



Haringey Council

Report for:	Cabinet 15 October 2013	Item Number:	
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Title:	Disposal of Former Western Road Depot, 20 Western Road, N22
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Report Authorised by:	Lyn Garner - Director Place & Sustainability 
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Lead Officer:	Jon McGrath, Assistant Director, Property & Capital Projects
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Case Officer:	Richard Foster - Senior Valuer Tel: 020 8489 2181 e-mail: richard.foster@haringey.gov.uk
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Ward(s) affected: Central and western wards primarily	Report for Key Decision
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1. Describe the issue under consideration

1.1 The Reuse & Recycling Centre on High Street, Hornsey is due to be closed at the point that the Hornsey depot site is released to the developers (anticipated to be by 31st March 2014). A replacement is proposed for the Council-owned former Western Road Depot (former recycling fleet depot) as an alternative to the original proposed move to Cranford Way. The Western Road site will be made available to NLWA by means of a freehold disposal.

2. Cabinet Member introduction

2.1 The proposed disposal will enable the scheme for redevelopment of the Hornsey Depot site to proceed as planned and will ensure that the provision of a Reuse and Recycling Centre for local residents will continue uninterrupted. I support the recommendation for disposal.



3. Recommendations

3.1 To authorise the Assistant Director, Property & Capital Projects, to dispose of the Council's freehold interest in the former Western Road Depot to NLWA for best consideration.

4. Valuation and Best Consideration

4.1 A valuation has been commissioned from the District Valuer, for the property in its existing condition and for the existing use and will ensure that the disposal is for best consideration. The report values the property at £1,690,000 and does not take account of any potential development of the site for a recycling centre.

4.2 There will be a covenant within the sale contract to restrict the use of the site to waste management activities.

5. Alternative options considered

5.1 The alternative is to sell the property on the open market at a value to be determined, but this would still leave NLWA in need of a site to replace Hornsey Depot and would deprive local residents of a Reuse & Recycling Centre, as an alternative site is unlikely to be acquired and developed within the required timescale.

5.2 However, this site meets the needs of NLWA and it is preferable to use the Council's own property for this purpose.

6. Background information

6.1 In preparation for releasing the former Hornsey depot site for redevelopment the Council purchased a site at Cranford Way, N8 in 2010 to be developed as a replacement R&R Centre for the west and centre of the Borough, with the intention that there would be no gap in provision.

6.2 Subsequent changes in the Reuse and Recycling Centres have resulted in Cranford Way no longer being the preferred site for NLWA to relocate its operations. The council and NLWA carried out a search for alternative sites which resulted in the recently vacated Western Road site to be identified as a preferred site for the relocation of the R&R operations.

6.3 Agreement to proceed with the relocation to the Western Road site will result in the Cranford Way site becoming surplus to requirements and it is proposed for that site to be disposed of along with the buildings. A further report on this proposal will come forward to Cabinet at the appropriate time. It should be noted that Cabinet



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approved the disposal of part of the Cranford Way site on 19 July 2011, minute CAB31.

7. Comments of the Chief Finance Officer and financial implications

7.1 The capital receipt associated with this disposal will be available to support the wider capital programme. Additionally, this disposal will enable the capital receipt expected from the Hornsey Depot site to be realised and the future Council capital programme is heavily dependent on this receipt.

7.2 The statutory responsibility for running recycling sites now lies with Waste Disposal Authorities, in this case the North London Waste Authority (NLWA) and thus any costs of developing and running the site will fall to them in the first instance.

7.3 However, as NLWA is funded by a levy from the relevant Boroughs in the long-term the Boroughs will pick up the costs. In the case of Household Waste and Recycling Centres the expectation is that Haringey will pay all the operating costs which will be broadly equivalent to the existing costs of running the Hornsey Depot site, which are included within existing budgets for payments to NLWA.

7.4 Any capital purchase and development costs will be similarly recharged to relevant Boroughs but these costs will be spread across the assumed lifecycle of the assets and thus the increased cost of the levy due to these costs will not be significant within the overall size of the levy, which is forecast to be £7.7m in 2014/15. The exact cost will be determined following valuation of the site and will be included within the Medium Term Financial Plan.

7.5 The NLWA agreed at its meeting on 26th September 2013 to purchase Western Road HWRC from Haringey Council (subject to negotiating terms).

8. Head of Legal Services and legal implications

8.1 The Council entered into a contract with Sainsbury's Supermarkets Limited on 16 September 2010 for the disposal of the Hornsey Depot site to Sainsbury's. That contract was subsequently varied on 29 May 2013 when Sainsbury's entered into a Development Agreement with St James Group for the redevelopment of both the Hornsey Depot site and the adjoining site belonging to Sainsbury's. Under the terms of its contract with Sainsbury's, the Council is required to give Sainsbury's vacant possession of the Hornsey Depot site 20 working days after receipt of detailed planning consent by Sainsbury's and St James. Failure to give vacant possession on that date will be a breach of contract by the Council. It is important that a decision be made to move the recycling centre as soon as possible.



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8.2 The proposal is for the Council to dispose of the Western Road former depot site to NLWA so the recycling centre can be relocated. The Council holds this site for planning purposes and can dispose of it but must: (1) dispose to such person and in such a manner as to secure the best use of the land or buildings which are or to be erected on it; and (2) obtain the best consideration that can reasonably be obtained. The disposal to NLWA will secure the best use but officers should ensure that a covenant on use be inserted in the transfer. Best consideration means obtaining the highest amount of money for the site on the open market. The price paid for the site by NLWA must therefore represent open market value otherwise the sale will be under value. A sale under value requires the specific consent of the Secretary of State.

9. Equalities and Community Cohesion Comments

9.1 The design of the site will take into account equalities issues such as access/ease of use of the facility and communication of the service.

9.2 The planning application will involve a statutory consultation period.

10. Head of Procurement Comments

10.1 Comments are not required as this is a disposal from one local authority to another statutory body.

11. Policy Implications

11.1 Planning Policy has indicated that the principle of re-locating the Hornsey R&R Centre to Western Road depot would be acceptable from a planning policy perspective.

12. Reasons for Decision

12.1 To enable the relocation of the Reuse and Recycling Centre within the timescale required by the contract for the sale of Hornsey Depot.

13. Use of Appendices

13.1 Site Plan BVES A4 1415g NB this is not to scale.

14. Local Government (Access to Information) Act 1985

14.1 This report contains no Exempt Information.

