




Haringey Council

Report for:	Cabinet 16 September 2014	Item Number:	
Title:	Olympia Trading Estate – Sale of the freehold		
Report Authorised by:	Lyn Garner, Director of Regeneration, Planning & Development 		
Lead Officer:	Jon McGrath, Assistant Director Property & Capital Projects		
Ward(s) affected: Noel Park	Report for Key/Non Key Decisions: Key		

1. Describe the issue under consideration

- 1.1 The Council owns the freehold interest in the Olympia Trading Estate which is located in Heartlands and is currently leased to the Greater London Authority (GLA).
- 1.2 A Cabinet decision was made on 13th March 2008 and it agreed to grant an option to the LDA to acquire the Council's freehold interest.
- 1.3 The option was never completed with the LDA due to prevailing market conditions at the time and the LDA subsequently became part of the Greater London Authority (GLA). The Council has been reviewing the option with the GLA in order to reflect terms that are in line with current market conditions. The GLA have agreed a collaboration agreement with National Grid who own the majority of the land forming the Heartlands South development to find a developer partner to develop the land for housing in line with the outline planning permission for the site.
- 1.4 The original deal was based on a prescriptive and complex formula reflecting the property market at the time of the Cabinet decision.
- 1.5 Subsequent negotiations with the GLA have resulted in a request to simplify the deal based on an improved property market.



Haringey Council

- 1.6 Cabinet are requested to give the approval to the new terms agreed with the GLA and for the Council to now grant the option to the GLA to acquire the Council's freehold interest in the Olympia Trading Estate in order that a developer partner is secured to develop the Heartlands South development.
- 1.7 The Option agreement will be on the basis that the Council is in a no worse position than the previous terms approved in the Cabinet decision of 13 March 2008. Current market conditions have improved and this will be reflected in the capital receipt from the option and sale to a developer.

2. Cabinet Member introduction

- 2.1 The option to sell the freehold of the Olympia Trading Estate to the GLA is an important step in enabling the Heartlands development. This is a key regeneration project which will provide a housing led mixed use development.
- 2.2 The request to vary the terms of the deal with the GLA will reflect the current property market conditions and help to take the project forward with National Grid who own the adjacent site.

3. Recommendations

- 3.1 Cabinet agree:
- 3.2 To grant an option to sell the Council's freehold interest in the Olympia Trading Estate (as shown edged red on plan in Appendix A) to the GLA in order to support the securing of a development partner for Heartlands.
- 3.3 That authority to agree the final terms and sign off the final option agreement be delegated to the Director of Regeneration Planning and Development after consultation with the Cabinet Member for Finance and Culture.

4. Alternative options considered

- 4.1 Members have already approved that the Council enter into an option to sell the freehold of the Olympia Trading Estate.
- 4.2 The alternative option is not to agree the sale of the freehold interest in the Olympia Trading Estate to the GLA. This would result in delaying the development of Heartlands South and the deal agreed between the GLA and National Grid.

5. Background information

- 5.1 In terms of the strategic context the Olympia Trading Estate forms part of the Haringey Heartlands a key Council regeneration area. The site is an opportunity to regenerate a large underused area and to provide housing led mixed use development and is covered by the Haringey Heartlands Development Framework adopted in April 2005. The site is adjacent to the former British Gas



Haringey Council

site now owned by National Grid. The site occupies a key position at the northern end of the site forming 19% of the overall area of the proposed development site.

5.2 The Council is the freeholder of the estate which is leased to the GLA on a 125 year lease from 1980. The Council currently receives 11% of the rental value currently £23,460 per annum.

5.3 The site forms part of a development site which has received outline planning consent for a mixed residential and retail development scheme. This was granted on 21st March 2012. National Grid and the GLA are in the process of completing a development agreement between them.

6. Comments of the Chief Finance Officer and financial implications

6.1 The sale of the Olympia Trading Estate has previously been agreed by Cabinet, and is included in the forecast disposal receipts underpinning the existing Council capital programme. The current forecast is set out in Part B of the report.

6.2 Any additional receipt or overage achieved as a result of revised valuations or terms will be used to support the Council's capital investment plans for the future.

6.3 The total development costs so far expended by the Council are set out in Part B of the report.

7. Comments of the Assistant Director of Corporate Governance and legal implications

7.1 The Olympia Trading Estate is held by the Council for planning purposes. The Council may dispose of the land in such manner and subject to such conditions as appear to the Council to be expedient in order to secure the best use of the land, or to secure the construction of buildings or carrying out of other works needed for the proper planning of the area. The Council has to make sure that the disposal of the land would indeed result in the redevelopment as proposed and must safeguard against that in the Option.

7.2 The grant of an Option is deemed to be a disposal for the purposes of the legislation and therefore the Council must also obtain best consideration for the land.

7.3 The Call Option would allow the GLA to call for the transfer of the Council's freehold interest once all of the pre conditions have been satisfied.

8. Equalities and Community Cohesion Comments

8.1 Policy and Equalities Team have been consulted in regard to this report and have no specific equalities comments to make at this stage.

9. Head of Procurement Comments



Haringey Council

9.1 The Head of Procurement notes the current contents and recommendations within this report and that there is no current procurement process included.

10. Policy Implication

10.1 The recommendations in this report are related to a number of Council wide corporate policies and priorities and will help deliver the Council outcomes and priorities as set out in the Corporate Plan 2013-2015: a better council.

11. Reasons for Decision

11.1 Cabinet has previously agreed to an option to sell the freehold of the Olympia Trading Estate to the LDA.

11.2 The Olympia Trading Estate forms part of Heartlands a key regeneration area in Wood Green. The option to sell the freehold of the estate to the GLA will help enable the development and take it to the next stage.

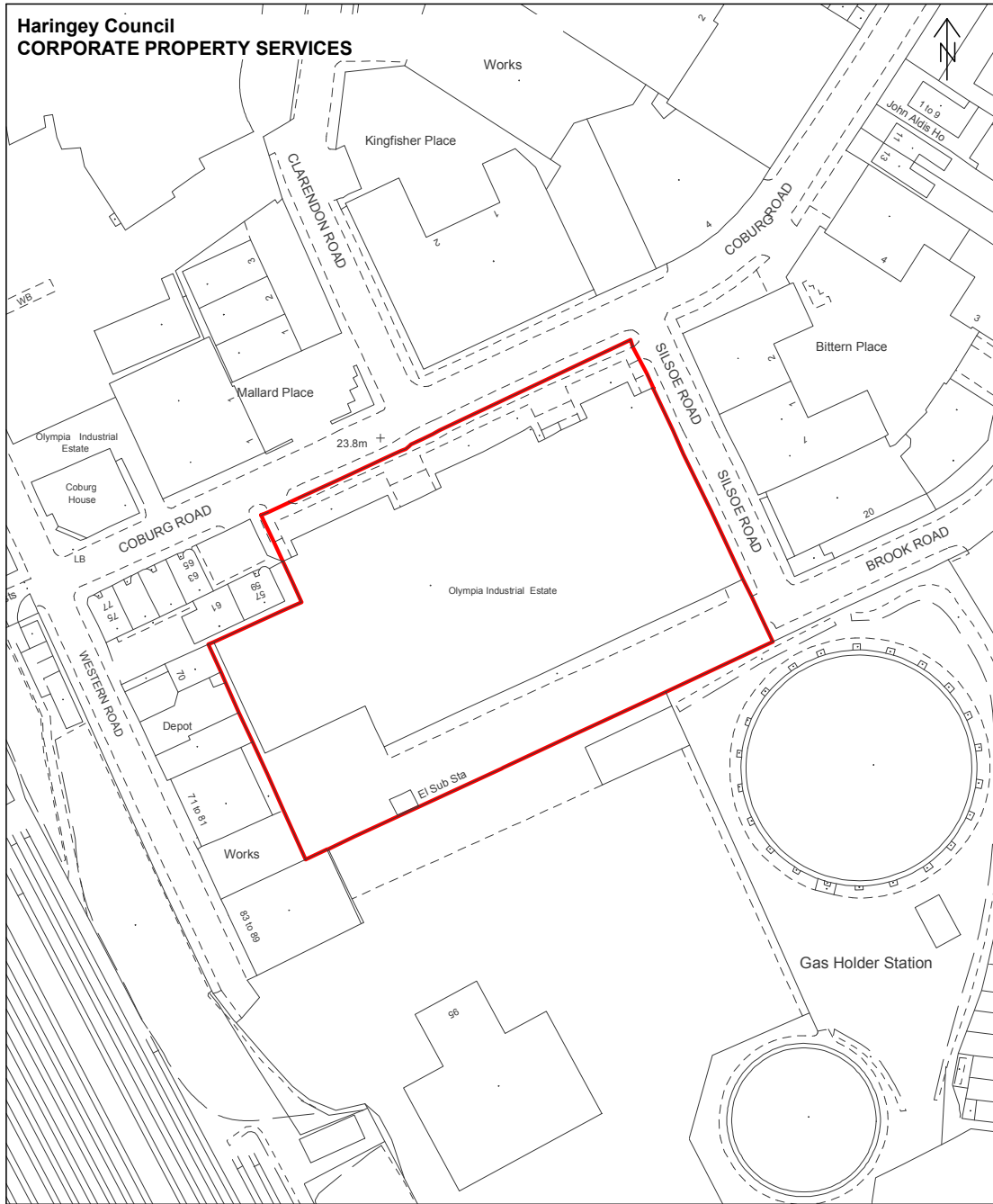
11.3 The deal with the GLA will reflect current market conditions on the basis that the Council is in a no worse position than that agreed with the LDA.

12. Use of Appendices

Appendix A – Plan of the site

13. Local Government (Access to Information) Act 1985

Appendix A – Plan of the site



This product includes mapping data licenced from Ordnance Survey with the permission of the Controller of Her Majesty's Stationery Office Crown Copyright 2008 LBH. All rights reserved. Licence no. 100019199

**Olympia Trading Estate
Coburg Road
Wood Green
LONDON N22**

CPM No.

Overlay : Heartlands - Head Leases

Plan produced by Kevin Lincoln on 18/02/2008

Site Area (hectares) : 0.841

Scale 1:1250

Drawing No. BVES A4 1080b