

Report of: Executive Member for Homes & Communities

Meeting of:	Date:	Ward(s):
Executive	9 June 2022	Mildmay

Delete as appropriate	Exempt	Non-exempt
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SUBJECT: GRANT OF LEASE TO UKPN FOR SUBSTATION LEASE FOR HATHERSAGE AND BESANT NEW BUILD SCHEME**1. Synopsis**

- 1.1 This report seeks approval to grant a lease for a substation to London Power Networks plc for 99 years at peppercorn rent. This lease is required to replace the current substation at Besant Court to facilitate the Council's New Build scheme at Hathersage and Besant, which would provide new homes and estate improvements as part of the Council's New Build Housing programme.

2. Recommendations

- 2.1 To grant lease for a substation to London Power Networks plc for 99 years at peppercorn rent.

3. Background

- 3.1 Hathersage and Besant scheme will deliver new homes, including estate landscape improvements, improvements to Hathersage block and communal areas, and improved entrance for Besant Tower.
- 3.2 As part of the scheme's enabling works, a new lease will need to be granted for the electrical substation that replaces the large old substation next to the sunken playground. It is located on the site of Block B, which will provide 12 new homes for social rent.

- 3.3 The new substation is part of the approved planning application, which made provision for this new facility to supply power for the area. The new location would be in a freestanding single storey building close to the entrance of Besant Court. See Appendix A.
- 3.4 In accordance with the Constitution Part 3 section 4.4 Finance and Property, decision on acquisitions and disposals of interest in land, including disposal of lease for substation to a utility providers requires Executive approval.

Terms of Lease

- 3.5 The new lease would be for an outdoor freestanding lease and associated easements. The terms of the lease is for 99 years from the date of the lease at premium of One Pound (£1.00). The Landlord would be the Mayor and Burgesses of the London Borough of Islington, and the Tenant would be London Power Network plc.
- 3.6 It is understood the lease for the current substation is an old omnibus lease. Therefore granting this new lease would regularise this substation facility.

4. Implications

4.1 Financial implications:

In line with previous practice the Council will be granting the 99 year lease for the replacement electrical substation built as part of the Hathersage & Besant new build scheme at an annual "peppercorn" rent of £1. As such this will have no material impact on the HRA's income flows.

4.2 Legal Implications:

Under the Council's Constitution, the granting of any leasehold term that exceeds 20 years should be approved by the Executive.

The substation is required to accommodate the proposed development and ensure an adequate electrical supply. UK Power Networks require a 99-year lease, at a peppercorn rent which is regarded as standard for this type of undertaking. The Council has the power under the General consents granted by the Secretary of State pursuant to s32 of the Housing Act 1985 and under s1 of the Localism Act 2011 to enter into the proposed lease with UKPN.

4.3 Environmental Implications

The granting of the lease and the provision of a new substation would provide continued and improved capacity electrical power supply to the area.

4.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those

who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed in September 2021 for the whole Hathersage and Besant New Build scheme. The complete Resident Impact Assessment is appended. No discernible impacts can be identified for the granting of this lease.

5. Reasons for the recommendation

The granting of this substation lease would:

- Allow the building of a new block of no. 12 new social rent homes at location of the current substation in accordance with the Planning approval
- Allow the replacement of the existing large and old substation
- Ensure continued electrical power supply to the area as well increasing capacity
- Regularise substation lease

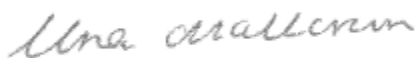
Appendices:

- Appendix A Site Plan: Existing and Proposed Substations
- Appendix B: Resident Impact Assessment

Background papers: None

Final report clearance

Signed by:



24 May 2022

Corporate Director, Homes and Neighbourhoods Date:

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