Report for: Cabinet Member Decision. Cabinet Member for Housing – 7 August 2026

Item number: 6

Title: Acquisition of Council homes at 76 Mayes Road, Wood Green, N22 6SY.

Report authorised by: Jonathan Kirby, Director of Capital Projects & Property.

Lead Officers: Jon Southern, Consultant to the Housing Delivery Team and John Carroll Consultant to the Property Team.

Ward(s) affected: Noel Park.

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

1 Describe the issue under consideration.

1.1 This report seeks the reapproval for the acquisition of 21 newly constructed Council homes which form part of the redevelopment of the Former Petrol Filling Station, 76 Mayes Road, Wood Green N22 6SY. The redevelopment of the site was completed by Weston Homes (the Developer) creating 83 homes and 6 commercial units.

1.2 The acquisition of these homes was approved by the then Cabinet Member, Housing and Planning on 5th May 2026. Since that approval, there has been a material changes to the funding structure and financial performance of the acquisition. As a result, this transaction is being referred to the Cabinet Member for Housing for a revised approval and to enable completion of the transaction.

2. Cabinet Member Introduction.

2.1 Not Applicable.

3. Recommendations.

3.1 The Cabinet Member for Housing is asked to:

3.1.1 Agree and enter into the Agreement for Sale with Weston Homes PLC as outlined in the Part B (Exempt) Report at appendix 2.

3.1.2 Agree and enter into 21 separate leases granted from Weston Homes PLC and Caxton Square Management Company Limited to the Council as outlined in the Part B (Exempt) Report at appendix 2.

3.1.3 Approve the use of funding from the Greater London Authority's (GLA) Council Housing Acquisition Programme 2021 to 2026 allocation (CHAP) to part-fund the acquisition. The total amount of GLA CHAP grant funding is stated at para 3.1.1 in the Part B (Exempt) report.

3.1.4 Approve the revised Total Scheme Cost (TSC) for the acquisition as set out in para 3.1.2 in the Part B (Exempt) report.

3.1.5 To note the use of Right to Buy receipts or funding from the Council's General Fund will not be used to part-fund the acquisition.

3.1.6 To note the Council Housing Revenue Account (HRA) will use borrowings to part-fund the acquisition. The total amount of borrowings is stated at para 9.1 in the Part B (Exempt) report.

3.1.7 Approve proceeding with the acquisition on the basis of the revised funding structure set out in the Part B (Exempt) report having regard to the wider corporate benefits expected to be delivered by the acquisition.

3.1.8 Approve the expenditure for additional specification item as set out in para 3.4 in the Part B (Exempt) report.

3.1.9 To note delegated authority to the Corporate Director of Finance and Resources is not required as the Cabinet Member for Housing is recommended to agree and enter the transaction documents as set out in paras 3.1.1 and 3.1.2 above.

3.1.10 To note the acquired homes will be let at Social Rent levels.

4. Reasons for decision.

4.1 The acquisition of these properties will result in 21 additional new Council homes thereby helping the Council make good on its pledge to build 3,000 Council homes by 2031. The Council's "*A New Housing Strategy for Haringey 2024-29* states at paragraph 1.1 under Strategic Objective 1:

> *Haringey's ten-year housing target is 15,920 new homes as set out in the London Plan. We will deliver at least 3,000 of those homes ourselves as Council homes*"

4.2 13,000 households are currently on the Council's housing register and these homes will provide tenure secure, well-constructed affordable housing to Haringey households in housing need.

4.3 The acquisition aligns with the Council's established acquisitions programme, increases the supply of modern sustainable homes, reduces reliance on temporary accommodation and delivers General Fund cost savings. *These savings have not been factored into the financial performance projections presented in the Part B (exempt) report*.

4.4 The proposed Council homes are well located to enjoy the amenities of the High Street in Wood Green.

4.5 The homes are completed to a private market specification which is to a higher standard than the Council's specification for affordable homes.

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 Support the Council's commitment to deliver 3,000 Council homes by 2031.

5.1.2 If the Council doesn't acquire new homes, it is likely to face a significant shortfall in meeting the Borough's growing housing needs and will be unable to deliver a key element of its medium-term financial strategy (MTFS).

6. Background information

6.1 On 5th May 2026 the Cabinet Member, Housing and Planning approved the acquisition of these 21 homes and granted delegated approval to the Corporate Director of Finance and Resources (following consultation with the Director of Legals and Governance (Monitoring Officer)) to finalise all legal documentation and complete the transaction.

6.2 Post Cabinet Member approval, the Council sought Counsel advice (received in June 2026) concerning the Council's proposed funding structure for the acquisition.

6.3 Based on the legal advice, the Council has amended the funding structure for the acquisition. As a result, there has been a material change to the recommendations and financial performance previously approved by the then Cabinet Member in May 2026.

6.4 As set out in paras 6.1 in the Part B (Exempt) report.

6.5 The acquisition of these homes follows the acquisition by the Council (July 2025) of the 29 designated affordable homes at the development.

6.6 Re-engagement with the Developer commenced in February 2026 relating to the Council acquiring an additional 21 homes which are designated as market homes for private sale.

6.7 The Council is proposing to acquire the following homes:

- 14 x 1B/2P
- 7 x 2B/4P

6.8 The Council's intention is to let the 21 homes at Social Rents to Haringey households. The Council (as Planning Authority) has confirmed a deed of variation of the S106 is not required to allow these homes to be let a Social Rents.

6.9 The homes are now complete. Legal completion for the acquisition of the homes will be subject to the satisfaction of the Council's external Monitoring Surveyor.

6.10 Once acquired, the homes will be let at Social Rents (on a permanent basis to households currently owed a full homelessness accommodation duty) thereby helping to reduce the number and cost of providing temporary accommodation. Where possible, and in accordance with the Council's Allocation Policy, households occupying the most expensive forms of TA will be targeted.

6.11 All the homes are located within a single block. Given this arrangement, a Management Company will manage, maintain and insure the block. The cost of these services will be recovered from leaseholders via a service charge.

6.12 Under the definition of the Building Safety Act 2022, the block is higher-risk building, being nine storeys in height. The block is served by two stair cores which connect on each floor level (expect at floor 2, 3 and 4). The block has an External Wall System (EWS) rating of A1 meaning there is no remediation works required to the external building envelope. This rating confirms there are no attachments to the external walls whose construction includes significant quantities of combustible material.

6.13 The Developer will be the Principal Accountable Person for the block. The Council's Building Safety Team has confirmed the building has been registered with the Building Safety Regulator and has reviewed the Mandatory Occurrence Reporting Procedure (and found it to be satisfactory). The Council Building Safety Team has advised the building is 'showing low risk' within the Fire Risk Assessment.

Deal structure and analysis of the development budget

6.14 A legal summary of the contract documentation (Agreement for Sale and Leases) is contained at appendix 2 to the Part B (Exempt) report.

6.15 As set out in paras 6.2 and 6.3 in the Part B (Exempt) report.

6.16 The Council will be granted a 999-years lease from 1st January 2023 and not at the grant of lease. Rent is one peppercorn (if demanded).

6.17 The Developer has in place the following indemnity insurance polices for the benefit of the Council as lessee of each of the 999year leases:

- Chancel insurance – the site lies within a parish church which may require residents living within the parish to contribute to repairs to the parish church.
- Right to Light insurance.
- Restrictive covenants, rights and easement insurance.

6.18 As set out in para 6.4 in the Part B (Exempt) report.

6.19 Whilst the intention is to exchange and complete simultaneously the Council is not obliged to do so and the contract has been structured to allow for exchange and completion to occur separately.

6.20 Completion is conditional on the Council's Monitoring Surveyor confirming the works are in accordance with the specification and the handover documents (as contained in the Agreement for Sale) have been provided and are acceptable.

6.21 Completion is also conditional on the Council being granted a lease.

6.22 Legal advice has been received on the Council's Stamp Duty and Land Tax (SDLT) liability. The acquisition meets the criteria to rely on the 'Register Provider' exemption for the purposes of SDLT. The Council is a registered provider of social housing, the properties are to be used for the purposes of social housing and the purchase is being part funded by grant funding.

Development Budget

6.23 As set out in paras 6.5 to 6.6 in the Part B (Exempt) report.

Estate service charges

6.24 As set out in paras 6.7 to 6.9 in the Part B (Exempt) report.

Acquisitions and Disposal Policy

6.25 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. This transaction aligns with the Corporate Delivery Plan’s Housing Priority.

6.26 The policy also states that acquisitions will be considered in order to acquire completed new housing units being developed on private land, former Council land and other private housing acquired individually or in groups, which will increase the Council’s stock of homes. The price agreed for this transaction has had a Red Book valuation confirming the open market value and supports this transaction.

6.27 The basis for this acquisition has been assessed against key criteria as set out in the Council’s Disposal and Acquisition’s Policy and as outlined below.

Table 2. Criteria contained in the Council’s Disposal and acquisitions policy

Assessment Criteria:	Test	Outcome
Asset Management Plan	Corporate Delivery Plan priority for delivery of affordable housing for rent.	√
Business Case	Approved by Finance Department.	√
Deliverability	The scheme is built. The Council has ensured that the build quality conforms with affordable home standards.	√
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 which would lead to failure to achieve Housing Targets.	√
Risk assessment	Risk to Council covered by receipt of collateral warranties.	√

Political	Transaction has been presented to The Leader and the Lead Cabinet Member.	√

6.28 As set out in para 6.10 in the Part B (Exempt) report.

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 homes 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).

8 Carbon and climate change

8.1 The Council as Planning Authority considered the approved scheme acceptable in energy, carbon reduction, overheating and sustainability terms.

8.2 The development is expected to deliver improvements beyond Building Regulations (relevant at the time of planning approval) through improved energy efficiency standards in the residential element.

8.3 The S73 application predicted a reduction of CO2 emissions from the Baseline development (Part L 2013 compliant) showing an improvement of approximately 87% in residential carbon emissions.

8.4 The potential to connect to a District Energy Network (DEN) has been secured via a S106 obligation and PVs have been installed.

9 Statutory Officers comments.

Finance

9.1 Finance acknowledges the recommendations above and confirms that the scheme is included in the Housing Revenue Account (HRA) capital programme and the full cost will be managed within the HRA Capital Programme.

9.2 Further financial information is available in the Exempt report attached.

Procurement

9.3 Strategic Procurement notes the contents of this report.

9.4 Under the Procurement Act 2023 the acquisition of land, building or any other complete work is exempt from competitive procurement procedure.

9.5 The acquisition of these homes will therefore be exempt from a competitive tender process and as such there are no procurement related matters preventing approval of this report.

Legal

9.6 On the 5 May 2026, the Cabinet Member approved the acquisition of the long lease interest in 21 Council homes and delegated authority to the Corporate Director of Finance and Resources (following consultation with the Director of Legal and Governance (Monitoring Officer) to finalise all legal documentation and complete the transaction.

9.7 Following that decision, further legal advice was obtained regarding the proposed funding arrangements for the acquisition, and as a result, the funding structure has been revised. Recommendations 3.1.5 and 3.1.6 of this report asks the Cabinet Member to note the changes to the funding structure for the acquisition, and Recommendation 3.1.7 seeks approval to proceed on the basis of the revised funding structure and financial business case. The updated funding position is set out in the Part B (Exempt) report and represent a material change to the financial business case approved by the Cabinet Member on 5 May 2026.

9.8 In light of those changes, it is appropriate that the matter is referred back to the Cabinet Member for Housing to approve the acquisition based on the revised business case set out in this report and the accompanying Part B (Exempt) report.

9.8 The delegation at Recommendation 3.15 of the Cabinet Members' report of the 5th May 2026 is no longer required as authority is sought from the Cabinet Member for Housing in Recommendations 3.1.1 and 3.1.2 of this report

9.9 There are additional legal comments in the Part B (Exempt) report.

9.10 There are no legal reasons preventing the recommendations within this report from being approved.

Equality

9.11 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.

9.12 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.

9.13 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.

9.14 The decision in question is regarding the acquisition of homes to provide decent, safe and well-built accommodation.

9.15 The acquisition 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.

9.16 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 1 - Site location plan.

Appendix 2 – Legal summary report (including report on title and summary of the contract documentation) prepared by Anthony Collins Solicitors as contained in Part B (Exempt) report.

Appendix 1 – site location Plan