

SANDERS SOLICITORS

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National Planning Casework Unit
5 St Philips Place
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24 October 2019

Dear Sirs

**RE ORDER: THE LONDON BOROUGH OF HAVERING (RAINHAM AND
BEAM PARK, NEW ROAD, RAINHAM) COMPULSORY
PURCHASE ORDER 2019 No. 1 ('the Order')**

PROPERTY: 192 NEW ROAD, RAINHAM RM13 8RS ('the Property')

**RESPONDERS: IVY ROSE SEARLE ('Freeholder')
SEARLE MANAGEMENTS LIMITED ('Head Lessee')
CANNING TOWN MACHINERY LIMITED ('First Lessee')
CTM HIRE LIMITED ('Second Lessee')**

Sanders Solicitors are a local firm of solicitors with offices at 18-20 The Broadway in Rainham. We have been operated locally since 1972 mainly in the commercial property sector and have acted on behalf of the Searle family and their businesses since 1992.

The Searle family has owned the Property since 1985 and their very successful family businesses have been in occupation, serving the local community since 1998. The businesses operating from the Property are summarised as follows:

CTM Hire Limited

CTM Hire is a well-regarded van hire business which supports the livelihoods of 12 individuals, with more than half working at the Property for in excess of a decade. The business currently has a fleet of 95 modern, high quality vehicles ranging from small vans to 7.5-ton HGVs. All vehicles meet the low emission "Euro 6" standard, ensuring the entire fleet is capable of freely entering the ULEZ in central London, fully complying with the stringent ultra-low emissions requirements. In the past three years

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SRA NUMBER: 54799

CTM Hire has completed more than 46,000 vehicle hires and it is estimated that 80% of these hires are to local businesses and local residents within a 5 mile radius of the Property. CTM Hire operates 7 days per week, has an onsite mechanic and workshop and provides 24 hour per day customer support services, all contributory factors to the company's highly complementary 5 Star rating on Google.

Canning Town Machinery Limited

Canning Town Machinery trades in the sale and leasing of highly specialist machinery for manufacturing and industry. The business was originally established in 1985 by Dennis Searle. Dennis Searle is now 78 years old and as such is not inclined to relocate his business at his age.

The company name is recorded in the Book of Reference incorrectly.

Searle Managements Limited

Searle Management holds a head lease for the Property and manages the collection of rent, the letting of short-term storage units, outgoings and any maintenance required to ensure the Property presents a high standard of accommodation, in strict contrast to the pejorative terms used to describe the properties on New Road throughout the Statement of Reasons.

It should also be noted that only two under-lettings (the First Lessee and the Second Lessee) have leasehold interests in the property. Any other lettings of the property are for storage uses, occupied on short term license agreements, strictly excluded from the provisions of the Landlord and Tenant Act 1954.

Objection

We confirm we have been authorised by the abovementioned Responders to give notice of their objection to the Order on their behalf. We summarise their objection under the following subheadings:

1.0 No compelling case in the public interest

The Council has not demonstrated that the scheme underlying the Order will deliver public benefits which outweigh the rights of those affected by the Order. The Statement of Reasons identifies very few public benefits at all, certainly insufficient to what is necessary to justify the Council interfering with the human rights of those with an interest in land.

CTM Hire is a customer facing van hire business. It is not a dirty or noisy user and is not "degraded, derelict, contaminated or unstable land". As such, it would not detract from residential development occurring on neighbouring land and therefore the Order should be amended to remove the Property.

2.0 Insufficient steps to acquire the land by agreement

The Responders, their agents (Savills) and solicitors (Sanders) have responded to requests made by the Council or their agents (Glenny and Ardent) including the granting of access for the purposes of undertaking a survey of the Property which was requested under the guise of making an offer to purchase the Property from the owners. No offer has been received.

In order to justify the use of compulsory purchase powers the Council is expected to demonstrate that they have taken reasonable steps to acquire the land by agreement. To date, the Council has not taken reasonable steps. As set out above, the Property is owned and occupied by the Searle family and their businesses, each business is interrelated therefore in order for the Council to strike a bargain that would put the parties in a position of financial

equivalence, the total package would need to reflect the value of the freehold and head leasehold interests together with the relocation costs of CTM Hire and the extinguishment of Canning Town Machinery. No offer has been received.

It is also concerning to learn that the Council has only managed to conclude the acquisition of eight interests of the 113 third party interests identified in the Book of Reference. We also note that paragraph 3.13 of the Statement of Reasons contradicts paragraph 7.11 and have assumed that paragraph 7.11 to be correct. The limited success the Council has had acquiring interests provides prima facie evidence that the steps they have taken to acquire the land by agreement have been woefully inadequate. Despite the Council's contention that they have "been actively negotiating" with those affected, the lack of success supports the opinion of a number of Chartered Surveyors that the level of compensation offered (in the circumstances where offers have been made) is below what should be expected in accordance with the 'Compensation Code'.

3.0 Inadequate relocation strategy

The Business Relocation Strategy adopted by the Council is inadequate. It misrepresents the availability of suitable alternative business accommodation. Despite the Council's contention that they have actively engaged with businesses, the Searle family only became aware of these measures after the Order had been made when they received an undated letter from NHG together with a flyer from Enterprise Nation offering attendance at two workshops, one of which had taken place before the letter was received.

The Responders do welcome any assistance the Council is willing to offer, however the principle obstacle is identifying an alternative property to purchase that is suitable for the relocation of their businesses, a service Enterprise Nation does not appear to offer.

Paragraph 3.1 of the Business Relocation Strategy states that the Council "maintains a comprehensive database of all commercial premises and sites available in the borough". In the past three years the Council's agents have only once provided details of properties available in the borough to the Responders and none of which were remotely suitable.

Further, the Responders have regularly searched for both Freehold and Leasehold premises on all the usual commercial property search portals during the past two years and have not identified a single property that would be suitable for their businesses to relocate to, irrespective of asking price.

4.0 Impediments to delivery

Planning - The Property forms part of what the Council has identified as RW4B (sometimes inconsistently also referred to as RW04B). The application for outline planning permission was submitted on 27 September 2017 and as at the date of writing, has not been granted despite several revised documents being submitted. It is therefore unclear whether or not Planning may be an impediment to delivery of the scheme.

Viability - RW4B comprises numerous industrial premises between 148 and 192 New Road, to the South of New Road, all of which share a rear boundary with Rainham Steel. Rainham Steel is a significant local business which undertakes heavy industrial steel processing. Rainham Steel is not in the Order and it is unclear whether or not this land will be redeveloped in the future and if so, when. Rainham Steel operates 5 days per week and two Saturdays a month, producing very significant volumes of noise which is entirely inharmonious with high quality residential accommodation on neighbouring land. We do not consider RW4B will be financially

viable without first securing the redevelopment of Rainham Steel and therefore the Order should be amended to remove the Property (and perhaps more appropriately RW4B in its entirety) unless an unequivocal agreement is first reached with Rainham Steel to overcome this clear impediment to delivery.

Based on information provided by NHG and the Council, there is clearly conflicting information given as between this Relocation Strategy and the Statement of Reasons. For example, in the Relocation Strategy in paragraph 2.5 it states that there are 77 businesses that need to be relocated, of which 8 are freehold, 69 leasehold. In the Statement of Reasons however, in clause 13.13 it claims that the land referencing undertaken by Persona identified 96 freehold interests of which 17 were leasehold and approximately 32 residential properties with 85 premises in business use.

It is apparent that NHG and the Council have not fully identified the extent of the interests that they are purporting to acquire and the level of compensation that will be required to compensate each of the individual freehold, leasehold businesses and land owners and this must call into question therefore the viability of the Scheme.

5.0 Land not required imminently

We understand the Property forms the last phase of the proposed development. The statement of reasons shows RW4B being programmed for site acquisition in November 2023. Given the current levels of global financial uncertainty together with the ongoing noisy, heavy industrial use of the land to the rear by Rainham Steel and the untested market for modern new build apartments in Rainham, it is unreasonable for the Council to include RW4B, or at the very least the Property, within the Order when it is highly unlikely that the land will be required within the three year time limit for vesting the land.

The Order is denoted with "No. 1", inferring that a second order may be forthcoming at some later stage. We consider the Property (and perhaps more appropriately RW4B in its entirety) should be excluded from the Order at this stage. This would then give the Council sufficient time to take the reasonable steps that they are expected to take to acquire the land by agreement and then (if it has not been possible to acquire all by agreement) include the land in a further later order.

Indeed, in 5.2 of the Business Relocation Strategy, NHG and the Council envisage that there be New Road regeneration programme will be undertaken within a period of 7 years which begs question as to why our clients property which is identified as part of RW04b needs to be acquired at this point in time and not under a later CPO.

6.0 Insufficient information available

Despite the Council's assertion it has "engaged" with landowners, very limited information has been made available to the Responders, their agent or their solicitor about the proposed scheme, when the Property would be needed and what importance it has to the Council's wider regeneration aspirations for Rainham. Even as late as 9 October 2019 the Council had failed to publish information about the Order on the dedicated Rainham and Beam Park website and required prompting by the Responder's agent (Savills) to have the information made available to them.

7.0 Alternative options not properly considered

The Council has failed to demonstrate what alternatives (if any) have been considered and/or already discounted. Until justification is provided it is difficult to ascertain whether there are

suitable alternatives to compulsory acquisition, whether the land is actually needed or whether a lesser area could be acquired to achieve the same effect.

It is the Responders' position that the Property should not be acquired and that it should be removed from the Order.

We would be most grateful for you to confirm receipt of this objection and we trust it will be given due and fair consideration. Further, we request copies of all future correspondence be directed to Clarke Vallance at the address below and we consent for any such copies to be sent electronically where possible.

Clarke Vallance
Savills
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Finally, we reserve the right to amend, add to or withdraw this objection.

Yours faithfully

Sanders Solicitors
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