

Report for: Cabinet – 10th November 2015

Item number: 14

Title: Purchase of the BP Petrol Station Site, Tottenham Hale

Report authorised by : Lyn Garner, Director of Regeneration, Planning and Development

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Ward(s) affected: Tottenham Hale

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1. Following the Cabinet decision on 20th January 2015 delegated authority was given to the Director of Regeneration, Planning and Development to purchase land and properties within the Borough subject to the following criteria being satisfied:
- The land or property acquired must be for a purpose which is aimed at facilitating the delivery of projects within the approved Tottenham Strategic Regeneration Framework and Delivery Plan and be in accordance with the Council's statutory powers to acquire such property and geographically located in the 8 designated Tottenham wards, Northumberland Park, White Hart Lane, Bruce Grove, Tottenham Green, Tottenham Hale, Seven Sisters, West Green and St Ann's; or
 - The land or property acquired must be demonstrably consistent with the Council's regeneration objectives for the Wood Green Investment Framework area, within the area defined in map shown at Appendix A, meet at least one of the criteria set out in 5.6 and be in accordance with the Council's statutory powers to acquire such property; and
 - The maximum value of any one purchase shall not exceed the sum of £2.5m (including all applicable fees and associated costs).
- 1.2. The delegation to the Director of Regeneration Planning and Development is limited to the lifespan of the Corporate Plan for 2015/18; namely until 31 March 2018 and will be reviewed at the end of that period
- 1.3. A key strategic site in Tottenham Hale located on Hale Road, Tottenham Hale and known as the BP Petrol Station site (see Appendix B) has been subject to negotiation for the Council to purchase the site in line with these principles.

- 1.4. A purchase price has been agreed to be paid for the freehold interest with additional leaseback options. As the purchase price exceeds the maximum value of any one purchase Cabinet has given the Council authority for, the Council are seeking Cabinet approval for the acquisition of this site.

2. Cabinet Member Introduction

- 2.1. We have made great progress through the Tottenham Strategic Regeneration Framework in setting out an exciting vision for the future of Tottenham. This vision speaks of Tottenham Hale as London's next great affordable neighbourhood of choice, one with a different kind of housing market that affords working Londoners a greater range of quality housing options. At the heart of Tottenham Hale, around the new station interchange, there will be a thriving district centre, with new places to live, work, shop and enjoy.
- 2.2. Achieving this vision for Tottenham Hale requires clear, strategic focus and substantial resources to bring challenging sites to the point that they are delivering new homes and jobs for local residents and for Londoners. We are clear that the objective here is to deliver a quality place that will bring substantial benefits to existing and future residents and will overcome many of the place challenges which Tottenham Hale experiences today.

3. Recommendations

- 3.1. Cabinet agrees to :
- 3.2. the purchase the land known as the BP Petrol Station site, Tottenham and shown outlined in red on the plan located at Appendix B for planning purposes and for the sum as stated in the Exempt part of the report; and
- 3.3. subject to the detailed Heads of Terms outlined in Appendix D.

4. Reasons for decision

- 4.1. This report asks Cabinet to approve the purchase of the identified site currently owned freehold by BP, at the agreed price (see exempt report). The purpose of obtaining this key site is to help realise the ambitions of the District Centre Framework and meet the Council's ambitions for the regeneration of Tottenham Hale.

5. Alternative options considered

Option 1 – Do Nothing/maintain the current situation

- 5.1. The implications of doing nothing would mean that the Council would miss the opportunity of purchasing the site and thus realising the ambitions of the District Centre Framework to take forward the development of the District Centre in a coordinated manner. This option results in significant risk that the site would not come forward for redevelopment. It is worth noting that this site did not come forward for redevelopment under the Council's Transforming Tottenham Hale Supplementary Planning Document (2006). The failure to acquire this site would

therefore reduce likelihood of the site coming forward and there are significant risks that the quality of the resulting development would not be in line with the Council's ambitions to regenerate Tottenham Hale.

Option 2 – The Council purchases the site alongside other sites

- 5.2. The Council could purchase the site, as part of a wider strategy to bring together small sites into a coherent package. This option would see greater Council influence over the process and would ensure that key sites come forward for development in a timely and coordinated fashion.
- 5.3. Option 2 has been identified as the option which best supports the regeneration of Tottenham Hale.

6. Background information

- 6.1. The Tottenham Strategic Regeneration Framework (SRF) sets out an exciting vision for the future of Tottenham. This vision proposes Tottenham Hale developing as a quality place that will bring substantial benefits to existing and future residents, offering a thriving district centre, with a neighbourhood that will offer a housing market that affords working Londoners a greater range of quality housing options.
- 6.2. The BP Site has been identified under the Tottenham Area Action Plan (Preferred Option Consultation, February 2015) as part of the Tottenham Hale Neighbourhood Area. The Property falls into allocation TH2 Ashley Road South, and is proposed to create an employment led mixed use (residential and commercial) quarter north of a new District Centre. An east/west new Green Link is to run along the Property's northern boundary.
- 6.3. The Council regards this property as being of significant strategic importance to help facilitate regeneration in Tottenham Hale and it may also enable more development to be released from the site to the south (owned by Micuber). The land market is currently very competitive and developers are reflecting anticipated price inflation and applying keen profit levels in their bids for sites in order to secure development opportunities.
- 6.4. In February 2015, Tottenham was allocated as one of the first nine London Housing Zones. The plans for the Housing Zone will see 10,000 new homes built and 5,000 new jobs created by 2025. The Housing Zone provides the opportunity to build c 2,000 new homes around and on top of the redeveloped Tottenham Hale Station.
- 6.5. A purchase price of has been agreed to purchase the site. A valuation report has been prepared by GVA which supports the purchase price agreed.
- 6.6. The purchase also offers a Leaseback of the site to BP for a minimum period of 18 months and a maximum period of 24 months. The lease to exclude the 1954 Act.

7. Contribution to strategic outcomes

- 7.1. The purchase will mean that the Council will be able to help deliver on the District Centre Framework in a coordinated, efficient and timely manner. The Council will work with neighbouring land owners, with a view to taking forward development in line with the principles set out in the District Centre Framework and the Tottenham Area Action Plan.
- 7.2. The recommendations in this report are related to a number of Council wide corporate policies and priorities and will help deliver the following Council outcomes and priorities as set out in the Corporate Plan 2015-2018: Building a stronger Haringey together. These include:-
- 7.3. Priority 5 – Sustainable Housing growth and employment. The purchase of the site will support the Tottenham Hale regeneration including housing opportunities.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement Comments

- 8.1. The cost of this purchase can be funded from the Strategic Acquisition Fund established as part of the 2014-15 budget process. Cabinet in January agreed criteria under which this fund could be utilised under Delegated Authority, however as the purchase price exceeds the maximum amount delegated within that report, Cabinet Authority is required.
- 8.2. The Council has commissioned external Valuation advice which has confirmed that the purchase price represents good value to the Council (see Appendix C).
- 8.3. Remediation costs that identify for any surveys to be undertaken are to be covered by the GLA Housing Zone fund and results to be considered prior to completing the purchase.
- 8.4. A budget for the following works will be needed following the purchase of the site:
 - demolition of the buildings
 - breaking up and removal of the hard standing
 - removal of the petrol tanks
 - spot decontamination

Assistant Director of Corporate Governance Comments and Legal Implications

- 8.5. The Council has the power under section 120 of the Local Government Act 1972 acquire land by agreement for any purpose for which it is authorised. The acquisition will be for planning purposes.

Equality

- 8.6. The Council is subject to the Public Sector Equalities Duty (“PSED”) set out in section 149 of the Equalities Act 2010 which obliges the Council in performing its functions “to have due regard to the need to:
- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it”
- 8.7. The protected characteristics under the legislation are age, sex, ethnic origin, sexual orientation, disability, religion or belief, pregnancy or maternity and gender reassignment, marriage and civil partnership.
- 8.8. An equalities impact assessment screening tool has been undertaken in relation to the proposed purchase of the property. Following screening a full EqIA is not required on the basis that the purchase currently has no impact on Council services and does not affect any of the protected groups.

Head of Procurement Comments

- 8.9. There are no procurement implications arising from the proposals in this report given that they are land transactions.

9. Use of Appendices

Appendix A – DCF Masterplan
Appendix B – Site Plan & Photographs

EXEMPT APPENDIX

Appendix C – Extract Summary of GVA Valuation report
Appendix D – Heads of Terms

10. Local Government (Access to Information) Act 1985

- 10.1. There is an exempt part to this report which contains exempt information 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 financial or business affairs of any particular person (including the authority holding that information).

Appendix A – DCF Masterplan



APPENDIX B – Site Plan & Photographs

BP Petrol Filling Station , Hale Road, Tottenham Hale – OS Plan







