

Report for: Cabinet - 16 September 2025.

Item number: 16

Title: Acquisition of 76 Council homes at 313 The Roundway, London, N17 7AB.

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

Lead Officer: Jonathan Kirby, Director of Capital Projects and Delivery.

Ward(s) affected: Bruce Castle.

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

1 Describe the issue under consideration.

- 1.1 This report seeks approval for the acquisition of 76 Council homes which are to be delivered as part of the redevelopment of 313 The Roundway and 8-12 Church Lane, London N17 7AB. The redevelopment of this near completed scheme is being undertaken by IPE Roundway Limited (the Developer) and will create 63 market homes and 13 affordable homes along with 2 commercial units.

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 renting them out as Council homes at council rents. The homes that we buy have to meet a minimum standard for quality and the purchase price has to stack up for us.
- 2.5 The 76 homes we're buying at 313 The Roundway will be both genuinely affordable and great quality.

- 2.6 Every flat on the upper floors has its own private balcony and all residents will have access to a shared roof garden. There is play equipment designed for children of different ages.
- 2.7 The building has good energy standards too. Every home has its own air source heat pump and there are solar PVs on the rooftop. There's a mix of homes for individual need and families. Almost 40% of the homes are two-bed or more.
- 2.8 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 Cabinet is recommended to:

- 3.1.1 Approve the acquisition for housing purposes, of 76 residential units at 313 The Roundway and 8-12 Church Lane, London, N17 7AB 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 Note the allocation of the purchase price between CWPH Limited (the Investor) and the Developer. The respective allocations are contained in the Part B (Exempt) report.
- 3.1.3 Approve the payment to Jones Lang LaSalle (JLL) as contained in the Part B (Exempt) report.
- 3.1.4 Approve the total scheme cost for the acquisition as contained in the Part B (Exempt) report.
- 3.1.5 To note that grant funding from the Greater London Authority (GLA) will be used to part fund the acquisition. In the event GLA funding is not available, Cabinet approval is sought for the use of right to buy (RTB) receipts. The amount of grant funding is contained in the Exempt Part B (Exempt) report.
- 3.1.6 Pursuant to Recommendation 3.1.5, where RTB funding is used, to approve the grant of leases of these homes for a term not exceeding 7 years to the Haringey Community Benefit Society (HCBS) who, in turn, will let these homes at Local Housing Allowance (LHA).
- 3.1.7 Where Grant Funding is obtained, to approve the lets are made in accordance with the conditions of that funding and that the Neighbourhood Moves Scheme will thus not apply to these homes.
- 3.1.8 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 3.1.8.
- 3.1.9 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 of these properties will result in 76 additional 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, Bruce Castle and Lordship Recreation Ground.
- 4.3 All the homes will be completed to a market specification.

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 76 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 Investor and Developer have exchanged contracts for the sale of the 63 market homes at the development. In July 2025, the Council entered discussions with the Investor concerning the Council acquiring these homes.
- 6.2 Via discussions with JLL, the Council has been advised the Developer wishes to sell the 13 designated affordable homes. Combined together, the Council would acquire all of the homes at the development and would control and manage the development.
- 6.3 A planning application for the development (HGY/2022/0967) was approved in September 2023 and works on site commenced shortly thereafter.
- 6.4 The development is substantially complete, and the Council has been advised completion of the construction works is likely to occur in October 2025.
- 6.5 Given the above, Cabinet approval is being sought for the acquisition of all 76 homes. The acquisition will be on a freehold or a long leasehold basis, subject to the final terms of the agreement. This is also subject to a lease back of the two commercial units to the Developer.
- 6.6 Once acquired, these homes will be let to Haringey households at Social Rent. As part of the technical due diligence the Council will ascertain what amendments are necessary to the S106 to permit letting at Social Rent. Any necessary amendments will be secured by the applicant prior to the Council acquiring the legal interest of the development.
- 6.7 Table 1 below sets out the market and affordable housing tenures and mix approved by the Council (as LPA). Eight of the homes are M4(3) and the

remaining homes will achieve the accessible and adaptable homes requirements of M4(2).

- 6.8 The intention is to let all 76 homes at Social Rent to Haringey households.

Table 1 current market and affordable housing tenures and mix

Unit Type	Market	Affordable Rent	Shared ownership	Total
1bed flat	40	3	2	45
1 bed M4(3)	1		-	1
2 bed flat	14	1	1	16
2 bed flat M4(3)	5		-	5
3 bed flat	3	2	2	7
3 bed flat M4(3)	0	2	-	2
TOTALS	63	8	5	76

Description of the site and design matters.

- 6.9 The site occupies a prominent corner at the junction of Lordship Lane and the Roundway. To the north of the site is a petrol filling station and the south of the site is a vehicle garage and electrical substation. The site is partially located within the Bruce Castle Conservation Area (BCCA) and to the east of the site can be found Bruce Castle Museum and Tower.
- 6.10 The development was presented to the Council's QRP on two separate occasions. The Panel supported the "*scale and massing, the brick materiality and the careful thought given to the landscape design*" and the Council (As LPA) found the points raised by the QRP were addressed to an appropriate extent.
- 6.11 The development is considered to have a high-quality layout and residential standard with all the homes meeting the internal space and amenity space standards requirements (as at the time of the planning application) of the London Plan.
- 6.12 Multi-generational play provision totalling 294sqm will be provided within two roof garden areas.
- 6.13 The site has a public transport accessibility level of 3 to 5 (where 6 is best) and will be car-free although four wheelchair-accessible parking spaces will be provided on-street.
- 6.14 A transport assessment was submitted by the applicant which demonstrated the parking demand from the development can be accommodated within the local streets without exceeding the 85% occupancy threshold.
- 6.15 The development is fitted with photovoltaic panels (PVs) and each home has its own air source heat pump. The predicted reduction in carbon dioxide (as at the time of the planning application) was a 60% reduction against 2013 Building Regulations baseline model.

- 6.16 The Council is seeking a two-year making good defects period which will immediately follow handover as well as the provision of new build warranties at legal completion.
- 6.17 Floor plans of the development are contained at Appendix B.

Draft Heads of Terms.

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

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

- 6.19 Cabinet approval is sought to grant delegated authority to the Corporate Director of Finance Resources (following consultation with the Head of Legal and Lead Member for Housing) to finalise the heads and terms and approve the structure and conditionality of the legal documentation.
- 6.20 Contained in the Part B (Exempt) report.
- 6.21 Contained in the Part B (Exempt) report.
- 6.22 Contained in the Part B (Exempt) report.
- 6.23 Contained in the Part B (Exempt) report.
- 6.24 Contained in the Part B (Exempt) report.
- 6.25 An external firm of Monitoring Surveyors will be appointed by the Council to report on the workmanship and specifications standards, to snag the units prior to handover and certify the practical completion of the works (to allow handover to occur) as well as managing the making good of defects.

Future housing management and estate service charges

- 6.26 Given the Council intends to acquire the freehold it will be necessary for the Council to manage, maintain and insure the property.
- 6.27 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 Investor.

Acquisitions and Disposal Policy

- 6.28 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.
- 6.29 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.

- 6.30 A Red Book Valuation (RBV) has been commissioned for the purpose of supporting the acquisition price. The terms of reference for the RBV are governed by the RICS.
- 6.31 This proposed acquisition has followed the Council's internal governance process by seeking noting and recommendation from the New Homes Board and Housing Board.
- 6.32 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.

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

- 6.33 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'.
- 6.34 The provision of these 76 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)
- 6.35 The acquisition will support housing growth.

Carbon and Climate Change.

- 6.36 The development is fitted with photovoltaic panels (PVs) and each home has its own air source heat pump. The predicted reduction in carbon dioxide (as at the

time of the planning application) was a 60% reduction against 2013 Building Regulations baseline model. As well as reducing the running costs for the tenants moving into these homes, the improvements will contribute to the council's net zero ambitions by improving the energy efficiency and sustainability of its stock.

8 Statutory Officers comments.

Finance

- 8.1 Finance notes the recommendations above and confirms that the total cost of this acquisition is provided for and can be contained within the Housing Revenue Account (HRA).
- 8.2 Finance further confirms that there is enough in the Right-To-Buy reserve to support the level of funding required for this acquisition, should the GLA bid fail.
- 8.3 Further Finance comments are provided in the Exempt part of this report.

Procurement

- 8.4 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

- 8.5 The Director of Legal & Governance has been consulted in the preparation of this report.
- 8.6 The Council has the power under Section 120(1) 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.
- 8.7 The 76 homes will be acquired for housing purposes and will therefore be held within the Council's Housing Revenue Account. Under Section 17 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.
- 8.8 Paragraph 6.6 confirms that the Council intends to let the units at Social Rent. Accordingly, the acquisition of the 76 units will therefore proceed on the basis of a conditional exchange of contracts, whereby the contract becomes binding only upon satisfaction of specified conditions. One of the key conditions will be the completion of a deed of variation to the Section 106 agreement, enabling the

Council to let all 76 units at Social Rent on completion of the acquisition. Additional conditions to the exchange of contracts will be as set out in the agreed Heads of Terms, with further details to be negotiated between the parties. Authority to finalise these terms is delegated under Recommendation 3.1.6.

- 8.9 Recommendation 3.1.5 asks Cabinet to approve the use of Right to Buy (RTB) receipts in the event Greater London Authority (GLA) funding is not available to part fund the acquisition at Recommendation 3.1.1. The Secretary of State for Housing, Communities and Local Government confirmed in July 2024 that local authorities can use up to 100% of their retained receipts to fund replacement affordable housing for the financial year 2025-2026. Guidance published in July 2025 states it is for the local authorities to decide the percentage of retained RTB receipts they will use to fund purchases rather than new build, however local authorities are expected to "achieve the right balance between acquisitions and new builds".
- 8.10 The General Housing Consent permits the Council to grant up to 5 leases of its housing land for a term of up to seven years to bodies in which it has an interest; the description which includes the HCBS by virtue of the Council's ownership of a share in it. Each such lease can include a portfolio – a batch - of properties.
- 8.11 Cabinet is being asked to approve the budget for this acquisition which must be within the budgetary framework as approved by full Council.
- 8.12 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.

- 8.11 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.
- 8.11 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.

- 8.11 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.
- 8.12 The decision in question is regarding the acquisition of 76 council homes to provide decent, safe and well-built accommodation.
- 8.13 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.
- 8.14 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