
Meeting	Cabinet Resources Committee
Date	24 September 2013
Subject	Dollis Valley Regeneration Scheme
Report of	Leader of the Council
Summary	This report seeks a resolution from the Committee to make a Compulsory Purchase Order (CPO) in respect of all non-Council owned property and other proprietary interests in the Dollis Valley Regeneration Area as shown edged red on the attached plan.

Officer Contributors	Tony Westbrook, Head of Regeneration (DRS) Mike Spyrides, Senior Regeneration Officer (DRS) Abiodun Kolawole, HB Public Law
Status (public or exempt)	Public with no separate exempt report
Wards Affected	Underhill
Key Decision	Yes
Reason for urgency / exemption from call-in	N/A
Function of	Executive
Enclosures	Appendix 1 - Red Lined Boundary Site Plan No. 23577/2F
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1. RECOMMENDATIONS

1.1 That:

- i. A Compulsory Purchase Order (CPO) be made pursuant to the powers contained in Section 226 (1) (a) of the Town and Country Planning Act 1990 as amended by the Planning and Compulsory Purchase Act 2004 in respect of all non-Council owned property and other proprietary interests in the Dollis Valley Regeneration Area, as shown outlined on the Red Lined Boundary Site Plan No. 23577/2F;**
- ii. the Director for Place or such other appropriate Chief Officer be authorised to issue and sign all order, notices and certificates in connection with the making, confirmation and implementation of the CPO;**
- iii. the Director for Place or such other appropriate Chief Officer be authorised to make General Vesting Declarations (GVD) under the Compulsory Purchase (Vesting Declarations) Act 1981 and/or to serve notices to treat and notices of entry if required following confirmation of the CPO;**
- iv. the Director for Place or such other appropriate Chief Officer be authorised to issue and serve any warrants to obtain possession of property acquired by the Council following execution of a GVD or service of a notice of entry if it was considered appropriate to do so;**
- v. the Director for Place or such other appropriate Chief Officer be authorised to transfer all properties and proprietary interests acquired pursuant to the CPO to the relevant regeneration partners in accordance with the terms of the Regeneration Agreement dated 1st October 2012 (or such variation to that Agreement as may be agreed by the Council and the regeneration partners);**
- vi. the Director for Place or such other appropriate Chief Officer be authorised to take any further necessary actions to secure the making, confirmation and implementation of the CPO; and**
- vii. the Director for Place or such other appropriate Chief Officer be authorised to approve the service of demolition notices as required for delivery of the regeneration project, pursuant to schedules 5 and 5A and sections 138A and 138B of the Housing Act 1985 (as amended by the Housing Act 2004) to suspend or terminate the right to buy on properties due for demolition on the Dollis Valley Regeneration Scheme.**
- viii. the Director for Place or such other appropriate Chief Officer be authorised to negotiate and conclude all necessary agreements relating to the supply of services to the Dollis Valley Regeneration**

Area (including but not limited to agreements for supply of water, gas, electricity, sewerage, data, telecommunications, grants of easements, licences) which may be required to facilitate the regeneration of the estate.

2. RELEVANT PREVIOUS DECISIONS

2.1 Cabinet Resources Committee, 4 April 2012 (Item/Decision 6 – Date of publication 12/04/2012 & Date of coming into force 19/04/2012) resolved/approved amongst others:

That, subject to the prior grant of the planning permission for the regeneration of the Dollis Valley Regeneration Area (“Regeneration Area”), the appropriate Chief Officers be authorised to:

- i) Advertise the Council’s intention of appropriating open space lands within the regeneration area pursuant to Section 122(2A) of Local Government Act 1972 and to report to a future meeting of the Committee if any representations are made; and
- ii) Subject to any relevant consents of the secretary of state being obtained, to appropriate to planning purposes, the Housing, Highway, education and any land held for any other purpose of the Council, within the regeneration area, prior to the disposal of such lands

2.2 Cabinet Resources Committee, 7 November 2012 (Item/Decision 5 – Date of publication 14/11/2011 & Date of coming into force 21/11/2011) resolved/approved amongst others:

- i. The appointment of Countryside Properties (UK) Limited & London & Quadrant Housing Trust as the Council's preferred development partner for the regeneration of the Dollis Valley Estate.
- ii. That the Council enters into a Regeneration Agreement and any other related legal agreements with the Council's preferred development partner for the Dollis Valley Scheme.
- iii. That the interim Director for Environment, Planning and Regeneration is authorised to notify secure tenants affected by the proposed regeneration of Dollis Valley, and enable the same to make representations to the Council in accordance with the requirements of Part V of schedule 2 of the Housing Act 1985.
- iv. That the interim Director for Environment, Planning and Regeneration is authorised in consultation with the Leader of the Council to consider any representations made by secure tenants received under the process set out in paragraph 1.8, and if as a consequence of such representations, the Leader of the Council believes it appropriate, to seek relevant changes to the proposed regeneration of Dollis Valley.
- v. Subject to undertaking the actions required under paragraphs 1.8 and 1.9 delegate authority to the Interim Director for Environment, Planning and Regeneration to apply for the Secretary of State’s approval for the

proposed regeneration, disposal and redevelopment of Dollis Valley for the purposes of ground 10 A in Part II of Schedule 2 of the Housing Act 1985.

N.B. the Director for Place has replaced the Interim Director for Planning, Environment and Regeneration

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 The Dollis Valley Regeneration Scheme supports the Corporate Plan 2013-2016 priority '*To maintain the right environment for a strong diverse local economy*' and the strategic objective under this priority is to sustain Barnet by '*promoting growth, development and success across the borough*'.

3.2 The scheme also supports the corporate priorities and the Sustainable Community Strategy 2010-2020 through the following core values:

- '*Sharing opportunities for success*' and '*choice and responsibility*' – the new development will provide good quality homes. The development will also offer more choice by providing a number of different housing options, such as shared equity, shared ownership and private homes for sale to residents and those in the wider community.

4. RISK MANAGEMENT ISSUES

4.1 A Compulsory Purchase Order (CPO) is essential in the event that satisfactory private treaty completion of proprietary interests in properties necessary for the project cannot be obtained. Whilst it is hoped that all outstanding property interests can be acquired by negotiation, the project cannot proceed with the risk that negotiations may not prove successful in all cases and the scheme be brought to a halt. To avoid this potential risk to the financial viability of the scheme and its satisfactory delivery it is necessary to seek the approval of a CPO at the outset. If the order is not confirmed, or is significantly amended the project would be undeliverable or only marginally deliverable and the Regeneration Agreement would not become operational. The project is due to start on site in late 2013 and it is planned that all existing residents will have moved to new homes within 7 years of that date. Consultation has not yet taken place with the DCLG, and negotiations to acquire by agreement are in the process with leaseholders and freeholders in the area. If the CPO fails a revised scheme and planning application would be considered.

4.2 Once the CPO has been made, the Council will be exposed to potential Blight Claims from owners of properties included in the CPO. An indemnity agreement has been entered into with Countryside Properties UK and L&Q (CLQ) whereby CLQ indemnifies the Council against any payments made following a blight notice. Additionally, the CPO Indemnity Agreement provides for full reimbursement of Council costs in promoting and implementing the CPO, including professional fees incurred to date.

4.3 There is a small risk that other necessary consents could be refused. Discussions with the DCLG are ongoing. Land will not be disposed of until all necessary consents are in place. If necessary the scheme would be revised and new consents sought.

- 4.4 The CPO, when confirmed, ceases to be exercisable after the expiration of three years from the date of first publication of confirmation of the Order. However, the life span of the CPO may be extended by a further three years if a notice to treat is served within three years of confirmation of the CPO. A delay to the scheme may, therefore, mean that a further CPO may be required to deal with the later phases of the scheme. Progress on the scheme will be closely monitored and if any further action is required it will be taken at the appropriate time.
- 4.5 The service of Final Demolition Notices will help reduce the risk that secure tenants can complete Right To Buy transactions in the Dollis valley regeneration Area.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The Council is committed to improving the quality of life and wider participation for all in the economic, educational, cultural, social and community life of the borough. The Dollis Valley Regeneration Scheme will provide a mix of affordable and private sale properties. The new mixed tenure housing will improve the community cohesion in an area with a highly diverse population. It will provide increased choice and opportunity for Barnet residents. The service of the demolition notices would facilitate the achievement of the above objectives, as, its relevance to scheme viability, is critical to the delivery of the scheme. This supports the overall aim of the Council's Equalities Policy and the Council's duties under the Equality Act 2010.
- 5.2 Dollis Valley will deliver a mix of up to 631 affordable, intermediate and private homes which should assist in fostering community cohesion. The delivery of the regeneration scheme is being conducted in consultation with the Dollis Valley Partnership Board which represents the interests of the residents on the Estate and the service of the notices is necessary for the delivery of the scheme.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

Finance

- 6.1 Advanced Purchase Costs, Home Loss & Disturbance and any other associated costs, are recoverable under the signed Dollis Valley Scheme Compulsory Purchase Order Indemnity Agreement (CPOIA) and the signed consortium Regeneration Agreement.

Procurement

- 6.2 Independent Valuer's Costs, Referencing Agent's Costs and all other associated costs, are recoverable under the signed Dollis Valley Scheme Compulsory Purchase Order Indemnity Agreement (CPOIA) and the signed consortium Regeneration Agreement.

7. LEGAL ISSUES

- 7.1 The Council has the power through various enactments to make a Compulsory Order and to apply to the Secretary of State for confirmation of the order.

- 7.2 Section 226(1) (a) of the Town and Country Planning Act 1990, as amended by the Planning and Compulsory Purchase Act 2004, provides that a local authority shall, on being authorised to do so by the Secretary of State, have power to acquire compulsorily any land in their area if they are satisfied that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land. However the power must not be exercised unless the authority thinks that the development is likely to contribute to the achievement of the economic, social and environmental well-being of the area.
- 7.3 The regeneration of the Dollis Valley estate meets these requirements, as this report explains.

8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key / Non-Key Decision)

- 8.1 Constitution, Responsibility for Functions, Section 4.6 – Functions delegated to the Cabinet Resources Committee – includes all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.
- 8.2 Constitution –The Management of Asset, Property and Land Rules.

9. BACKGROUND INFORMATION

- 9.1 The Dollis Valley Estate is located south of Chipping Barnet and is in the Underhill ward. It is bounded to the north by the housing fronting Mays Lane, to the east by Dollis Valley Way, to the west by the old Barnet Hill Primary School and to the south by Dollis Valley, which is designated as Green Belt, and therefore, protected as countryside. The Dollis Valley estate has poor transport links, and is physically isolated from Chipping Barnet. The estate was constructed in the late 1960s and 1970s, and is owned by the Council. The estate comprises 630 homes of which the majority are blocks of flats and maisonettes, some extending to five storeys, and the remainder are two storey houses. The undesirability of construction consists predominantly of a large prefabricated concrete panel system. The residents in the 189 houses at Crocus Field and Meadow Close located to the south of the estate have voted to remain with the Council, and currently do not form part of the regeneration programme. The limited estate retail and social facilities has been unsuccessful, compounding the estate's general poor standard of architecture and urban design generally, and the inward looking nature of the estate of deterioration and dereliction. The open space between buildings is unstructured and not well used. All the flats and maisonettes, plus 62 houses together with the open space, retail and social facilities on the remaining part of the estate are included and are planned for redevelopment.
- 9.2 The proposed regeneration site and remaining part of the estate has 441 existing residential units, divided up into 84 x 1 Bed, 150 x 2 Bed, 204 x 3 Bed, 2 x 4 Bed, and 1 x 5 Bed units. There are 177 units with secure tenancies, 191 units with non-secure tenancies and 73 leaseholders. The existing buildings require major improvements and the Council had limited resources to tackle these problems. Estimates provided by the Council's

consultants suggest that upgrading the building stock to Decent Homes Plus standards would require considerable investment.

- 9.3 Regeneration was seen as a solution to address these problems. Through this vehicle, the Council could obtain investments and improvements for the estate and the surrounding areas. The regeneration of the Dollis Valley Estate provides a perfect opportunity to build high quality sustainable homes, and create a vibrant place where residents would want to live.
- 9.4 In 2001, the Council identified the need for regeneration of Dollis Valley and included it within its Housing Strategy, and was clearly identified as one of Barnet's 4 housing estate regeneration priorities. The combination of financial viability issues and the recession seriously delayed the Borough's regeneration programme.
- 9.5 In 2003, following a Registered Social Landlord (RSL) competition to identify a development partner to progress the regeneration process, the Council appointed Warden Housing Association (WHA) to lead the master planning and procurement process. WHA later became Home Group.
- 9.6 In 2005, the Council published a Vision Statement which outlined the key issues that the Estate faced determined through consultation with relevant stakeholders and residents, and set out guiding principles for the redevelopment of the area. The outcome of the process yielded two master plans, dated 2005 and 2008. The master plans struggled to achieve viability due to high construction costs and credit crunch market values. The schemes were principally dependent on high density developments that relied on grant from the Housing Corporation in order to re-provide all existing affordable homes. The schemes failed to secure grant and ultimately the proposals were deemed to be unviable and as such a planning application for the redevelopment of the site was never submitted and the objectives of the much needed regeneration were not realised. The failure to progress regeneration over the years was having serious adverse impacts on the residents, and on confidence in the future of the estate.
- 9.7 In 2009 LBB sought to secure a new development partner to deliver the long awaited regeneration of the Estate.
- 9.8 In 2011, following a competitive dialogue process, Countryside Properties (UK) Limited (CP) (the partner) and London and Quadrant Housing Trust (L&Q) (the RP) were selected as Barnet Council's preferred development partner(s) for the regeneration of the Dollis Valley Estate. The proposals developed by CP aimed to ensure that there was no reliance on public subsidy or affordable housing grant in order to deliver the scheme and were focused around the concept of a low density 'garden suburb' layout dominated by houses with private gardens with a traditional pattern of streets and spaces.
- 9.9 In 2012, the Dollis Valley Estate is designated as one of the Council's Priority Housing Estates for Regeneration in its Local Plan (Core Strategy) Development Plan Document (2012). It forms part of the Barnet's Place Shaping Strategy, the Three Strands Approach 'Protection, Enhancement and Growth' which seeks to guide regeneration in the Borough. There is a recognised need for physical improvements to the Estate in order to tackle the

poor quality built environment and the current isolation of the estate from the surrounding area as well as its ability to deliver new housing and create a new revived neighbourhood. The redevelopment of the Estate (along with other similar housing estates within the Borough) has been a longstanding priority for the Council for many years.

9.10 Between 28th February 2012 and 8th January 2013 extensive community and stakeholder pre-application consultation activities took place. All events were held at either the Valley Centre or the Rainbow Centre, both located at the site. The communications strategy was based on engaging with local residents and key stakeholders and providing an opportunity to understand and comment on emerging proposals for the site. This strategy was supported by regular meetings with the Dollis Valley Partnership Board (DVPB) who act as the local steering group for the regeneration project, together with the regeneration specific web site and newsletters. Separate meetings were also held with the local nursery school operator, the community centre operators, residents of Mays Lane and Hammond Close and the Barnet Society. In summary there has been extensive consultation with tenants, other estate residents and the wider community and other relevant stakeholders.

9.11 In 2012 (1st October), the Council entered into a regeneration agreement with CP and L&Q for the delivery of the regeneration. Following the selection of CP and L&Q, officers have been engaged in detailed pre-application discussions leading to the submission of a planning application for planning permission in February 2013. Consent was sought for the redevelopment of the Dollis Valley Estate and comprises of the demolition of all existing buildings (440 residential units, retail and community buildings) within the defined planning application boundary and the:

- Construction of up to 631 new residential units to be provided as a mix of houses and flats with 230 for social rent, 20 intermediate units and 381 units for private sale
- Provision of 417sqm of community space (Use Class D1) including the provision of a nursery
- Provision of 3 new areas of open space totalling 3,485sqm
- New access road from Mays Lane, and New internal road network
- Alterations to the Dollis Valley Drive junction with Mays Lane, the existing means of access to the site, and the provision of a maximum of 788 parking spaces
- Pedestrian and cycle routes across the site linking into the pedestrian and cycle network in the surrounding area and the Dollis Valley Green Walk
- Enhanced public transport facilities and provision of 3 new bus stops
- New street planting and landscaping.

The application was submitted in a part outline/part detailed form (referred to as a 'hybrid' application). The outline element (or phases 2-5) of the application covers an area of approximately 8.08 hectares and seeks approval for the following:

- Up to 523 new residential units
- Three new areas of public open space

- Improvements to the existing Dollis Valley Drive junction with Mays Lane
- Enhanced pedestrian, cycle and public transport facilities
- Associated car parking, and new internal road network
- New tree planting
- Construction of other ancillary development including relocation of existing electricity substations

All matters for the outline element of the application relating to access, layout, landscaping, scale and appearance were reserved for future consideration.

An indicative masterplan demonstrates how the development could be built out on the basis of the above parameters.

The detailed element (or phase 1) covers an area of approximately 2.73 hectares and seeks detailed planning consent for:

- The construction of 108 new residential units comprising of 81 dwelling houses and 27 flats of which 40 (37%) will be for social rent and 5 shared ownership (5%) with the remaining 63 units (58%) being for private sale
- New community space including an associated café and a nursery for up to 25 children with a total floor space of 417sqm (Use Class D1)
- A new vehicular access to the site from Mays Lane which would involve the demolition of existing dwellings at 131-135 Mays Lane
- New internal road network involving the continuation of Hammond Close into the site
- Associated landscaping and tree planting
- Provision of 155 parking spaces, cycle parking facilities and refuse facilities.

- 9.12 A Resolution to Grant Planning Permission (Detailed consent for Phase 1 & Outline Consent for Phases 2-5) was passed by the Planning & Environmental Committee on Monday 17th June 2013. This will be subject to the necessary Greater London Authority (GLA) approvals, which have now been received.

Key Relevant Planning Policy -

Section 38(6) of the Planning and Compulsory Purchase Act (2004) requires that development proposals shall be determined in accordance with the development plan unless material considerations indicate otherwise. In this case, the development plan is The London Plan published July 2011 and the Barnet Local Plan adopted in September 2012. These statutory development plans are the main policy basis for the consideration of this planning application. Barnet's Local Plan is made up of a suite of documents including the Core Strategy and Development Management Policies documents. The Core Strategy and Development Management Policies were adopted by the Council on September 11 2012.

- 9.13 Compulsory Purchase Order(s) (CPO) have been requested by Countryside Properties (UK) Limited (the partner) and London and Quadrant Housing Trust (the RP) under the signed Regeneration Agreement. Phase 1 is due to start before the CPO has been implemented.

9.14 Although our partner Countryside Properties (UK) Limited and our RP London & Quadrant aim to acquire the necessary properties through negotiation, this might not be possible for all the properties required for the proposed development. The Council therefore, requires Compulsory Purchase Order(s) powers to secure and facilitate the delivery of the entire scheme.

10. LIST OF BACKGROUND PAPERS

10.1 Dollis Valley Regeneration Area - Red Line Boundary Site Plan
No. 23577/2F

Cleared by Finance (Officer's initials)	JH
Cleared by Legal (Officer's initials)	AK