


<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">CABINET</p> <p style="text-align: center;">9 MAY 2016</p>	
<p>TRANSFER OF A STRIP OF LAND AT WOOD LANE</p>	
<p>Report of the Cabinet Member For Economic Development And Regeneration: Councillor Andrew Jones</p>	
<p>Open Report</p> <p>A separate report on the exempt part of the Cabinet agenda provides exempt financial information.</p>	
<p>Classification - For Decision</p> <p>Key Decision: YES</p>	
<p>Wards Affected: College Park and Old Oak</p>	
<p>Accountable Director: Maureen McDonald-Khan – Director of Building and Property Management</p>	
<p>Report Author: Manjit Gahir – Corporate Property Services</p>	<p>Contact Details: Tel: 020 8753 4886 E-mail: manjit.gahir@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. This report details the transfer of a small strip of land along Wood Lane which is to facilitate the development and regeneration of White City.

2. RECOMMENDATIONS

- 2.1. That the Council declares the land identified in Plan 2 as surplus to the Council's requirements.
- 2.2. That officers be authorised to dispose of the strip of land as shown in Plan 2 for the best price reasonably obtainable to St James Group Limited as outlined in the main and exempt report and otherwise on such terms and conditions as the Director (Legal Services) and the Director of Building and Property Management consider appropriate in consultation with the Cabinet Member for Finance. This

disposal will directly enable the provision of new open space for community use and allow the development of substantial housing (affordable and private housing) in the borough.

3. REASONS FOR DECISION

- 3.1. The reason for this decision is to facilitate the development of the M&S site at 54 Wood Lane to help deliver over 1400 homes in this locality. The strip of land measuring 74m x 2m will form part of a bridge and pedestrian deck that will enhance the public realm and allow access to a newly formed open space for the public.

4. INTRODUCTION AND BACKGROUND

- 4.1. The subject site is no. 54 Wood Lane which is occupied by Marks and Spencer as their Warehouse. The property is accessed by a road bridge over the Central line which also provides access to other buildings in the area, notably the UGLI buildings. The site can also be accessed by Depot Road which is north of White City Station.
- 4.2. St James Developments acquired the site and obtained planning permission for a largely residential scheme . The planning consent includes the provision of a new open space next to Wood Lane Station. There are also plans to open some arches to provide pedestrian access to and from the green to the extended Westfield development which will be occupied by John Lewis.
- 4.3. The consent provides for a pedestrian deck which will cover a part of the Central line and will open out into the newly created open space. There will also be a new vehicular bridge which will run along the existing bridge to provide a more effective two way vehicular bridge with footpaths to the new residential scheme which is expected to provide approximately 1400 homes.
- 4.4. As part of the consent the Council has managed to secure out of the s.106 agreement a substantial sum for the provision of on-site affordable housing, a commuted sum for affordable housing as well as extra care housing in the borough.
- 4.5. St James Developments have obtained permission from Transport for London (TfL) to build over their railway lines but cannot rest the structure on the cutting wall. This means that the foundations of the two bridges will need the land along the highway. Whilst they will require s247 stopping up order, they will also need permission of the land owner.
- 4.6. The Council is registered proprietor of part of the land. This land was transferred to the Council under a Vesting order by the London Residuary Board when the Greater London Council (GLC) was wound up. The remainder is unregistered, see legal implications section in respect of ownership issues.

5. PROPOSAL AND ISSUES

- 5.1. St James Developments have been in discussions with the Council's Property department about acquiring an interest in the land in order to place the foundations for the two bridges.
- 5.2. The Council has obtained external advice on the land required by two different property specialists, see 6.11 below.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. There are few options with regards to this proposal as it is either to transfer the land or not, however as part of the discussions with St James the Council needed to weigh up whether this was a ransom strip situation whereby the Council could have the opportunity to share in the uplift in value to this development.

6.2. *Not agreeing the transfer of the land*

- 6.3. This option has been considered. The Council is not obliged to sell this piece of land, however it is considered that if the Council could agree a transfer to St James it would mean that the planning permission could be implemented accordingly and the bridge and the deck could be delivered.
- 6.4. In a situation where the Council does not agree to transfer to St James developments it would mean that St James would need to find an alternative way of providing the bridge. This could be by re-designing to a cantilever bridge.
- 6.5. St James believe that a cantilever bridge is possible and although there are higher costs of construction, they would save on the substantial amounts required to move services in their preferred solution which means that this is a cost neutral solution. However the pedestrian deck would inevitably have very high costs running into the millions and St James could decide not to proceed with the pedestrian deck as they are not obligated to build this out.
- 6.6. This option is not ideal because the open space would not easily be accessible for the public as it would with the pedestrian deck. The deck would certainly improve the public realm.

6.7. *Agreeing the transfer of the land*

- 6.8. This option would allow the developer to build out the preferred design of the bridge and deliver the pedestrian deck which would make the new open space more accessible to the public rather than appearing as private open space solely for the residents.
- 6.9. The Council recognises the importance of the bridge and pedestrian deck however also need to balance this with obtaining an appropriate sum for the transfer.

- 6.10. St James's initial view was LBHF would grant a long lease at nil consideration to help facilitate the developer. The Council obtained advice from BNP Paribas Real Estate for assessing if the land was considered a ransom strip and advice on negotiation; and Carter Jonas for valuing the development and assessing the impact of not having the bridge or pedestrian deck. Both consultancies advised the Council for which the details of the negotiated sum considered to be best value reasonably obtainable and supported by Carter Jonas is outlined in the exempt part of the report that show the heads of terms.
- 6.11. The proposal offered by St James is for all the land required as shown outlined in red in the attached plan headed 'Plan 2' and includes some of the registered land.

7. CONSULTATION

- 7.1. Consultations took place with the Planning department in relation to the s106 implications if there were any changes to the scheme which could affect the viability of building a bridge and pedestrian deck.

8. EQUALITY IMPLICATIONS

- 8.1. The creation of this new open space will provide a facility for the public and is not expected to affect any of the protected characteristics.

9. LEGAL IMPLICATIONS

- 9.1 The Council has the power under S.123 of the Local Government Act 1972 to dispose of land for the best consideration reasonably obtainable. The Council owns the part of the land edged red under title number LN93179.
- 9.2 Implications verified/completed by: (Dermot Rayner Senior Property Solicitor 0208 753 2715.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. This report recommends disposing of a piece of land for a negotiated sum (at the best price reasonably obtainable). This will result in a capital receipt for the Council which can be used to support the Council's capital programme or the repayment of debt.
- 10.2. Implications verified/completed by: Christopher Harris, Head of Corporate Accountancy and Capital 0208 753 6440.

11. IMPLICATIONS FOR BUSINESS

- 11.1 It is expected that the proposal will have a positive impact on local businesses because of the ease of access to the new development and to the new Westfield development.

11.2 Implications verified/completed by: Manjit Gahir, Corporate Property Services
0208 7534886.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

LIST OF APPENDICES:

- 1) Plan 1 (contained in the exempt report on the exempt Cabinet agenda)
- 2) Plan 2