

Report for: Cabinet 16 September 2025.

Item number: 15

Title: Acquisition of 32 Council homes at 255 Lordship Lane, London, N17 6AA.

Report authorised by: Taryn Eves, Corporate Director of Finance and Resources.

Lead Officer: Jonathan Kirby, Director of Capital Projects & Property.

Ward(s) affected: West Green.

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

1 Describe the issue under consideration

- 1.1 This report seeks the approval for the acquisition of the site edged red on the plan at Appendix A comprising 32 homes, associated car parking and private amenity located at 255 Lordship Lane, London, N17 6AA (the property). All the accommodation is located within a single block which was constructed in April 2022.

2 Cabinet Member Introduction

- 2.1 The driving mission of this council is to build a fairer and greener borough. London has a housing crisis – and we are seeing more and more local residents unable to afford rents, let alone afford to buy.
- 2.2 To do our part in addressing this situation we – with financial support from both the Mayor of London and the government – are building at least 3,000 new council homes at council rents by 2031. We are creating more genuinely affordable homes for local people.
- 2.3 Numbers are essential, but we're focused as much on quality as quantity. We're building homes that will last, with great insulation standards, great interior and exterior design standards and a strong mix of family and individual homes. We make sure homes are as well-insulated and energy efficient as possible, because we want homes that aren't just affordable to rent but affordable to run.
- 2.4 We are also buying homes where we can and letting them out as Council homes at council rents. When we buy, we make sure that the purchase price works out in the round and that quality meets a minimum standard.
- 2.5 We're buying 32 homes at 255 Lordship Lane to let at council rents. Most of the homes will be family homes – more than 80% are two-beds or more. Every flat on the upper floors has its own private balcony and there's a shared communal garden too.

- 2.6 The building has an EPC (Energy Performance Certificate) A-rating and comes with solar PVs. Better energy standards mean lower bills for tenants.
- 2.7 We are steadily expanding the supply of genuinely affordable housing in our borough – month on month, year on year – to help more and more residents get a home at a fair rent.

3 Recommendations

3.1 It is recommended that Cabinet:

- 3.1.1 Approves the acquisition of the freehold interest in the property for housing purposes, for the purchase price as set out in the Part B (Exempt) report and based on the draft Heads of Terms contained in the Part B (Exempt) report.
- 3.1.2 Approves the total scheme cost for the acquisition as contained in the Part B (Exempt) report.
- 3.1.3 To note grant funding from the Greater London Authority (GLA) will be used to part fund the acquisition alongside funding from the General Fund under an approved allocation for acquisitions through the CHAP programme. The amount of grant funding is contained in the Part B (Exempt) report.
- 3.1.4 To approve that lets are made in accordance with the grant funding conditions and that the Neighbourhood Moves Scheme will thus not apply to these homes.
- 3.1.5 Pursuant to the approval of Recommendation 3.1.1, to approve a leaseback of the two commercial units on terms to be agreed delegated under Recommendation 3.1.5.
- 3.1.6 Grant delegated authority to the Corporate Director of Finance and Resources following consultation with the Head of Legal and Lead Member for Housing to finalise the Heads of Terms, agree the purchase price following receipt of a valuation, agree Heads of Terms for the leaseback of the commercial units, finalise legal documentation and complete the transactions.

4 Reasons for decision

- 4.1 The acquisition will result in the addition of 32 new Council homes thereby assisting the Council to house households in need of good quality housing.
- 4.2 The proposed Council homes are well located to enjoy the amenities of Lordship Lane, Lordship Recreational Ground and Bruce Castle Park.

5 Alternative options considered

5.1 Not to acquire the homes. This option was rejected because it would be a missed opportunity for the Council to:

5.1.1 Secure 32 new Council homes.

5.1.2 Assist in maintaining momentum and progress in the overall aspiration to provide affordable housing in the borough.

6 Background information

6.1 The property was completed in April 2022 following the granting of planning permission (HGY/2017/1097).

6.2 Since completion and until May 2025, 29 flats at the property have been occupied by families placed by the Home Office. The remaining three properties have been unoccupied due to these units being designated as intermediate rent.

6.3 The Home Office has commenced a rationalisation of their asylum hotel use and terminated the contract (for this property) in June 2025. Once aware of this outcome, the Council approached the Building Owner with an offer to purchase the building and discuss interim use for temporary accommodation.

6.4 The Council's Temporary Accommodation Team has agreed with the Building Owner to lease 29 homes until January 2026 to house Haringey households currently in temporary accommodation. Thereafter, the Council intends to complete on the acquisition of the property on the basis the homes are vacated.

6.5 Cabinet approval is being sought for the acquisition of all 32 homes. The acquisition will be on a freehold basis. The acquisition is also subject to a lease back of the two commercial units to the current Building Owner.

6.6 Once acquired, these homes will be let to Haringey households at Social Rent.

6.7 Prior to completion, the Council as Planning Authority and the Building Owner intend to agree a deed of variation to the S106 for an alternative tenure thereby allowing the intermediate rent homes to be let at social rent levels.

6.8 Table 1 below sets out the market and affordable housing tenures and mix agreed at planning. However, the Council proposes to let all homes at Social Rent.

Table 1 current housing tenures and mix

Unit Type	Market	Intermediate Rent	TOTALS
1bed flat	5	0	5
2 bed flat	19	1	20
3 bed flat	5	1	6
4 bed flats	0	1	1
TOTALS	29	3	32

Description of the site and design matters

- 6.9 The site is located on the south side of Lordship Lane opposite the Tower Gardens Conservation Area. A site plan is contained at Appendix A.
- 6.10 The property is arranged over five floors levels – lower ground floor, ground floor, mezzanine, first, second and third floor with the homes located at ground, first, second and third floor levels. All the homes are dual aspect and either have their own private amenity space or access to a shared amenity space. A passenger lift serves the upper levels.
- 6.11 The Council intends to appoint an external firm of Monitoring Surveyors to undertake a building survey and report on the general condition of the property, undertake an assessment of the internal space standards of the residential properties and advise on the technical aspect of the transaction.
- 6.12 The development provides 13 on-site covered car parking spaces and cycle storage facilities. 4 car parking spaces will be made available to the commercial units.
- 6.13 Although the site has a public transport accessibility level of 2 (where 6 is best) the site is served by several bus routes with relatively good public transport connectivity with Bruce Grove rail station, Wood Green and Turnpike Lane underground stations are all within 10 minutes by bus from the property.
- 6.14 Floor plans of the development are contained at Appendix B.

Draft Heads of Terms.

- 6.15 Contained in the Part B (Exempt) report.

Sale contract and analysis of the total scheme cost and purchase price

- 6.16 Contained in the Part B (Exempt) report.
- 6.17 Contained in the Part B (Exempt) report.
- 6.18 Contained in the Part B (Exempt) report.
- 6.19 Contained in the Part B (Exempt) report.
- 6.20 Contained in the Part B (Exempt) report.

Future housing management and estate service charges

- 6.21 Given the Council intends to acquire the freehold it will be necessary for the Council to manage, maintain and insure the property.
- 6.22 It's anticipated the Council will also be required to provide services for the commercial units and a service charge will be applicable for the two commercial units. The amount of service charge is still to be agreed with the Building Owner.

Acquisitions and Disposal Policy

- 6.23 The Acquisitions and Disposal policy is contained in the Asset Management Plan February 2020 which was updated and adopted by Cabinet in February 2021.

The policy sets out key ‘Principles’ and ‘Tests’ that determine alignment with the Borough Plan.

- 6.24 The policy also states that acquisitions will be considered to acquire completed new housing units being developed on private land, former Council and other private housing acquired individually or in groups, which will increase the council’s stock of homes. The Council will aim to acquire via negotiation in the first instance having carried out a RICS valuation, and having assessed the business case for acquisition, including affordability.
- 6.25 A Red Book Valuation (RBV) has been commissioned for the purpose of supporting the eventual Cabinet decision. The terms of reference for the RBV are governed by the RICS.
- 6.26 This proposed acquisition has followed the Council’s internal governance process seeking noting and recommendation from the New Homes Board and Housing Board.
- 6.27 The basis for this acquisition will be assessed and shall meet key criteria as set out in the council’s Disposal and Acquisitions Policy. This is summarised in the table below:

Assessment Criteria:	Test
Business Case	Approved by Finance Department.
Deliverability	Delivery by third party developer as part of Development Agreement.
Valuations/ Development appraisal supports	Red Book Valuation for Open Market Value
Affordability	Demonstrated within the Business Case.
Legal assessment	Approval of Heads of Terms leading to documentation of transaction.
Alternative options considered	Only alternative is not acquiring the homes.
Risk assessment	Council to ensure quality of workmanship and specification standards by appointing Project Monitoring Surveyor to ensure compliance with agreed specification.
Political	Transaction has been presented to The Leader and the Lead Cabinet Member.

7 Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes

- 7.1 This acquisition, as part of the Council’s broader Housing Delivery Programme will play a role in achieving the outcomes under the CDP theme: ‘Homes for the Future’. In particular, the targeted outcomes to achieve ‘an increase in the number and variety of high-quality and sustainable homes in the borough’.
- 7.2 The provision of these 32 homes, for letting at social rents, helps to support the council’s Corporate Delivery Plan which sets out that a reduction in temporary accommodation is a key outcome within its vision to create a borough where

everyone has a safe, sustainable, stable and affordable home (CDP p34, Homes for the Future)

- 7.3 The acquisition will support housing growth.

8 Carbon and Climate Change

- 8.1 The property is fully compliant with The London Borough of Haringey's Sustainable Design & Construction Supplementary Planning Document and Policy SP4: Working Towards a Low Carbon Haringey of London Borough of Haringey's Local Plan, which were the policies in place at the time of the planning approval being granted. The EPC rating for the homes is A, which reduces the running costs for the tenants moving into these homes contributing to the Council's net zero ambitions by improving the energy efficiency and sustainability of its stock.

9 Statutory Officers comments

Finance

- 9.1 Finance notes the recommendations above and confirms that the total cost of the acquisition is provided for and can be contained within the Housing Revenue Account (HRA).
- 9.2 Further finance comments are provided in the Exempt part of this report.

Procurement

- 9.3 Strategic Procurement note the contents of this report and confirm there are no procurement related matters preventing Cabinet approving the recommendations stated in paragraph 3 above.

Director of Legal & Governance

- 9.4 The Director of Legal & Governance has been consulted in preparation of this report. The acquisition of property valued at £500,000 or above is a key decision. The Council has the power under section 120 of the Local Government Act 1972 for the purposes of any of its functions under that Act or any other enactment, or the benefit, improvement or development of their area, to acquire by agreement any land, whether situated inside or outside its area.
- 9.5 The 32 homes (being part of the property) will be acquired for housing purposes and therefore will be held in the Housing Revenue Account. Under s17 of the Housing Act 1985 the Council as a local housing authority may for housing purposes acquire land as a site for the erection of houses, or acquire houses, or buildings which may be made suitable as houses, together with any land occupied with the houses or buildings. The Council will be acquiring the freehold interest of the property comprising 32 homes already constructed together with associated car parking and private amenity.
- 9.6 It is noted in paragraph 6.4 that the property is currently occupied by the Haringey households currently in temporary accommodation, upon which vacant possession is required on completion of the acquisition. The sale and purchase

contract must provide for the Council to inspect the property on the day of completion to confirm the property is vacant prior to confirming completion.

- 9.7 Paragraph 6.6 states the Council will seek to let the units at Social Rent. The acquisition of the property will therefore be on the basis of a conditional exchange of contracts, where the contract only becomes binding once certain conditions are met. One of those conditions will be a deed of variation to the Section 106 agreement being completed to allow the Council to let all 32 units at Social Rent on completion of the acquisition. Other necessary conditions to exchange of contracts as per the Heads of Terms, and further detail to be agreed between the parties and delegated under Recommendation 3.1.5.
- 9.8 Cabinet is being asked to approve the budget for this acquisition which must be within the budgetary framework as approved by full Council.
- 9.9 The main terms of the Council's proposed acquisition of the Property are set out in Part B of this report. This information is exempt as the information relates to the financial or business affairs of a particular person (including the authority holding that information) under Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Equality

- 9.10 The Council has a Public Sector Equality Duty (PSED) under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act.
 - Advance equality of opportunity between people who share protected characteristics and people who do not.
 - Foster good relations between people who share those characteristics and people who do not.
- 9.11 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation.
- 9.12 Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.
- 9.13 The decision in question is regarding the acquisition of 32 council homes to provide decent, safe and well-built accommodation.
- 9.14 The scheme will increase the supply of council rented homes having a positive impact on individuals in housing need as well as those who are vulnerable to homelessness. Data held by the council suggests that women, young people, and people from ethnic minority backgrounds are over-represented among those living in temporary accommodation. Furthermore, individuals with these protected characteristics, as well as those who identify as LGBTQ+ and disabled people are known to be vulnerable to homelessness.
- 9.15 The scheme is therefore likely to have a positive impact on equality by providing good quality rented accommodation for Haringey residents with a range of

protected characteristics, including the locally adopted socio-economic characteristic.

Appendices:

Appendix A - Site location plan.

Appendix B - Floor plans of the affordable housing.

Appendix C – Exempt