

KEITH MURRAY CONSULTANTS
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CHARTERED SURVEYORS

Planning Casework Unit
Department for Levelling Up, Housing & Communities
23 Stephenson Street
Birmingham
B2 4BH

6 March 2023

Dear Madam/Sir

**Re: The London Borough of Haringey (High Road West Phase A) CPO 2023 ('the Order')
Objection in respect of premises at 759 High Road, Tottenham, N17 8AH**

We are instructed to act on behalf of both Kingwell Investments Ltd, the owner of the freehold interest in the above premises, and Dr and Mrs R Jeyarajah who own a leasehold interest in the above property and occupy it as a doctor's surgery under the name of Tottenham Health Centre. Dr and Mrs Jeyarajah are the sole directors of Kingwell Investments Ltd and therefore also have an interest in the freehold interest via that company.

Our clients object to the above Order for the following reasons.

The development for which the Order is sought comprises Phase A and Plots A-G within the Planning Permission and our clients' property sits within Plot E and the proposed area of public realm to be called Moselle Square. At Para 7.26 the Statement of Reasons ('the SoR') gives an anticipated start date for Plot E as Q4 2028.

The "Guidance on Compulsory Purchase Process and the Crichel Down Rules" ('the Guidance') states '*It is not essential to show that land is required immediately to secure the purpose for which it is to be acquired, but a confirming minister will need to understand, and the acquiring authority must be able to demonstrate, that there are sufficiently compelling reasons for the powers to be sought at this time*'.

Assuming that the Order is confirmed in early 2024, it will need to be implemented within three years of that date and so our clients' property will be acquired approaching two years before it is required. And whilst Para 3.5 of the Planning Statement states that '*The development.....will be built out over a prolonged period of time and will encounter market fluctuations, full economic cycles and demand pressures.*' these factors are not '*compelling reasons*' to justify such an early acquisition of our clients' property therefore in our opinion, such an early acquisition would be contrary to the Guidance.

Furthermore the documentary support to the Order indicates that the Council has no clear idea as to what use our clients' land is to be put.

Referring again to Para 3.5 of the Planning Statement it expands upon the further extract quoted previously by stating *'The development.....will be built out over a prolonged period of time and will encounter market fluctuations, full economic cycles and demand pressures. The need for flexibility is therefore paramount to allow the Development to respond to changing needs and patterns as future phases come forward for development.'* this being a very clear indication that the Council seeks the power to acquire our clients' land with no clear idea as to what use it will be put. This vagueness is replicated in the Officer's Report which led to the resolution to use compulsory purchase powers where at Para 3.3 it stated *'The submission is accompanied by an illustrative layout which provides a potential way that the outline part of the site could be developed.....The illustrative scheme does not represent the maximum development for which planning permission will be granted, but illustrates how it could come forward.....'*

It is not acceptable for the Council to seek compulsory purchase powers (i) when it has no firm idea as to what purpose those powers will be put and (ii) so far in advance of when they are needed in respect of a particular property identified for acquisition within the Order. In our opinion our clients' property should be removed from the Order and if eventually the Council concludes that it requires this property in order to redevelop the immediate area within a reasonable timeframe, the Council can make a further compulsory purchase order at that time.

The Guidance also states, at Para 14, that the Council should address both the source of funding for the proposed development and when that funding will be available. In particular the Council is required to address:

'(a) sources of funding - the acquiring authority should provide substantive information as to the sources of funding available for both acquiring the land and implementing the scheme for which the land is required. If the scheme is not intended to be independently financially viable, or that the details cannot be finalised until there is certainty that the necessary land will be required, the acquiring authority should provide an indication of how any potential shortfalls are intended to be met. This should include:

- the degree to which other bodies (including the private sector) have agreed to make financial contributions or underwrite the scheme; and*
- the basis on which the contributions or underwriting is to be made*

(b timing of that funding - funding should generally be available now or early in the process. Failing that, the confirming minister would expect funding to be available to complete the compulsory acquisition within the statutory period (see section 4 of the Compulsory Purchase Act 1965) following the operative date, and only in exceptional circumstances would it be reasonable to acquire land with little prospect of the scheme being implemented for a number of years.'

In respect of funding the Officer's Report states at Para 8.19 that *'The applicant's viability appraisal has been independently reviewed by BNP Paribas Real Estate. The review sets out that the estimated viability of the scheme is contingent on the number of dwellings and amount of residential floorspace proposed and therefore it is considered essential that the scheme viability is revised upon the submission of reserved matters applications. The review also found a viability deficit and recommends securing early, middle and late-stage reviews via legal agreement.'*

Similarly the SoR does not contend that the proposed development is independently financially viable. Para 7.10 of the SoR refers to the Council having secured £91.5m grant funding, but does not say that the funding is unconditional or if it relates to any specific phases of the development, and then addresses the assets of Lendlease Corporation Ltd however the development agreement and CPO indemnity agreement are not with Lendlease Corporation Ltd but are with Lendlease (High Road West) Ltd which last-filed company accounts for the year end June 2021 show it to have negative equity of £1.95m. Furthermore the Notes to the accounts state that *'the Company is dependent for its working capital on funds provided to it by Lendlease Europe Holdings Limited,the Company's ultimate UK parent entity'* and then qualify this with the statement *'As with any company placing reliance on other group entities for financial support, the directors of the Company acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so'*. Para 7.16 of the SoR then states that *'Lendlease has indicated that the Scheme is likely to be funded by a combination of grant funding, internal funding and potentially third-party capital.'*

From these statements it is clear that funding is not yet in place and that Lendlease is not contractually committed to deliver the proposed development therefore in our opinion there can be no guarantee that the proposed development will go ahead consequently there can be no justification for the Order to be confirmed.

In our opinion the Council has not demonstrated a compelling case in the public interest for the inclusion of our clients' property in the Order, and specifically why it is included when not required until the end of 2028 at the earliest, and accordingly unless the Order is not confirmed in its entirety, it should be confirmed excluding the block of property of which our clients' property forms part.

Our clients reserve the right to provide further detail in evidence and submissions at any inquiry held into the Order.

We look forward to receiving your confirmation of receipt of this objection in due course.

We would also confirm, for the avoidance of doubt, that we are prepared to receive any communications in respect of this matter via email.

Yours faithfully



Keith Murray FRICS
Keith Murray Consultants