

2h. Gail Waldman, The Highgate Society

## **HARINGEY'S SCRUTINY PANEL**

### **GAIL WALDMAN**

#### **EXPERIENCE**

I am an architect (retired). I was a partner and later a director of a small architectural practice from 1980. Work was mainly in the public sector for housing associations, universities and colleges, and charities including BAFTA and the British Board of Film Classification.

Since retirement in 2012:

The Highgate Society Planning Group , member. Work involved:

- review of Haringey's Local Plan
- briefing QC on Site Allocation for Highgate Bowl
- witness at Planning Appeals (all won)

The Highgate Society Traffic & Transport Group, Chair

Highgate Conservation Area Advisory Committee, member

Stroud Green Conservation Area Advisory Committee, member

Highgate Neighbourhood Forum, committee member during drafting of the Highgate Neighbourhood Plan, drafted areas of policy for Plan

#### **HDV ISSUES**

### **PROMISES FOR SOCIAL RENT AND AFFORDABLE HOUSING CANNOT BE KEPT**

#### **Planning matters:**

1. **Viability impact on provision of social rent and affordable housing**  
The National Planning Policy Framework does not require developers to build out schemes that will lose them money. All planning applications (above the 10 units at which affordable housing is required to be provided) are accompanied by a Viability Statement. As it stands, these viability statements, because they contain sensitive financial information are not available to the public or, at best, can be seen in redacted form. In 2008, in order to encourage developers to continue building, a 20% - 25% profit margin was allowable. It could be argued that times have been a lot better over the last few years and the profit margin could have been lowered without risk to development taking place. It could be argued now that Brexit threatens profit margins. It is because of the Viability Statements that so little affordable, or indeed social rent, housing has been built over the last decade.

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### 2. **Land prices affect viability**

Developers will pay 'over-the-odds' for land in the following circumstances:

- to avoid the affordable housing planning requirement
- if the developer can show it is not financially feasible in its Viability Statement to provide the affordable housing planning requirement
- if pre-Application advice indicates that a high density would be acceptable.

The middle range of PTAL (Public Transport Accessibility Levels) is very wide.

<https://data.london.gov.uk/dataset/public-transport-accessibility-levels>

### 3. **London Mayor's Promises**

Sadiq Khan made bold and much-publicised commitments to making developers provide affordable housing to meet the targets which each Borough is obliged to reach under the London Plan. Given the position on the NPPF, Viability Statements and land values this was an unachievable promise. He has recently consulted on a Housing SPG which proposes to subsidise affordable housing such that any provision over 30% up to 50% would be subsidised pro-rata.

<https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/supplementary-planning-guidance/affordable-housing-and>

Consultation on this SPG closed on 28 February 2017. The final form of it is therefore not known and cannot be relied upon when calculating the provision of affordable housing to be provided under the HDV.

### 4. **Islington Council commissioned Report on Land Values**

Islington Council has been at the forefront of trying to tackle viability issues.

It commissioned Professor Sarah Sayce BSc PhD FRICS IRRV

Professor of Sustainable Real Estate at the Royal Agricultural University to look at land values. Dr. Sayce has brought forward several suggestions in her Report:

<file:///C:/Users/Gail/Downloads/Viability%20and%20the%20Planning%20System%20Research%20January%202017.pdf>

### 5. **Haringey's Local Plan**

The Local Plan went through Examination in Public last August. The Examiner submitted her comments to Haringey shortly afterwards. The Plan included sections for the areas of the Borough which would be most affected by the HDV. It is not yet adopted.

### 6. **Area Action Plans for Tottenham**

[http://www.haringey.gov.uk/sites/haringeygovuk/files/06\\_tottenham\\_aap\\_dtp\\_221215.pdf](http://www.haringey.gov.uk/sites/haringeygovuk/files/06_tottenham_aap_dtp_221215.pdf)

#### **Previous consultation outcomes**

1.24 Initial consultation on the broad proposals for Tottenham was undertaken in January 2014. A number of public consultation events were also held that attracted over 80 residents and stakeholders. The full report is available on the Council's website. In summary, consultation feedback highlighted a number of common themes:

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- The need for the AAP [Area Action Plan] to be clear about what is being proposed (i.e. where and why, as well as the implications for local neighbourhoods, local residents and businesses);
- That the area is already densely populated and concern as to whether the number of new residential developments proposed for Tottenham is appropriate and equitable in a Borough-wide sense;
- That existing deficiencies in community infrastructure (including health care facilities, primary school places and local open space) serving the area will be further exacerbated if additional housing is added - new infrastructure provision must be secured and not just promised;
- Concern that regeneration will lead to the gentrification of Tottenham, with existing residents and businesses forced out of the local area;
- A desire to see the distinctive existing character and heritage of neighbourhoods retained and preserved;
- The need for further detail on employment provision, including: the types of jobs proposed to be delivered, how these will be secured for local benefit and greater clarity on the proposals for existing local employment sites, including proposals to support, retain (including through relocation) and grow local businesses, as well as the need to secure affordable workspace; and
- That regeneration in Tottenham should not be solely for, or in the hands of, major developers and landowners but should be in collaboration with the existing community

This summary of concerns deserves careful scrutiny. Further:

1.27 Finally, a public consultation was held in February and March 2015 on the 'Preferred Options' draft of the AAP2 (alongside consultation on other Local Plan documents, including emerging Alterations to the Strategic Policies, Development Management DPD and the Site Allocations DPD). All comments to this consultation were summarised and considered, and where appropriate, changes were made to the AAP in response to these. The key messages from the consultation were:

- Concerns regarding how and where infrastructure will be delivered to service the planned residential and commercial growth, in particular, health care and school places;
- Tottenham's existing heritage and character should be protected and used as a basis for conservation-led development;
- Refurbishment and the continuance of the Decent Homes programme for estates are preferable to other forms of estate renewal;
- Affordable housing is not genuinely affordable for many of Tottenham's population; and
- Local businesses need to be supported in the regeneration of Tottenham

Cabinet members have claimed that these consultations were consultations on the HDV. This is highly arguable in the light of what was actually proposed and, later, the Examiner's comments:

Objective 4: A different kind of housing market

3.15 Tottenham has a great mix of housing, it was the last great Victorian suburb, but it is part of a city where housing demand is outstripping supply and in some areas the housing quality does not appropriately meet need. We want Tottenham to be known for having a high quality yet affordable housing market, **and will work with local residents to begin an ambitious programme of estate renewal where necessary to deliver this. We will secure investors to provide a portfolio of housing types at a range of prices and tenures to ensure more people get access to the quality homes they need.** (My emphasis in bold)

### **POLICY AAP1: REGENERATION & MASTERPLANNING**

C. The Council will take a proactive approach to working with landowners, the Mayor of London, the local community and other interested parties to help deliver the changes needed in Tottenham to meet the shared vision for the regeneration of Tottenham.

D. Development proposals will be expected to maximise the use of public and private sector investment to provide a range of types and sizes of homes, create mixed and balanced

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communities within neighbourhoods, create economic opportunities for local residents and businesses, improve and enhance the local environment, and reduce carbon emissions and adapt to climate change, in accordance with the other policies of this AAP and Haringey's Local Plan.

Table 2 to 4.8 includes Northumberland Park and Northumberland Park North as 'Estate Renewal Schemes'. Hitherto (see AAP1 C above) reference has been made to 'Regeneration'. So what is the difference between 'Estate Regeneration' and 'Estate Renewal' ?

### Estate Regeneration

- Grant must be used for the purposes of estate regeneration: development that is undertaken to improve the social and physical environment of housing estates
- Proposals must be intended to create or sustain social housing.

From :

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/575800/Estate\\_Regeneration\\_Programme\\_Funding\\_Prospectus.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/575800/Estate_Regeneration_Programme_Funding_Prospectus.pdf)

Estate Renewal - the meaning is obvious - demolition.

How clear was it to residents and others that there is a distinction in meaning between the two?

### Key neighbourhood area objectives

5.82 The North Tottenham Neighbourhood Area consists of three major regeneration and development schemes that will transform an area that currently experiences fundamental social and economic disadvantage (where, for example, male life expectancy is seven years lower than the Borough average) and which is dominated by poorly designed and fragmented housing estates and industrial land, into a new leisure and residential destination for London.

5.83 High Road West and Northumberland Park are focused on delivering transformative housing estate renewal, whilst the substantial private investment coming forward from Tottenham Hotspur Football Club (THFC) in the Northumberland Development Project provides an opportunity to create a scheme at the heart of the place making ambitions for north Tottenham.

#### Site Allocation - Northumberland Park North

5.110 Comprehensive masterplanned improvement of the area to improve existing, and create new, residential neighbourhoods through the **delivery of a major estate regeneration programme** that will include:

the provision of additional high quality housing with an increased range of types, sizes, and tenures;

**improvements to existing housing stock**; new public spaces; and new community infrastructure.

Town Centre uses will be encouraged on the High Road and Northumberland Park.

#### Site Allocation - Northumberland Park

5.114 Comprehensive masterplanned improvement of the area to improve existing, and create new, residential neighbourhoods through the **delivery of a major estate regeneration programme** that will include:

the provision of additional high quality housing with an increased range of types, sizes, and tenures;

**improvements to existing housing stock**; new public spaces; and new community infrastructure.

#### Site Allocation - High Road West

Site Requirements

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- The site will be brought forward in a **comprehensive manner to best optimise the regeneration opportunity.**
- Development should accord with the principles set out in the most up-to-date Council-approved masterplan.
- Creation of a new residential neighbourhood through increased housing choice and supply, with a minimum 1,400 new homes of a mix of tenure, type and unit size (including the re-provision of existing social rented council homes, the offer of alternative accommodation for secure tenants, and assistance in remaining within the area for resident leaseholders from the Love Lane Estate)

### Chapter 6: Implementation and Delivery

#### Working in partnership

6.4 The Council does not have the resources to implement the AAP alone. Implementation and delivery of the AAP will require the Council to work closely with a range of different partners, including landowners and developers, as well as infrastructure providers, the Greater London Authority and Transport for London, to ensure a coordinated framework and approach to delivery. The AAP provides the necessary framework for coordinating a large number of development proposals, along with investment in infrastructure, across the whole of the Tottenham area, over the life of the Plan, and across all partners involved.

Council as a landowner and developer

6.8 The Council has substantial landholdings across the AAP area, much of which has been allocated for redevelopment. The Council is committed to bring its sites forward in a timely manner and will, if appropriate, enter into joint ventures or other such arrangements, to facilitate this.

6.9 Any procurement exercise will be undertaken in an open and transparent manner.

I again suggest these do not amount to consultation about the HDV. There is no mention of Broadwater Farm anywhere in the Local Plan. See also Examiners' proposed alteration AAP Mod 41 below.

Whilst 6.9, above might be taken as a promise to consult this may be a risky assumption. At the least it should include all documentation relating to the negotiations, including material on viability, and that there should be no confidential or redacted material

## 7. Examiner's comments on Tottenham policies in Local Plan

[http://www.haringey.gov.uk/sites/haringeygovuk/files/schedule\\_of\\_modifications\\_to\\_the\\_tottenham\\_aap.pdf](http://www.haringey.gov.uk/sites/haringeygovuk/files/schedule_of_modifications_to_the_tottenham_aap.pdf)

I cannot copy and paste these suggested amendments. Please refer to the above document. However particular attention should be brought to:

#### **AAPMod8**

Amend Policy AAP1 Part C to read:

C. The Council will take a proactive approach to working with landowners, the Mayor of London, existing site users, the local community and other interested parties to help deliver the changes needed in Tottenham to meet the shared vision for the regeneration of Tottenham.

#### **AAPMod14**

Amend paragraph 4.14 to include additional text at the end of the paragraph to read:

To support delivery of inclusive and mixed communities the Council will give consideration to the most appropriate housing mix and tenure to be delivered on individual schemes, in line with Policy DM13(C).

**DM13C** The Council may seek to alter the tenure and/or mix of affordable provision to be secured on a case-by-case basis to avoid affordable housing of a certain tenure or size being

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over or under represented in an area, or to assist in improving development viability (e.g. through provision of a greater ratio of intermediate housing).

The Examiner has not proposed any changes to DM13 C. It comes somewhat as a surprise that affordable housing might be "over-represented" anywhere.

### **AAPMod41**

**re NT3, NT4 & NT 5:**

**NT3: Northumberland Park North NT4: Northumberland Park NT5: High Road West**

Insert a new paragraph at the appropriate location within the 'Site Commentary' section to provide more information on the process for estate renewal as follows:

The process for undertaking estate renewal will follow the following steps:

- Engagement with residents across the site prior to the commencement of any proposals to inform them of what is being proposed, the process for how they will be engaged and the proposed timetable;
- The establishment of Residents Steering Group;
- The appointment of an Independent Advisor to help people through the process and to inform them of their right and options as tenants or leaseholders;
- The appointment of an architect to begin drawing up the site masterplan in consultation with the Residents Steering Group, including capacity testing, resulting in potential development options.
- The conducting of financial appraisals of the development options;
- Discussion with residents on the finds of the above studies, seeking agreement to the selection of a preferred proposal;
- Working up the preferred proposal for planning permission, including decant arrangements and the phasing of development;
- Appointment of a contractor to commence works.

## 8. Community Infrastructure Levy (CIL)

### **Proposed changes to Haringey CIL**

[http://www.haringey.gov.uk/sites/haringeygovuk/files/preliminary\\_draft\\_charging\\_schedule\\_consultation\\_document\\_2017\\_1.pdf](http://www.haringey.gov.uk/sites/haringeygovuk/files/preliminary_draft_charging_schedule_consultation_document_2017_1.pdf) consultation 10 March - 21 May 2017.

3. How is CIL calculated and charged?

3.1 The regulations require two distinct aspects to be considered. Firstly, a 'charging authority' (the Local Authority) needs to demonstrate that new development necessitates the provision of new, or improved, infrastructure. Secondly, that the rate included in the proposed levy does not make development proposals unviable, in particular with regards to expected costs that would be associated with the provision of on-site infrastructure (for the purposes of CIL, affordable housing is regarded as an on-site requirement and will continue to be secured through s106 obligations).

The existing CIL levels are:

2.7 Haringey's currently adopted CIL Charging Schedule is set out below.  
Adopted Haringey CIL Charging Schedule Use CIL charge (£/square metre)

	Western	Central	Eastern
Residential	£265	£165	£15
Student accommodation	£265	£165	£15
Supermarkets	£95		
Retail Warehousing	£25		
Office, industrial, warehousing, small scale retail (use class A1-5)			Nil Rate
Health, school and higher education			Nil Rate
All other uses			Nil Rate

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Superstores/supermarkets are defined as shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit. Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items, and other ranges of goods, catering mainly for car borne customers.

4.1 .....The latest outcomes of this study indicate that there is a total funding gap that CIL can contribute towards of approximately £345m

The proposed CIL levels are:

Use	Western	Central	South Eastern	North Eastern	Mayoral CIL
Residential	£265	£165	£130	£15	£35
Student accommodation	£265	£165	£130	£15	£35
Warehouse living	N/A	N/A	£130	N/A	£35
Supermarkets	-----	-----	£95	-----	£35
Retail Warehousing	-----	-----	£25	-----	£35
Office, industrial, warehousing, small scale retail (use class A1-5)	-----	-----	Nil Rate	-----	£35
Health, school and higher education	-----	-----	Nil Rate	-----	Nil
All other uses	-----	-----	Nil Rate	-----	£35

Superstores/supermarkets are defined as shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit. Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items, and other ranges of goods, catering mainly for car borne customers.

6.2 .....Haringey CIL is still in a “bedding in” period. Due to planning consents lasting for three years, although a total in excess of £13m has been calculated as liable, only £1.4m has been collected. This is due to the payment of CIL being at the point of commencement of development. As such the residual £11.7m-worth of CIL liable development currently has planning consent, but has not yet commenced development. Assuming the developments are commenced in the coming years, the collected amount will increase over the coming years.

### **Will CIL cover our Infrastructure needs?**

BNP Paribas estimate there is a shortfall of £345m between now and 2027. If the shortfall of £11.7m (above) is added to the expected CIL raised in the South East of the Borough at £130 from Site Allocations in the Local Plan which would raise £18.7m, you have a total £30.2m - 10% of the expected shortfall. The Consultation document does not project how this massive gap would be closed especially as the Site Allocations represent a large one-off windfall.

### **From the Local Plan for Tottenham:**

Infrastructure

5.104 The infrastructure projects in the neighbourhood area are:

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- New pedestrian and cycling bridge at Northumberland Station.
- New and enhanced education facilities commensurate with the growth in forecast population in Northumberland Park.
- New health facility to be delivered as part of the redevelopment of Tottenham Hotspur Football Club
- New rail and station facilities at Northumberland Park associated with the delivery of increased rail connectivity, as well as Crossrail 2.
- New and enhanced bus routes reflecting the area's role as a key regional growth hub.
- Improvements to community infrastructure provision, including a crèche, a new library and education hub, a new healthcare centre including a pharmacy and new leisure facilities associated with the redevelopment of Tottenham Hotspur Stadium.
- Improvements to White Hart Lane Station and a new entrance to the station to align with the new public square and the new clear route provided by the square from the station to the new football stadium.

Will the CIL level for the North East area be enough to pay for these?

How many will be paid for under the planning permission for THFC?

How many will be paid for by TfL or Network Rail?

What other Infrastructure might be needed during the lifetime of the Plan?

### **Incentive to develop or a gift?**

The level of CIL is so appreciably lower in the newly designated North East area at £15, it presupposes a massive drop in the projected property values from South to North Tottenham. And yet the Business Plan for the HDV is predicated on an increase of property values by almost double their present values. Without that increase, the partners in an HDV would apparently gain no profit from the venture and would likely not be so intent to embark on this venture. Is the profit therefore not being gained at the expense of infrastructure?

The Consultation Document proposes a new list of CIL projects:

Haringey CIL funding may be applied in whole or part to the provision, improvement, replacement or maintenance of the following infrastructure:

Educational Facilities

Further Education Facilities

Health and wellbeing Facilities

Parks and Open Spaces

Social and Community Facilities

Transport and Highways (excluding works that area required as part of a development proposal to be secured through a Section 278 Agreement)

Enterprise Space

Sports and Leisure Facilities

Public Realm Improvements

Community Safety Measures

District Energy Network and associated infrastructure

The above list is not in order of priority. The above list excludes infrastructure projects that are required to make a development acceptable in planning terms in accordance with the planning policies set out in the Council's Local Plan. Whilst CIL will be the Council's main mechanism for securing funding towards the infrastructure that is required to support the cumulative demands from development in Haringey, there will be some instances where individual development gives rise to their own requirements for infrastructure in order to make the development acceptable in planning terms. Such infrastructure will be secured as part of the development through the use of planning conditions or planning obligations.

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Further details on this approach are set out in the Council's Planning Obligations SPD. This Regulation 123 list therefore explicitly excludes the provision of infrastructure that is required to make a development acceptable in planning terms and which meets the legal tests of Regulation 122 of the CIL Regulations. Through the publication of this list the Council therefore retains its discretion to negotiate necessary planning conditions and s106 planning obligations to secure such infrastructure.

Is Northumberland Park going to be short-changed at £15 and not get the benefits that the rest of the Borough might see? This is surely literally building in a poorer quality of life for those living in this area. The cost is the same whether by means of Section 106 Agreements, more negotiable than CIL which is not. Can S106s realistically be expected to remedy the position?

### **CROSS BOROUGH CONCERN**

#### **What are the risks?**

- it is not clear that Haringey would have a power of veto in the 50:50 partnership
- the Council will be £11.5m in debt this year. Haringey's 50% share of the HDV's profit is seen as the only way of covering the debt
- the unsound Business Case (2015) assumes CrossRail 2 will go ahead and there will be a station Wood Green. Brexit has happened
- Haringey would put its commercial property into the HDV on Day One - its share of the LLP's equity. Lendlease would only provide a loan note to cover its share. If Lendlease were to go bust, Haringey's commercial portfolio would be at risk
- Haringey will lose the revenue stream from current residential and commercial rents causing a serious dip in their finances.
- Council income and liabilities arising from the HDV are not separated
- financial viability of developments is a planning test. In Highgate developers have used viability as a means to provide little or no affordable housing. Haringey cannot guarantee it will achieve its goal of 50% affordable housing
- Haringey's 50% profit relies on property values almost doubling in Tottenham, Wood Green and Northumberland Park
- how affordable will rents be for existing tenants? The project has been described as 'social cleansing'. Promises to re-provide social rent homes may well be hollow
- residents could resist moving, delaying redevelopment of the large estates (1700 and 1200 people in Northumberland Park and Broadwater Farm alone)

These are just some of the concerns about this project

NOTES PREPARED BY GAIL WALDMAN 2 APRIL 2017