




Haringey Council

Report for:	Decision by the Leader – 12 December 2013	Item Number:	
Title:	44 Finsbury Rd, N22 8PD		
Report Authorised by:	Lyn Garner – Director of Place & Sustainability 		
Lead Officer:	Nick Papapavlou Development Surveyor 020 8489 2193 nick.papapavlou@haringey.gov.uk		
Ward(s) affected: Woodside	Report for: Non Key Decision		

1. Describe the issue under consideration

- 1.1 The report provides background information on a Council owned property recommended for disposal, which has been triggered by changes in service delivery. Following consideration as part of the Property Review including consultation with Services, no future Council operational or strategic requirements have been identified for the site. It is therefore recommended that the disposal should proceed directly given the need to achieve capital receipts in the current year to sustain the capital programme whilst reducing property-running costs.

2. Cabinet Member introduction

- 2.1 44 Finsbury Rd, N22 is a Council asset that has been declared surplus to requirements and available for disposal. This will provide a capital receipt which will be used to support the Council's capital programme. Property and Capital Projects have received tenders for the property, following a marketing



exercise, which range from £325,000 to £533,510. This report seeks approval to accept the highest offer of £533,510 with the Assistant Director of Property and Capital Projects given delegated authority to agree final terms of the disposal.

3. Recommendations

- 3.1 To seek the consent of the Leader to authorise the disposal of the freehold interest of 44 Finsbury Rd, N22 at £533,510 with the Assistant Director of Property & Capital Projects given delegated authority to agree final terms of the disposal.

4. Alternative options considered

- 4.1 Retention for conversion and inclusion within the Council's permanent housing stock managed by Homes for Haringey – This option is not supported due to the potentially high conversion/refurbishment costs involved for which funds are not available.
- 4.2 Retention for conversion and onward sale on the open market ie. the Council acting as developer – this option is not supported due to the potential risks of the current housing market which could see the Council expending vast sums of money in converting/refurbishing the properties only to see a contraction in the housing market on completion of the works. This would be a developer risk if the property is sold in its existing condition as proposed.
- 4.3 Retention for wider area regeneration – this option is also not supported as the property is not situated within a designated regeneration area.

5. Background information

- 5.1 44 Finsbury Rd, N22 forms part of a wider housing estate that was acquired under Town & Country Planning Act powers in the 1960's via the use of compulsory purchase orders. The estate was later developed for largely social housing, including the high rise blocks Thomas Hardy House and John Keats House.
- 5.2 The building, which was built in the early 1990's, is held under the General Fund and is currently used by the Parking Enforcement Team who will be relocating to one of the Council's operational buildings within the Station Road campus.
- 5.3 44 Finsbury Rd, N22 is a detached two storey building with a gross internal area of 470m², partially constructed of timber frame which is located within what is generally a residential area comprising Victorian and interwar private housing and post war low, mid and high rise local authority developments: please see attached Ordnance Survey location plan.



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- 5.4 The property is not in a designated regeneration area and no future Council operational or strategic use has been identified.
- 5.5 Consequently, in line with the Council's Corporate Asset Policy which is "to only hold assets that are required for immediate service delivery or contribute to the achievement of corporate objectives and priorities in the long term", the property has been declared surplus to Council requirements and suitable for disposal.
- By implementing this policy, the Council is able to both rationalise its property holdings and generate capital receipts to support the capital programme and in some cases facilitate regeneration schemes through disposal of surplus, inefficient or uneconomic buildings.
- 5.6 However, rather than market the property with its current *sui generis* use, officers deemed it beneficial to maximise the potential capital receipt by obtaining a planning consent (HGY/2013/1359) for a change of use to 2 no. 4 bed semi-detached houses. If implemented, this will require a demolition of the existing building.
- 5.7 It was therefore recommended that the proposed disposal should proceed directly given the need to achieve capital receipts in the current year to sustain the capital programme.
- 5.8 The market value of the Council's freehold interest was assessed independently by Colin Rickard Chartered Surveyors at £300,000. The assessed valuation takes into account the current use of the property falling within the *sui generis* class of the use classes order as well as the planning consent cited in 5.6 above.
- 5.9 Delegated authority was consequently obtained from the Director of Place & Sustainability to proceed with the marketing and disposal of 44 Finsbury Rd, N22.
- 5.10 44 Finsbury Rd, N22 was marketed through the appointment of a local estate agent with the benefit of the planning consent which culminated in twelve offers ranging from £325,000 to £533,510 being received on the tender deadline of the 15th November 2013.
- 5.11 However, as the highest offer of £533,510 breaches the Director of Place & Sustainability's delegated authority up to £500,000, a Decision by the Leader is urgently required in order to allow officers to instruct Legal Services to commence with the conveyance: awaiting a Cabinet resolution may result in losing both the prospective purchaser/highest offer.

6. Comments of the Chief Finance Officer and financial implications

- 6.1 The sale of this property will provide a capital receipt which can be used to support the Council's capital programme.



7. Head of Legal Services and legal implications

- 7.1 Subject to investigation of title, the Council has the power under Section 123 of the Local Government Act 1972, to dispose of its freehold interest in the property.
- 7.2 The only constraint being any disposal must be for the best consideration that can reasonably be obtained. This means the highest amount of money that can be obtained on the open market. The amount on offer would comply with the best consideration requirement.

8. Equalities and Community Cohesion Comments

- 8.1 The capital receipts generated from the disposals will support Council objectives benefitting the wider community.

9 Head of Procurement Comments

- 8.1 Procurement have been consulted and as this relates to the disposal of an asset there are no procurement implications to this report.

9. Policy Implication

- 10.1 The proposals are consistent with the Council's Corporate Asset Policy as set out in the Asset Management Plan.

10. Reasons for Decision

- 11.1 A Decision by the Leader is urgently required in order to both satisfy the Council's Constitution/Standing Orders and to allow officers to instruct Legal Services to commence with the conveyance rather than await a Cabinet resolution which could result in losing both the prospective purchaser/highest offer.

11. Use of Appendices

None.

12. Local Government (Access to Information) Act 1985



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**44 Finsbury Road
Wood Green
LONDON
N22 8PD**

Deed packet : 4208, 3849, unregistered land

LR title no. : Freehold NGL243352, NGL218699

CPM no. 0586

Site Area (hectares) : 0.0359 ha

Overlay : H & SS - misc.

Scale 1:1250@A4

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