

Committee: Planning and Transportation Committee Court of Common Council	Dated: 21 January 2025 6 March 2025
Subject: 36 Carter Lane & 34 - 37 Bartholomew Close	Public Report For Decision
This proposal provides business enabling functions	
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of:	The City Surveyor
Report author: Alex John, Investment Property Group, City Surveyor's Department (CS: 001/25)	

Summary

This report seeks determination from the Planning and Transportation Committee that 36 Carter Lane and 34-37 Bartholomew Close are no longer required to be held for the planning purposes and that they are appropriated to be held for investment purposes.

Recommendations

The Planning and Transportation Committee is asked to:

- i) Determine that 36 Carter Lane and 34 - 37 Bartholomew Close are no longer required for the planning purposes for which they were acquired; and
- ii) Recommend to Court of Common Council that 36 Carter Lane and 34 - 37 Bartholomew Close be appropriated for investment purposes.

Main Report

Background

Planning and Transportation Committee's remit

1. Determination and approval of this Agenda Item arises because the Planning and Transportation Committee's Terms of Reference include "making recommendations to Common Council relating to ...appropriation...of land held for planning purposes....and making determinations as to whether land held for planning or highways purposes is no longer required for those purposes" and to recommend appropriation to Investment purposes to Court of Common Council.

Context – Planning Purposes and Disposal Powers

2. Post-WWII the City Corporation exercised its local authority powers to facilitate reconstruction of the City, including assembling redevelopment areas, by acquiring land, and participating in redevelopment using its planning powers.

3. Some properties have continued to be held for planning purposes where their original planning acquisition purpose has been fulfilled. Once land is acquired for a particular purpose it continues to be held for that purpose until it is specifically appropriated to be held for another local authority purpose.
4. In the case of the properties which are the subject of this report, it is considered that appropriation of these properties to investment purposes better reflects the reality on which the properties are held and managed as income producing assets, given the original acquisition purposes are fulfilled and the limited potential of the properties to be developed in pursuit of planning purposes by City Fund. Appropriating to investment purposes also provides less restriction for future asset sales should they be pursued. Security of tenure of leaseholders and their continued occupation would not be affected by any such appropriation and disposal.

36 Carter Lane - Evaluation

5. Carter Lane is a freehold property and known as “the site of The Old Choir School”. It is shown edged red on the plan annexed to this report at **Appendix 1**.
6. The property is single let to the YHA on a 35-year lease expiring on 14 December 2050. The tenant operates the property as a youth hostel.
7. **Original Planning Purpose:** The City’s records indicate that 36 Carter Lane was most likely acquired for planning purposes to provide a new site for the Old (St Paul’s Cathedral) Choir School as part of post-war reconstruction of the area.¹
8. There is no evidence to suggest that the property was appropriated for any other purpose since the City’s acquisition in 1967.
9. Is ***the property still required for the original planning purpose for which it was acquired?*** No. Post-war reconstruction is completed and the property is no longer used as a choir school. From at least 1990, the property has been let to a third party operating as a youth hostel with ancillary purposes.
10. ***Could the property be appropriated for investment purposes?*** Yes. The property has long since ceased to be used as a choir school and criteria to qualify for appropriation have been met. The original planning purpose was achieved and the property is surplus to planning requirements i.e. to provide a new choir school site.

¹ The Court of Common Council Report dated 27/3/58 explains the Old Choir School site was to be designated as land adjacent to an area of comprehensive development so a government grant aimed at supporting post-war reconstruction could be given to the City to fund the site’s acquisition. The acquisition was contingent on such designation being included in the London County Council Development Plan. According to the report, such inclusion was agreed on 23 January 1958. S.93 of the Town and Country Planning Act 1947 provides for the payment of grant by government to local authorities in connection with acquisition of land. Part IV of the 1947 Act provides for acquisition of land for *planning* purposes. In the absence of greater detail in the acquisition file it therefore seems reasonable to conclude that the Old Choir School site was acquired for planning purposes.

34 – 37 Bartholomew Close – Evaluation

11. 34-37 Bartholomew Close is a freehold property and known as “34-37 Bartholomew Close and 3 to 6 Bartholomew Place, London”. It is shown edged red on the plan annexed to this report at **Appendix 2**.
12. The property is let on a 125-year lease to Healthlink Investments Limited. The City Corporation is not in direct management control of the occupation of the property and has limited influence over leasing decisions due to the long lease.
13. There are two subsisting underleases: the City of London (Children and Community Services) from the 3rd to 5th floors expiring in January 2030 and City & Hackney Primary Care Trust from the basement to 2nd floors expiring in February 2030. The City of London has sub-underlet the 3rd to 5th floors to Broadway Homelessness & Support until January 2024 and that sub-underlease has been assigned to Evolve Hospitality Limited.
14. **Original Planning Purpose:** The original planning purpose was post-war reconstruction. The property formed part of “Redevelopment Unit 32” which was declared in May 1964.
15. **Is the property still required for the original planning purpose for which it was acquired?** No. Post-war reconstruction is complete.
16. **Could the property be appropriated for investment purposes?** Yes. The criteria to qualify for appropriation have been met. The original planning purpose was achieved and the property is surplus to planning requirements i.e. for post war reconstruction.

Corporate & Strategic Implications

17. None

Resource, Equalities and Security implications

18. None.

Legal implications

19. One of the practical consequence of sites still being held for planning purposes is that the relevant statutory disposal power is S.233 Town and Country Planning Act 1990 which authorises disposal for the better planning of the area or the best use of land.² Where land is held for investment purposes the disposal power is S.9 City of London (Various Powers) Act 1958 which authorises disposal on such terms and conditions as the City thinks fit (and there is no statutory restriction on the purpose of the disposal)

1. S.233 provides for the disposal of land held for planning purposes “to such person, in such manner and subject to such conditions as appears to [the CoL] to be expedient in order

- (a) to secure the best use of that or other land and any building or works which have been, or are to be, erected, constructed or carried out on it; or
- (b) to secure the erection, construction or carrying out on it of any buildings or works appearing to them to be needed for the proper planning of the area...”.

20. S.12 of the City of London (Various Powers) Act 1949 allows for appropriation from one local authority purpose to another purpose for which the authority is authorised to acquire land, if the land is no longer required for the original planning purposes for which it was acquired. S.12 of the Local Government Act 2003 authorises a local authority to invest for any purpose relevant to its functions or for the purposes of the prudent management of its financial affairs.

Risk, Equalities, Climate and Security implications

21. None

Conclusion

22. Both 36 Carter Lane and 34-37 Bartholmew Close are no longer required for the original planning purposes for which they were acquired and are both capable of appropriation.
23. As such, it is open to your Committee to determine that 36 Carter Lane and 34 – 37 Bartholomew Close are no longer required for the planning purposes for which they were acquired and to recommend to Court of Common Council that it may appropriate the properties for investment purposes.

Appendices

Appendix 1 – 36 Carter Lane - Boundary Plan

Appendix 2 - 34 – 37 Bartholomew Close - Boundary Plan

Appendix 3 - Redevelopment Unit 32 Plan

Background Documents

Court of Common Council Report 27/3/58