

REPORT FOR: Planning Committee.

Date of Meeting: 14 December 2011

Subject: **INFORMATION REPORT –
Urgent Non-Executive Decision:
Modification of the Unilateral
Undertaking relating to the
Former Travis Perkins Site at
Harrow Town Centre**

Responsible Officer: Hugh Peart – Director of Legal and
Governance Services

Exempt: No

Enclosures: None

Section 1 – Summary

The Urgent Non-Executive Decision procedure, set out in Part 3 of the Council's Constitution, requires all decisions taken under the procedure to be reported to the appropriate Committee. The Committee is requested to note the action taken under the Urgent Non-Executive Decision procedure, as outlined in Section 2 below.

FOR INFORMATION

Section 2 – Report

CIRCUMSTANCES

Site Description

The site is located in a prominent position on the western edge of the Harrow Metropolitan Centre in an area of mixed commercial/ residential character.

The site was previously occupied by a builders' merchant and a timber yard. This has now been demolished.

The site is bound to the south by railway tracks, with the 2-3 storey hotel to the north on the opposite side of Pinner Road. Adjacent to the west of the boundary of the site is an existing 4 storey office building at 21-27 Pinner Road and, to its rear, warehouse buildings accessed via Neptune Road. To the east across the Pinner Road/Bessborough Road roundabout lies the 6/7 storey high Aspect Gate building, the 9 storey Roxborough Heights building and the partly constructed 10 storey Bradstowe House building.

The site is within 430m of Harrow Bus Station and Harrow-on-the-Hill train and underground station and consequently had a high PTAL rating of 5/6.

Planning permission was granted on appeal for construction of a nine storey building with basement comprising a ground floor café/restaurant (class A3 use), 3458 sqm second floor retail store (class A1 use) with 220 retail parking spaces, 146 flats in four to six storeys above the retail use. The scheme is currently under construction onsite.

A unilateral undertaking dated 15 May 2009 submitted as part of the appeal contains a mortgage exemption clause (Clause 10.1) which currently reads as follows:

'a mortgagee or chargee lending money to the Owner or the RSL on the security of the Affordable Housing Units or any part thereof or any mortgagee or chargee of any owner for the time being of a leasehold interest in an Affordable Housing Unit or any receiver or manager (including an administrative receiver) appointed pursuant to the Law of Property Act 1925 or any person deriving such title through any such mortgagee or receiver PROVIDED THAT such mortgagee or chargee or any receiver or manager so appointed notifies the Council in writing of its desire to sell the said Affordable Housing Units and despite using reasonable endeavours, is unable within a period of six months from the date of such notification to the Council to enter into a binding contract to dispose of the said 'Affordable Housing Units to another RSL.'

Proposal Details

It is proposed to amend the wording of clause 10.1 of the Unilateral Undertaking so that a mortgagee who lends money to an RSL on the security

of the affordable housing units can exercise its legal power to dispose of the units.

The revision of the clause has been discussed between the applicants, and the Council's Housing and Legal Officers who have agreed a revised wording.

It is proposed to amend Clause 10.1 to read as follows:

'any mortgagee or chargee of any owner for the time being of a leasehold interest in an Affordable Housing Unit or a mortgagee or chargee lending money to the Owner or the RSL on the security of the Affordable Housing Units or any part thereof or any receiver or manager (including an administrative receiver) appointed pursuant to the Law of Property Act 1925 or any person deriving title through any such mortgagee or receiver PROVIDED THAT such mortgage or chargee or any receiver or manager so appointed notifies the Council in writing of its desire to sell the said Affordable Housing Units and despite using reasonable endeavours is unable within a period of six months from the date of such notification to the Council to enter into a binding contract to dispose of the said Affordable Housing Units to another RSL under which it will recover the total sum outstanding under its charge or mortgage.'

Appraisal

The revisions behind the variation are intended to ensure a greater degree of flexibility in transferring the ownership of the site and to allow greater flexibility for a mortgagee to sell the affordable element on the open market if the RSL defaults in repaying the mortgage. The revised wording of the S106 Agreement has been developed in conjunction with officers of the Housing and Legal Departments and is therefore considered to be acceptable.

Given the above, the amendment was considered to be appropriate and could be supported.

Section 3 – Further Information

Action Sought

The modification of clause 10.1 of the Unilateral Undertaking dated 15 May 2009 to allow greater flexibility for a mortgagee who has loaned money to a RSL on the security of the affordable housing units to exercise its power to dispose of the units if the RSL defaults.

Date of Request for Action:

4 November 2011

Reason for urgency:

The revision is necessary to enable a contract for transfer of the affordable housing units to an RSL to be completed. The contract could not await the next Planning Committee meeting on 16 November 2011.

Decision: Officer recommendation agreed.

Section 4 – Financial Implications

None

Section 5 – Corporate Priorities

The proposal would be in line with the corporate objectives of United and Involved Communities: a Council that listens and leads.

Name: Kanta Hirani	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 23 November 2011		

Section 6 - Contact Details and Background Papers

Contact: Miriam Wearing, Senior Democratic Services Officer, 020 8424 1542

Background Papers: Individual Urgent Non-Executive Decision Form, as reported.