



Suresh Patel,

Mazars,

via e-mail

25th April, 2023

Dear Mr Patel,

NLWA Accounts 2020/21 - Audit Committee meeting 27/04/2023

We note the following at Note 5 on p 27 (para 5) of the 2020/21 accounts:

In line with the policy to review the value of the Authority's assets for impairment or a change in value, the market value of Pinkham Way was reviewed during the audit. This was reassessed and the value was based on market evidence from the land value included in the March 2021 valuation of the EcoPark. This increases the carrying value of Pinkham Way by a further £5.1m to £19.2m.

Seeking to extrapolate an uplift in land values at Edmonton and apply it gratuitously to Pinkham Way, a site whose only shared characteristic is ownership, is bizarre. The fundamental contrasts between the two sites informs our opinion that this extrapolation is irrational and not a sound basis for increasing the carrying value of Pinkham Way. The latest Valuation Office Agency (VOA) guidance on land values below illustrates the contrasts.

The Authority owns one part of the Pinkham Way site, the other part belonging to the London Borough of Barnet. If the proposed revaluation of £19.2m is accepted, the result would be a difference of 1200% in the valuation between NLWA's 4.1ha at £4.68m per ha and Barnet's 1.88ha, which LBB values at just under £0.40m per ha.

Edmonton unquestionably meets the VOA supporting criteria for industrial land values. It is a large, fully functioning waste facility, currently providing services to seven north London boroughs, and has the benefit of a Development Consent Order for further major development. It is designated a protected waste site in the NLWP.

Pinkham Way fails spectacularly on all four - see below - and, crucially, is not so designated.

The latest available VOA guidance on land prices (2019) estimates industrial land in Haringey at £4.5m per ha. This is however for land meeting the following criteria:

1) A typical urban, brownfield location, with nearby uses likely to include later, modern residential developments.

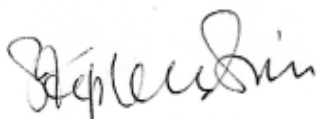
- 2) All services are assumed available to the edge of the site.
- 3) Use is restricted to industrial/warehouse and full planning consent is in place.
- 4) There are no abnormal site constraints or contamination and/or remediation issues.

Pinkham Way meets none of these.

- 1) It is neither 'typically urban' nor is it 'brownfield'. It is a large area of green undeveloped land substantially covered with trees (some with TPOs) and dense vegetation, and surrounded by other SINCs and MOL. The planning framework regards such a site as having high environmental value and as such it falls within the exclusion from definition of brownfield land.
- 2) There are no services whatever on the site and its geography makes it improbable that they would be 'available at the edge of the site'. It is an elevated site bounded to the north by the NCR, to the east by a main rail line, on the west by open MOL and a public park; and on the south by Bluebell Woods and Muswell Hill Golf Course, both designated SINCs.
- 3) Potential use of the site is not restricted to industrial/warehouse and there is no planning consent (full or outline) either in place or in prospect. The whole site has a dual designation of SINC and Employment land. We repeat that it is **not** identified in the NLWP as a Protected Waste site, but simply as a 'Priority Area' for search for possible waste use – there is a fundamental difference. Critically, any planning application for waste use on Pinkham Way is subject to a stringent set of criteria, see 4 below.
- 4) As the Authority is aware, both from its own studies and evidence submitted by PWA over the past 10 plus years, there is a complex raft of conditions, constraints and remediation / contamination issues that the NLWP Inspector has now set out in detail in his Nov 2021 Report and its Appendix 2. We direct your attention, and that of members, to the Barnet Homes estimate of some £46m (£7.7m per ha) for whole site remediation and preparation (for housing) sent to you on 29/07/2022, and attached here. It is safe to assume that this will have increased since 2017.

For the above reasons, we consider that the decision to increase the value of this site on the stated criteria is unsound, and calls into question the proper discharge of fiduciary duty that public authorities, including the NLWA, owe to N London residents.

With kind regards,



Chair - Pinkham Way Alliance.

cc: members of NLWA Audit Committee