster, Hounslow, Ealing and Camden. Pocket Living LLP's model is based on provision of housing to a growing number of people who are falling into the widening gap between social housing (ineligible) and home ownership (unaffordable). Consequently, Pocket Living LLP seek to develop "pocket" homes for this "intermediate market", as these buyers earn too much to qualify for social housing but also cannot afford to buy on the open market.
- 6.4 The Pocket Living LLP model is to principally develop one bed flats which are sold outright to buyers, priced at least 20% lower than the local market value. The units are built to a smaller size (typically 38m²) than standard 1 bed flats, however this is reflected in the sale value to maximise affordability for first time buyers. The flats are also well designed to maximise a sense of space. Pocket Living LLP buyers will own 100% of the equity and the value of their home. To be eligible, buyers must earn less than the maximum household earnings limit (currently in the region of £71,000 per annum although Pocket owners average £39,000 per annum) set each year by the Mayor of London.
- 6.5 A restrictive covenant protects Pocket's affordability for the local market audience from the first sale onwards. Should a Pocket owner wish to sell their home after the initial 12 month no-sale period, they have to sell to someone who fits the same income and living criteria and it is this which keeps their property at a discount to the market in perpetuity. So unlike shared equity, Pocket homes will stay in the affordable market permanently.
- 6.6 Pocket homes are designed to fit with moderate incomes. They are located near public transport and have ample cycle storage. They are very well insulated, and are built to Code Level 4 guidelines, often with shared heating and hot water systems and PV panels.
- 6.7 There are over 2,300 residents in Haringey earning under £60,000 p.a. who have signed up for one bed properties through the First Steps website. Haringey has a growing young audience (20-39) and the West Green ward has seen the largest increase in the 25-29 age group. Half of Haringey's residents declare themselves to be single and a third of them are one person households. An increase in house prices in the borough of 29% in the year to Jan 2015 has driven the majority of these households into rental accommodation with Haringey having one of the highest proportion of renters in the capital and home ownership sitting at 38.9% compared to 48.3% for London as a whole.
- 6.8 A valuation has been undertaken by Lambert Smith Hampton on behalf of the Council supporting the purchase price of £1,000,000. The report is

based on the Pocket Living proposal. The deal therefore offers best consideration to the Council for the sale of the site to Pocket Living.

Cabinet agreed to sell the Keston Centre site in September 2015 to Pocket Living for a mixed residential scheme of around 100 units including 67 affordable. Pocket Living are also negotiating the purchase of the current Downhills Park Depot site which is located in Keston Road.

- 6.9 The current 21 car parking spaces are permit- controlled as part of an estate-wide scheme operated by the Council. A parking survey will be commissioned to identify capacity on the remainder of the estate and adjacent street areas. Once outline design proposals are sufficiently advanced, residents will be consulted by the Council with regard to the potential loss of permit-controlled car parking provision – this consultation will occur prior to detailed design development as part of the Council’s S105 obligation. The disposal to Pocketliving is subject to planning consent being achieved - a parking survey is a key document within the planning submission and will be fully considered as part of the planning process.

7. Contribution to strategic outcomes

- 7.1 The disposal will support the Council’s strategic housing objectives by
- Contributing to a step change in the number of new homes built by increasing the supply of affordable homes on this site.
 - Providing new affordable home ownership in the East of the Borough where the current tenure balance is predominantly rented
 - Using the Councils land assets to enable the development to increase housing supply and maximise the delivery of affordable homes for local people

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

- 8.1 The £1m capital receipt from the disposal of this site will be used to finance the Council’s capital programme.
- 8.2 The price agreed is broadly consistent with the valuation for the land by Lambeth Smith and Hampton on the basis of market value for the long leasehold interest site based on the Pocket scheme described above and is in excess of the alternative market value valuations with 40% or 35% affordable housing.
- 8.3 £8,000 per annum of income from the retail unit on this site is currently received by the Council’s Housing Revenue Account. This will cease

following the sale and this will be taken into account during budget planning.

8.4 There are no procurement requirements in the sale of this site.

9. Legal

9.1 Under Section 32 of the Housing Act 1985, the Council has the power to dispose of land held for housing purposes providing it first obtains the consent of the Secretary of State. The application to the Secretary for State will be made prior to exchange of contracts with Pocket Living and such application will include a copy of the agreed contract upon which seek consent is sought.

9.2 There is a retail unit on the site which is likely to be subject to a business tenancy. If the business tenancy has security of tenure under the 1954 Landlord and Tenant Act, then a court application will be required to end the tenancy. If the tenancy does not have the security under the 1954 Act, then terminating the tenancy will be straight forward. Legal advice must be obtained as to the best way to terminate this tenancy.

10. Equality

The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who share those characteristics and people who do not

10.1 The sharp rise in house prices in Haringey has excluded many younger people (age 20-39) with moderate household incomes (£30,000 - £50,000) from being able to afford home ownership. The decision to sell land at Kerswell Close is to facilitate the development of 36 intermediate affordable housing units, with this target audience in mind. Our analysis shows that there are significant numbers of Haringey residents who are currently renting in and around the West Green ward that fall into this target audience and local demand for this type of intermediate affordable housing is high.

- 10.2 The land at Kerswell Close currently hosts a car park, a grassed communal area and a shop selling oriental produce, as well as a public pathway. The Council will consider how the proposed development affects these existing facilities for residents and different user groups during the planning scrutiny process. This will include the identification of alternative sites and facilities if appropriate.
- 10.3 Residents living adjacent and near to the Kerswell Close site will be proactively consulted and engaged with during the planning application process. The developer will be expected to ensure that any construction work minimises disruption for the local community as part of any future planning conditions.

11. Use of Appendices

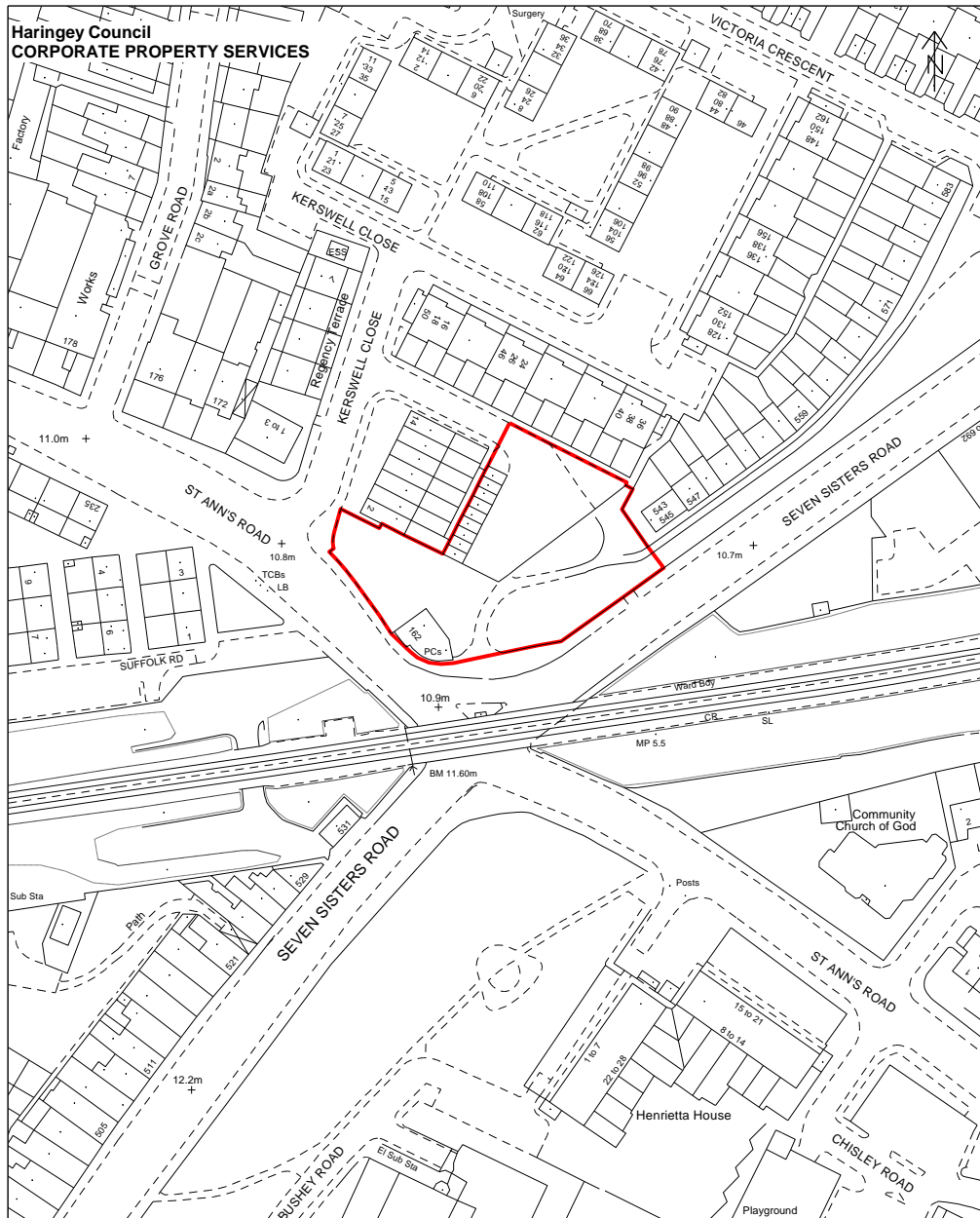
Appendix A – Site Plan

Appendix B – Heads of Terms - [Contains exempt information, as defined under paragraph, 3 Part 1, schedule 12A of the Local Government Act 1972. Information relating to the financial or business affairs of any particular person (including the authority holding that information).]

12. Local Government (Access to Information) Act 1985

9.1 No background papers.

Appendix A- Site Plan



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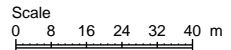
**Land at Kerswell Close
(junction with Seven Sisters Road)
Tottenham
LONDON
N15 5HT**

Red verging - Extent of site

Deed packet no. : Freehold 6193

Title no. : Freehold EGL163230

Site area in hectares : 0.2360 ha



Scale 1:1250

BVES Drawing no. A4 2773

CPM no. Commercial file ref.

Overlay : HSS - misc.

Plan produced by Janice Dabinett on 07/03/2014

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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