

Report for:	Cabinet - 20 th December 2011	Item number
Title:	Disposal of Council Property –63 Lawrence Road N15 and adjoining Land	
Report authorised by :	Lyn Garner - Director of Place a Signed: Date: 12.12.11	and Sustainability
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Ward(s) affected: Tottenham Green	Report for: Ke	ey Decision

1. Describe the issue under consideration

1.1 Disposal of the Council's freehold interest in 63 Lawrence Road (Site A), the car park and yard (Sites C & D) and the adjoining land to the rear (Site B) for the best consideration that can reasonably be obtained in pursuance of the Council's regeneration objectives as outlined in the Planning Brief adopted in 2007.

2. Cabinet Member Introduction

2.1 The proposed disposal will assist with the Council's objectives for the regeneration of Lawrence Road and generate capital receipts to support the capital programme



3. Recommendations

- 3.1 Agree to divest 63 Lawrence Road from the Commercial portfolio and declare it along with the apportioned area of the car park and yard and the adjoining land to the rear as surplus to requirements.
- 3.2 Authorise the Head of Corporate Property Services in consultation with the relevant officers and Members to dispose of the Council's freehold interest in 63 Lawrence Road (Site A), the car park and yard (Sites C & D) and the adjoining land to the rear (Site B) for the best consideration that can reasonably be obtained ensuring that the development of the site contributes to the aims of the planning brief and recent planning statement (October 7th 2011) and helps secure the overall regeneration of the Lawrence Road area.
- 3.3 The site to be offered in the first instance to Newlon Housing Trust as they are at an advanced stage of negotiation with the private landowners of 45, 47 & 49 Lawrence Road.
- 3.4 In the event that terms cannot be agreed with Newlon Housing Trust, the Council to consider other disposal options with the adjoining private landowners in pursuance of its regeneration objectives for the wider Lawrence Road area.

4. Other options considered

- 4.1 Retention of 63 Lawrence Road within the Council's commercial portfolio However, in view of the Council's regeneration aspirations and the increase in crime in the area, this is an opportunity to include the Council's land which is key to unlocking the development potential of the estate to secure the desired regeneration outcome of a deprived area.
- 4.2 Sale of Site 'B' to Nos. 25-31 Bedford Road as additional garden land. However, this would not demonstrate optimal use of the site's potential, which has a far greater development value if included in the overall redevelopment of the estate as part of the regeneration of Lawrence Road.

5. Background information

- 5.1 The Council owns the freehold interest in the four parcels of land Sites A, B, C & D shown on the attached plan (appendix 1). However, Site 'A' is subject to a long lease for 80 years with circa 43 years left unexpired.
- 5.2 Lawrence Road has been identified in Haringey's Unitary Development Plan as an area suitable for mixed-use development; employment and residential which is a major change from past plans in which the area was identified for employment use only.



- 5.3 Historically, the Council owned the freehold industrial estate comprising Nos. 45, 47, 49, 63 and 67 Lawrence Road together with the car park & yard but over the years has sold off its freehold interest in all but 63 (together with part of the car park and an apportioned area of yard albeit subject to rights of way) to the incumbent tenants. No. 67 is currently on the market for sale for redevelopment.
- Take up of the industrial buildings on Lawrence Road has been in decline since the late 1980's when the UK clothing industry begun to move to Eastern Europe and China to take advantage of cheap labour costs. Ultimately, the local market could not compete and has been in decline ever since. In 2005, 34% of the buildings were vacant, with vacancy rates continuing to rise as leases expired.
- 5.5 With the predominant employment uses being industrial and the resultant business closures, the street has become quieter during the day with little or no evening activity or residential population, and consequently little natural surveillance at night. As a result, there have been reports of burglary, vandalism, street robbery and other anti-social behaviour (particularly at night). Thus, there has been an increase in crime and fear of crime on the road, due to a lack of evening use, and security and safety measures.
- 5.6 63 Lawrence Road is an industrial unit forming part of the Council's commercial portfolio owned freehold by the Council but subject to a long lease with circa 43 years left unexpired. The property suffered severe fire damage in August 2011.
- 5.7 The owners of 45 & 47-49 Lawrence Road have approached the Council with a view to agreeing to a land assembly incorporating the Council's land within redevelopment proposals of their site.
- 5.8 Negotiations were at an advanced stage with Origin Housing Association which led to a pre-application meeting with the Council's Planning Service in July 2009 for a mixed-use development comprising a residential development providing 50% affordable housing (by habitable room) of which 30% would be for intermediate housing and some commercial use which was considered acceptable. However, these negotiations have now ceased with terms now being discussed with Newlon Housing Trust who are in talks with the leaseholder of 63 Lawrence Road to acquire the leasehold interest and have approached the Council to acquire its freehold interest to subject to planning.
- 5.9 Regardless of with whom negotiations are had, Site 'A' (owned freehold by the Council but subject to a leasehold interest with circa 43 years unexpired is key to unlocking the comprehensive development potential of a large part of the



site if not the whole site. The value of the Council's interest would therefore reflect its redevelopment potential.

- 5.10 Exempt.
- 5.11 There are no strategic operational reasons for the retention of this property in its current use, as occupancy of industrial premises on Lawrence Road has been in decline for some time now (34% vacant as at 2005 with vacancy rates continuing to rise as leases expire) prompting Lawrence Road being identified in Haringey's Unitary Development Plan as an area suitable for mixed-use development; employment and residential and the adoption of a Planning Brief Supplementary Planning Document in 2007.
- There are some outstanding land ownership issues between the Council and the other private landowners on the site that need to be resolved but a decision to dispose can be made subject to resolution of these issues.

Land rear of 63 Lawrence Road N15 - Site 'B'

- 5.13 The Council owns the freehold on the land rear of 63 Lawrence Road measuring approximately 0.10378 acres (420 m²). The site is a rectangular, landlocked and overgrown piece of land that runs between the back of 63 Lawrence Road and the rear properties of 25-31 Bedford Road containing protected Sycamore trees. The preservation of this overgrown section of land will need to be sensitively considered and addressed within any future proposals by the Council in disposing of its interest in the land.
- 5.14 The site has no development potential on its own other than as additional amenity land for the benefit of the Nos. 25-31 Bedford Road with limited development potential even when included in the wider redevelopment proposals of 63 Lawrence Road and adjoining privately owned sites (45, 47 & 49 Lawrence Road) due to the protected trees the removal of which would be fraught with difficulty. It is therefore likely that the site will be included as private amenity space to facilitate a comprehensive development of the wider area.
- 5.15 Exempt.

Car Park and Yard - Sites C & D

5.16 As part of the sale of units 45, 47-49 and 67 to negate the Council being responsible for the maintenance and upkeep of the common parts (car park and yard), the Council included in each title part of the car park as dedicated parking spaces and part of the yard subject to rights of way being granted and reserved for the benefit of the other units.



- 5.17 Sites C & D are the car park spaces and share of the yard (subject to rights of way) reserved for inclusion in the eventual sale of 63 Lawrence Road.
- 5.18 Both sites are of de minimis value as site 'C' is subject to rights of way for the benefit of the other privately owned units and site 'D' is too small to accommodate any development but would enhance the overall development value of the Council's combined land ownership by increasing its overall percentage of developable.
- 6. Comments of the Chief Financial Officer and Financial Implications
- 6.1 Exempt.
- 6.2 A sale of 63 Lawrence Road will however, result in a loss of a revenue income of circa £7,700 per annum to the commercial portfolio.
- 6.3 The Chief Financial Officer comments that the disposal is part of the Council's regeneration plans for the area and is considered to be key in unlocking the development potential of the estate of which the property forms part and any sale being subject to planning approval.
- 6.4 Exempt.
- 7. Comments of the Head of Legal Services and Legal Implications
- 7.1 Subject to the resolution of the issues referred to in paragraph 5.12 of the Report the Council has the power to dispose of the freehold reversionary interest in 63 Lawrence Road (Site A), the land adjacent to the rear (Site B), the car park and yard(Site C and D) under section 123 of the Local Government Act 1972 provided that the disposal is for best consideration.
- 7.2 Any disposal including Site C and D would be subject to agreement by the owners of 45, 47/49 and 67 Lawrence Road as it may be beneficial for the rights (agreed in a Parking Deed but not yet executed by all parties) referred in the paragraph 5.16 of the Report to be varied or disregarded to facilitate any development of this area.
- 7.3 Regard should be given in any sale contract for the benefit and burden of the Parking Deed referred to in paragraph 7.2 to be assigned to any buyer if the parties proceed to execute the agreement.
- 8. Comments of the Deputy Director of Community Housing
- 8.1 The Community Housing Service supports the disposal of the Council's freehold interest in this site to enable the wider regeneration of Lawrence Road. The Service would seek to maximise the level of affordable housing provision in line with current policy and in recognition of the importance of the site in relation to the regeneration of Tottenham. The Council land should be



offered for sale to a Registered Provider subject to the purchaser demonstrating that it has acquired the remaining (legal) interest of the site 45-49 Lawrence Road N15 prior to exchange of contracts.

- 9. Comments of the Assistant Director for Planning, Regeneration and Economy
- 9.1 The Lawrence Road Supplementary Planning Document adopted in October of 2007 identifies the area as being suitable for mixed-use development for both residential and employment uses in order to maximise potential of the site and make more efficient use of previously developed land.
- 9.2 Support will be provided for development proposals on Lawrence Road that positively contribute to it becoming a vital and high quality mixed use neighbourhood with more homes, some more public open space and some new community facilities. More sustainable homes, some more public open space and some new community facilities. More sustainable employment floorspace will be required and supported, (whilst accepting there could be an overall loss of employment floorspace). Some new retail will be supported nut only on West Green Road to compliment and strengthen and this local centre.
- 9.3 Please refer to Appendix 2 for a copy of the Planning Statement provided by the Assistant Director of Planning on the 7th October. The planning statement sets out the vision for the whole of Lawrence and addresses those planning elements for consideration to any future development scheme within the planning brief area. A map is included to identify Council ownership within the planning brief site boundary and also the site area coming forward for development by the National Asset Management Agency (NAMA) in 2012/13.
- 9.4 In principle, the Planning and Regeneration Service is in agreement to the release of the Council's freehold interest in both 63 Lawrence Road (Site A), the adjoining land to the rear (Site B) and the car park and yard (Site C&D). This being for the best consideration that can be reasonably obtained in pursuance of the Council's regeneration objectives for the site.
- 9.5 Any future planning applications for the site will be subject to planning policy as and when details are submitted. This includes National Planning Policy, the recently published London Plan (2011), Haringey's adopted Unitary Development Plan (2006), the emerging Core strategy and the Lawrence Road Supplementary Planning Document (2007).
- 9.6 Development of the site will be taken forward in consultation with local Councillors and the community through the planning process.
- 10. Equalities and Community Cohesion Comments



- 10.1 Capital receipts from these disposals will support Council objectives benefiting the wider community in Haringey.
- 11. Policy Implications
- 11.1 The property/site also forms part of the Council's planned capital receipts programme for 2011/12, which will generate additional capital receipts to help underpin the Council's capital programme.
- 11.1 The disposal of the property/site in this report will help underpin and kick start Council's regeneration aspirations for Lawrence Road which has been identified as being in urgent need of regeneration due to the increasing level of vacant and redundant buildings and to reduce crime, the fear of crime, and anti-social behaviour in a deprived area of the borough. This approach reflects the Council's adopted Lawrence Road SPD which aims to strengthen the road's competitiveness, attract investment, create safer communities, provide sustainable transport and housing and improve the overall environment.
- 12. Use of Appendices
- 12.1 Appendix 1 contains a location plans (BVES A4 1817ae).
- 12.2 Appendix 2 contains the Planning Statement for Lawrence Road and associated map.
- 13. Local Government (Access to Information) Act 1985
- 13.1 <u>Background Documents</u>

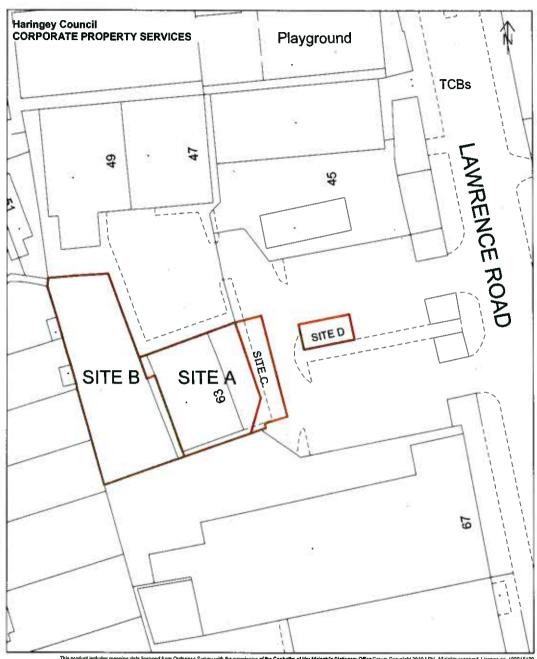
Asset Management Plan 2009-12 (Link: <u>Asset Management Plan: Haringey</u> Council

Other background documents are exempt.

- 13.2 The report contains exempt information. Exempt information is contained in Appendix A and is **not for publication**. The exempt information is under the following category (identified in amended schedule 12A of the Local Government Act 1972):-
 - S(3) Information relating to the financial or business affairs of any particular person including the authority holding the information.



Appendix 1



63 Lawrence Road & associated land Tottenham LONDON N15

HARINGEY COUNCIL - REMAINING FREEHOLD OWNERSHIP

CPM No.

Overlay: Corporate - misc.

Plan produced by Janice Dabinett on 06/05/2011

Site A - 0.0293ha 63 Lawrence Road, subject to lease

Site B - 0.0442ha land rear of 63 Lawrence Road, incl land held under possessory title

Site C - 0.0080ha proportion of yard associated with 63 Lawrence Road, subject to rights of way
Site D - 0.0039ha parking spaces associated with 63 Lawrence

Road

Site Area (hectares)

Scale 1:500

Drawing No. BVES A4 1817ae



Appendix 2

Planning Statement - Lawrence Road

Additional Planning Statement - Marc Dorfman @ 7-10-11

Area Vision

Haringey Council will support development proposals for Lawrence Rd that positively contribute to it becoming a vital and high quality mixed use neighbourhood with more homes, some more public open space and some new community facilities. More sustainable employment and employment floorspace will be required and supported, (whilst accepting there could be an overall loss of employment floorspace). Some new retail will be supported but only on West Green Road to compliment and strengthen this local centre.

The Council is keen for development to be progressed quickly that meets these overall area aims.

The following planning statement vision and elements should be read with the existing approved planning brief (October 2007). This statement relates to the whole planning brief area i.e. 1-3 Lawrence Yard, 78-80 Lawrence Rd and 45- 113 Lawrence Rd. It does not contradict the brief. It addresses more clearly areas of policy demand in order to give the development industry more certainty and it takes into account changes in national planning policy and funding to affordable housing, consultation with local councillors in advance of wider community consultation and the recent temporary uses that are now occupying some buildings in the brief area.

Planning Statement Elements

Support for mixed residential must be shown including tenure and build types - and a respect for Clyde Rd Conservation Area must be shown. Traditional homes of 2-4 storeys as well as flats (5-7 storeys) will be expected. A minimum of 300 new units is expected across the planning brief area (including the NAMA site - 1.5 hectares - 52 per cent of the planning brief area). Small and large units are expected - Council standards to be respected.

London Housing Design Standards (GLA) to be respected. Code 4 Sustainable Homes will be expected. BREEAM very good for non-residential buildings.

The Council's adopted Planning Policy on Affordable Housing will need to be respected and addressed. There will be recognition of the reduction of affordable grant. The Council will seek a mix of social rent, affordable, rent and intermediate homes. An open book viability study will be required and off site contributions will be considered though this will need to include land purchase and construction and tenure costs.

Respect for mixed uses both within some blocks and on different sites will be required.

Retention of some employment uses on whole sites needs to be considered. Strong viable businesses should be retained and supported (whilst poor amenity impact ameliorated) or supported to be relocated in Haringey/North London. Retail only on West Green Road to support and strengthen local centre. Neighbouring amenity between retained and new



employment uses must be addressed

Some increase in public open space will be required preferably linked to existing POS in north west corner of brief area. This space should be a minimum of 120m2 across the whole planning brief area. Schemes coming forward without providing this will be required to make a fair contribution to the actual provision of this POS. Gardens and some of the open space should be designed to be a managed ecological area and designed for growing food.

Community uses could include - a school, health facility, faith building, cultural building and / or community meeting space. Schemes/sites coming forward without any of these will be required to make a contribution to their provision on other sites on the basis of at least a minimum physical land/space contribution of a flexible multipurpose community meeting place and POS. S1o6 contributions (funding) will be expected towards health, school, employment/training, per cent for art/culture, S1o6 management, area/neighbourhood management. POS will also be a minimum land provision and this must be provided, laid out and there must be contribution to ongoing management.

Retention of existing public parking is required - but this could be redesigned/relocated.

"Parking within homes" will be preferred over street parking which should be minimised

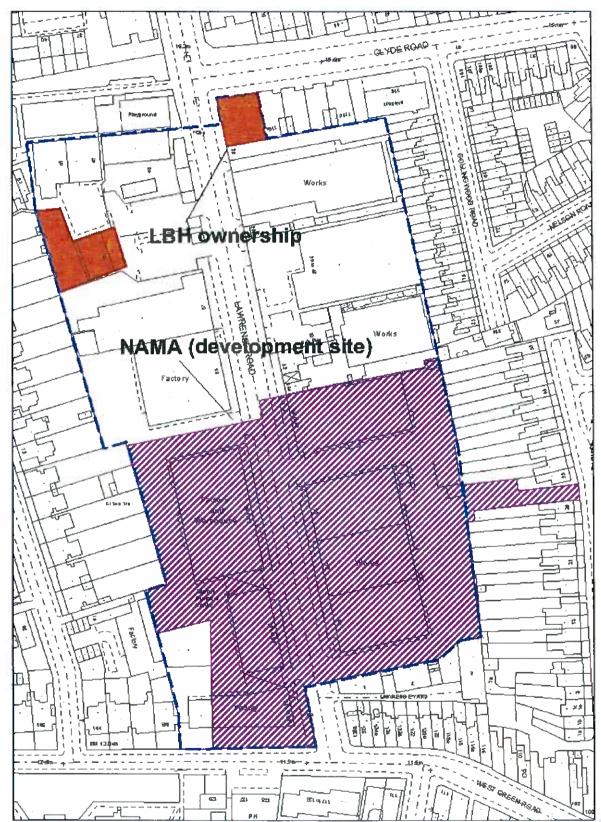
Area Urban Design and building designs must ensure the new residential has good child play space and quality incidental open space – this and the POS and gardens/amenity space for housing should recognise and make provision for bio diversity and ecology. The boulevard feel and trees of Lawrence Road are to be retained and enhanced - and there should be no dominance of the area design by new roads for cars. "Home zone" design concept is preferred. The aim should be to make the design of the neighbourhood unique, of very high quality and be very pedestrian and cycle friendly.

Management of area/neighbourhood is very important - design and management mechanisms to prevent anti social behaviour/crime and support neighbourhood inclusion, cleaning and area responsibility must be demonstrated. Schemes should demonstrate the promotion of neighbourhood "over looking" and "defensible space" - but not "fortress designs". Scheme design, development and area management to be developed in consultation with local councillors, community and the Council.

Quality of sustainable design and environmental management is also required.

Marc Dorfman
AD Haringey Planning and Development





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