



## ASSETS, REGENERATION & GROWTH COMMITTEE

**17 March 2016**

<b>Title</b>	<b>WEST HENDON COMPULSORY PURCHASE ORDER 2 &amp; 2a (CPO2 and CPO2a)</b>
<b>Report of</b>	Commissioning Director, Growth and Development
<b>Wards</b>	West Hendon
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	Yes
<b>Enclosures</b>	Appendix 1 – CPO2 and CPO2a Plan
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### Summary

This report seeks authority to make two Compulsory Purchase Orders – CPO2 & CPO2a – at West Hendon. The use of Compulsory Purchase Orders will be an option of last resort and will only be utilised where third party interests cannot be acquired through private treaty negotiations.

CPO2 will apply to residential properties at 33-125 Tyrell Way and 11-72 Warner Close and will be promoted using statutory powers under the Town and Country Planning Act 1990. CPO2a is required to deliver the major highways works required as part of the West Hendon Regeneration Scheme. In accordance with the Section 106 Agreement for West Hendon Barratt Metropolitan LLP (BMLLP) are required to deliver the highway works as part of Phase 4 of the Regeneration Scheme.

### Recommendations

**That the Asset, Regeneration & Growth Committee agrees:**

- 1.1 to authorise the making of CPO2 and CPO2a;**
- 1.2 that the appropriate Chief Officer be authorised to issue and sign the order,**

notices and certificates in connection with the making, confirmation and implementation of CPO2 and CPO2a;

- 1.3 that the appropriate Chief Officer be authorised to make General Vesting Declarations (GVDs) under the Compulsory Purchase (Vesting Declarations) Act 1981 and/or to serve notices to treat and notices of entry (if required) following confirmation of CPO2 and CPO2a;
- 1.4 that the appropriate Chief Officer be authorised to issue and serve any warrants to obtain possession of property acquired by the Council following the execution of a GVD or service of a notice of entry relating to CPO2 and/or CPO2a if it was considered appropriate to do so;
- 1.5 that the appropriate Chief Officer be authorised to transfer all properties and proprietary interests acquired pursuant to CPO2 and CPO2a to the relevant development partners in accordance with the terms of the restated Principal Development Agreement dated 5 February 2014;
- 1.6 that the appropriate Chief Officer be authorised to take any further necessary actions to secure the making, confirmation and implementation of CPO2 and CPO2a;
- 1.7 that the appropriate Chief Officer be authorised to appropriate to planning purposes any parcel of land within the red line planning application boundary for the scheme and/or the CPO Plan (attached – Appendix 1) which is held by the Council for another purpose subject to obtaining any necessary statutory consents required and/or compliance with any statutory procedures for such appropriation.

## **1. WHY THIS REPORT IS NEEDED**

- 1.1.1 The regeneration Scheme will replace existing properties within the West Hendon estate which are sub-standard, with new mixed tenure housing constructed to modern standards. The Scheme will deliver 2,194 new residential units - a net gain of 1,545 on the existing site. These will be delivered over a 17 year period, with all new homes expected to complete by 2028/29. The scheme includes improved transport links, an enhanced Town Centre, a new primary school and a new community hub and is delivered by the Barratt Metropolitan Limited Liability Partnership (BMLLP) – a Joint Venture between Barratt Homes and Metropolitan Housing Trust.
- 1.1.2 In consultation with the Council, BMLLP submitted a hybrid planning application for the regeneration of the West Hendon estate on 15 March 2013 (REF H/01054/13). This comprised detailed planning application for Phase 3a and an outline element of the planning application for the remainder of the West Hendon Estate Regeneration. On 20 November 2013, the Council granted planning permission for the Scheme following the completion of an agreement under section 106 of the Town and Country Planning Act 1990.

- 1.1.3 The Scheme will deliver a provision of 25% affordable housing comprising a minimum floorspace of 28,446 sq m and 543 affordable units. Of this 47% will be social rented enabling the re-housing of all secure tenants on site. The remainder of the affordable units will be intermediate/ shared equity accommodation.
- 1.1.4 A new strategic network of open green spaces will be provided within the area strengthening links to the Welsh Harp open space and West Hendon recreation ground accessed via two new pedestrian bridges. The site will benefit from extensive investment in public realm and open space including a renewed York Park with two equipped play areas and a civic space connecting the Broadway to the Welsh Harp. The Scheme provides land for a new 2 form entry primary school and nursery and includes a planning obligation for an associated community centre. Additional community and commercial facilities will be provided on the Broadway.
- 1.1.5 An enhanced public realm and significant highways infrastructure improvements will be delivered in association with the development resulting in the removal of the Perryfields Way Gyratory and safeguarding the freeflow of traffic on key arterial routes whilst improving local pedestrian and cyclist connectivity.
- 1.1.6 The development is split into four strategic phases identified as Phases 3, 4, 5 and 6. Currently only Phase 3 has been divided into three sub phases: 3a, 3b and 3c. Reserved Matters Planning approval was given in respect of Phases 3b and 3c (ref: 14/07964/RMA) on the 25 March 2015.
- 1.1.7 Cabinet Resources Committee 16 December 2013 authorised the making of up to four separate Compulsory Purchase Orders (CPOs). It was agreed that each individual CPO Phase would be approved as the scheme progressed. The Council uses CPO powers only as a last resort, where private negotiations to acquire properties prove unsuccessful.
- 1.1.8 The Council achieved vacant possession of the land required to deliver Phase 3a of the Scheme without the need to exercise compulsory purchase powers and it is envisaged that works in respect of that phase will be completed by July 2016.
- 1.1.9 Following the submission of CPO1 (required for the delivery of Phases 3b & 3c) to the Secretary of State, an eight day public inquiry was held in January 2015. The Secretary of State subsequently confirmed CPO1 on 12 November 2015. The relevant statutory notices regarding the confirmation of CPO1 were served on third party interests within the CPO1 order land. Negotiations to acquire those leasehold properties required for the delivery of Phase 3b (i.e. 11-98 Marriotts Close, 1-76 Franklin House and 1-32 Tyrell Way) progressed significantly over the last six months. This enabled the Council to achieve vacant possession of all properties within CPO1, with the exception of one unoccupied property that is likely to vest.
- 1.1.10 Nine estate resident leaseholders within CPO1 have moved into homes within the new development under shared equity arrangements.

- 1.1.11 69 of 71 secure tenants previously occupying units required for Phase 3b were rehoused in the new properties delivered as part of Phase 3a, using the Ground 10A process. With regard to non-secure tenants, 69 were rehoused within the borough, with 39 given secure tenancies.
- 1.1.12 It is anticipated that works to commence the delivery of Phase 3b will start in Spring 2016 with an anticipated completion by Summer 2018.
- 1.1.13 Negotiations to acquire the remaining CPO1 properties – required for the delivery of Phase 3c are ongoing. It is hoped that the Council will be able to achieve vacant possession of the land required to deliver Phase 3c by September 2016.
- 1.1.14 The properties likely to be affected by CPO2 are 3-125 Tyrell Way and 11-72 Warner Close. Initial land referencing indicates that there are approximately 34 ‘independent’ leaseholders whose properties fall within the CPO2 Order Land. Metropolitan Housing Trust also has 13 leaseholder properties. The Council and the Developer remain committed to acquiring third party interests voluntarily. Offers to acquire through private treaty negotiations will be based on market values and valuations will be subject to regular, independent review.
- 1.1.15 CPO2a is required to deliver the major highways works of the West Hendon Regeneration Scheme. The Developer is obliged under the section 106 agreement to deliver the highway works as part of Phase 4 of the Scheme, and the works are integral to completing the regeneration scheme. The Developer is committed to completing the scheme and will deliver these works. It is proposed that these works are handled under a separate CPO - meaning that CPO2a will not incorporate any of the social/former social housing within the West Hendon Estate. In choosing to promote a separate CPO for the highway works the Council is using the most appropriate power to secure the delivery of the Major Highway Works.
- 1.1.16 The current estimate for the commencement of Phase 4 is early 2019. This is subject to the Council being able to obtain vacant possession of the land required to secure its delivery. It is currently proposed that the Major Highway Works will commence in early 2018.
- 1.1.17 The West Hendon Partnership Board will continue to receive briefings on CPO2 as the process unfolds. Where possible their views will be taken into account in developing the wider consultation process. Beyond the Partnership Board, stakeholders and residents will be informed with regard to the progress of CPO2 and the implications for them through, for example, updates in newsletters, presentations at West Hendon Partnership Board Open Meetings and CPO workshops targeted at different tenure groups. A Communications Plan will be prepared to ensure that messages to residents are provided in a clear and timely manner.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 CPO2 and CPO2a are required to provide certainty with regard to site assembly in order to deliver the benefits of the regeneration to the estate and the wider area. Without a Compulsory Purchase Order as a 'backstop', it would be very hard to assemble the site through private treaty negotiations.
- 2.2 The Council is obliged under the terms of its Development Agreement with Barratt Metropolitan Limited to progress the CPO for West Hendon.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 The only alternative to seeking Compulsory Purchase powers would be to try to acquire the properties and interests required to progress the scheme by private treaty. Without a Compulsory Purchase Order as a 'backstop', it would be very difficult to assemble the site through private treaty negotiations.

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Post ARG, delegated authorities will be sought for the final CPO2 and CPO2a proposals and separate applications for each CPO will be made to the Secretary of State. It is likely that CPO Enquiries will be necessary for both CPO applications. Once formal decisions are received, vesting dates will be agreed and the appropriate legal notices issued.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1 The vision for 2020 expressed within the Council's corporate plan 2015- 2020 expresses the principles of fairness, responsibility and opportunity and the following strategic objectives.

- 5.1.2 The council, working with local, regional and national partners, will strive to ensure that Barnet is the place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves
- where responsibility is shared, fairly
- where services are delivered efficiently to get value for money for the taxpayer

- 5.1.3 The regeneration of the West Hendon regeneration estate also supports the Sustainable Community Strategy for Barnet 2010–2020 through the following objectives:

- A new relationship with citizens - the new developments will offer more choice and promote independence by providing a number of different housing options such as shared ownership to residents and to other people in the wider community.

- A one-public-sector approach - the Council is working together with other public sector partners to ensure the delivery of the schemes.
- A relentless drive for efficiency - the Council is working with development partners to ensure that the scheme is delivered in the most cost effective way.

5.1.4 The regeneration scheme also complies with strategic objectives in the Council's Housing Strategy 2010-2025 which include:

- Increasing housing supply, including family sized homes, to improve the range of housing choices and opportunities available to residents; and promoting mixed communities and maximising opportunities available for those residents wishing to own their own home.

## **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 On 5 February 2014, the Council entered into a Compulsory Purchase Order Indemnity Agreement (CPOIA) with the Developer. Under the terms of the CPOIA the Developer is required to cover all of the Council's costs in relation to the preparation, making, confirmation and implementation of up to four Compulsory Purchase Orders. These costs include the purchase price or any compensation for any land or interest which the Council has to acquire either pursuant to the Compulsory Purchase Order or in consequence of the service of valid blight notices, including all payments made pursuant to the Compulsory Purchase Act 1965 and the Land Compensation Acts 1961 and 1973; any statutory interest payable and the Council's reasonable and proper internal and external costs including legal and surveying and other professional costs covered by the indemnity agreement.

5.2.2 As all CPO costs – including land acquisitions, legal costs and staff time – are covered by the CPO Indemnity Agreement, there is no financial risk to the Council. Initial land referencing indicates that there are approximately 34 'independent' leaseholders within CPO2. It is anticipated that the acquisition of properties will cost approximately £8,500,000 (including home loss and disturbance payments). The cost of CPO2a land acquisitions is likely to be circa £2million. At present, CPO2 and CPO2a costs have not been incorporated within the council's capital programme.

5.2.2 Once acquired all third party interests will be transferred to the Developer in accordance with the terms of the Principal Development Agreement ("the PDA") dated 11 August 2006, as varied on 5 February 2014, for the purposes of delivering Phase 4. Any such interests transferred in advance of a development phase will be the subject of an option agreement enabling the Council to re-acquire the property for regeneration purposes if the Principal Development Agreement should be terminated.

5.2.3 The Council and the Developer have put in place a Scheme team including surveyors, legal officers and land referencers to work towards making the necessary orders for CPO2 and CPO2a.

5.2.4 The CPO process is a last resort and the Council and Developer are committed to negotiating the voluntary acquisition of third party interests. Third party interests will be acquired at current market value taking into consideration the condition of the property.

### **5.3 Social Value**

5.3.1 As indicated in sections within this report, the West Hendon regeneration project will secure wider social, economic and environmental benefits.

### **5.4 Legal and Constitutional References**

5.4.1 The Council has the power through various enactments to make Compulsory Purchase Orders and to apply to the Secretary of State for confirmation of those orders.

#### CPO2 – Town and Country Planning Act 1990 Powers

5.4.2 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, redevelopment or improvement is likely to contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of their area. The compulsory acquisition of third party proprietary interests and/or rights in the CPO2 Order Land will enable the delivery of Phase 4 in accordance with an agreed programme and will provide certainty with regard to land assembly and the implementation of the Scheme. The ability to deliver Phase 4 will enable the Council and the Developer to progress the delivery of future Phases and the Scheme in its entirety.

5.4.3 The third party proprietary interests to be included within CPO2 are shown shaded pink on the plan attached at Appendix 1. The CPO2 Order Land largely comprises estate properties.

5.4.4 The regeneration of the West Hendon Estate is a key priority for the Council. This is set out in saved policies from the London Borough Barnet UDP 2009, the Adopted Core Strategy 2012 and within the associated Development Plan Documents (DPDs).

5.4.5 The estate was constructed in the late 1960s. Due to its design, layout and construction it is characterised by a number of issues such as:

- poorly defined public and private space;
- lack of orientation within the estate;

- no clear connection between the estate and the Broadway and other surrounding streets;
- Unappealing entrances to blocks and poorly maintained internal communal areas;
- Building fabric in need of repair and upgrade to meet current environmental and building standards

5.4.6 Through the regeneration Scheme the housing stock will be significantly improved to meet current building and construction standards, improving the environmental and social wellbeing of the area. Overall the regeneration Scheme will also include training and employment opportunities for residents within the borough, as well as proposals for a new primary school, community centre, town centre and improved transport links, improving the economic, social and environmental well-being of the area.

5.4.7 Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 provides for the acquisition of new rights over land where such rights are not in existence when the order specifying them is made. In order to facilitate the delivery of Phase 4 it may be necessary to acquire new rights over the land for purposes such as crane oversailing. The land over which the acquisition of new rights may be required are shown tinted blue.

5.4.8 In using the enabling powers pursuant to section 226 (1) (a) of the Town and Country Planning Act 1990 and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976, the Council is using the most specific powers available to it for the purposes of the redevelopment of West Hendon estate properties required to deliver Phase 4.

5.4.9 Government guidance on the use of compulsory purchase powers is set out in “Guidance on Compulsory Purchase Process and the Crichel Down Rules for the disposal of surplus land acquired by, or under the threat of, compulsion” 2015 (“DCLG CPO Guidance”). That guidance states that compulsory purchase orders should only be made where there is a compelling case in the public interest.

5.4.10 In resolving to make CPO2 the Council has had full regard to the DCLG CPO Guidance. The regeneration of the West Hendon Estate provides a compelling case for the making of the CPO. The existing housing stock is outdated and does not meet current environmental and building standards. The West Hendon regeneration proposals will improve the economic and social well-being of existing and future residents through the creation of training / job opportunities (e.g. during construction phases of development), updated housing stock, proposals for a new school and community centre and improved transport links. Vacant possession of each phase will be required in advance of its implementation.

5.4.11 The Council remains committed to securing the delivery of the of the overall Scheme, and the need for the comprehensive redevelopment of the Estate is recognised in adopted planning policy including the NPPF, the London Plan,



the Barnet Core Strategy and Saved policies from London Borough Barnet UDP 2009 and adopted Development Management Policies (DMP).

5.4.12 The Regeneration Scheme will deliver the following real and tangible benefits:

- Residential homes built to Lifetime Standards, incorporating higher standards of build quality applying Secure by Design principles and achieving a tenure blind design;
- Mixed and balanced communities delivered through a wider choice of tenure and unit mixes, offering wider opportunities for home ownership and creating sustainable, inclusive and mixed communities;
- The transformation of unappealing groups of buildings and disconnected external spaces into thriving and cohesive neighbourhoods through the integration of the Estate with its surrounding context (achieved through public parks, play spaces and community facilities);
- The removal of the Perryfield Way gyratory which represents a significant obstacle to pedestrian and vehicular movement in the locality;
- Public realm improvements to the Broadway and Station Road;
- 1766m<sup>2</sup> commercial floorspace (Class A1-A5 & B1) to replace 1,073.19m<sup>2</sup> existing commercial floorspace
- Connecting the community to the benefits of the Welsh Harp;
- Improved green spaces and play spaces;
- Proposed new bridge connections (an improved Cool Oak Bridge and new Silk Stream Bridge)
- New two-form entry primary school and community centre.

5.4.13 At present properties within the Estate fail to meet Decent Homes Standards. Taking into account the significant investment required to bring the existing buildings up to current standards and the commitment to secure the comprehensive regeneration of the Estate, the Council considers that there is a compelling case in the public interest to secure the delivery of the Scheme (and its associated benefits). To that end, the Council intends to utilise the powers under section 226(1)(a) of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 because it is not certain that it, or the Developer will be able to acquire all third party proprietary interests and/or rights by agreement.

#### CPO2a – Highways Act 1980 Powers

5.4.14 Section 247 of the Highways Act 1980, provides that a local highway authority shall, on being authorised to do so by the Secretary of State, have power to acquire compulsorily land required for highway purposes including (but not limited to): (i) the construction / improvement of highway (section 239); (ii) use in connection with the execution of highway works (section 240); (iii) mitigation of effects related to the use of a highway constructed or improved by the authority (section 246); (iv) the creation of rights over land for highway purposes (section 250).

5.4.15 In accordance with the obligations set out in Schedule D of an agreement dated 19 November 2013, entered into pursuant to section 106 of the Town and Country Planning Act 1990, the Developer is required to carry out Major Highway Works as part of the delivery of Phase 4 of the Scheme.

5.4.16 The third party proprietary land interests to be included within CPO2a are shown shaded yellow on the plan attached at Appendix 1, with land shown shaded green on the plan identifying land over which new rights may be acquired to deliver the Major Highway Works.

5.4.17 The Major Highway Works are an essential part of the delivery of the regeneration Scheme. These works will include the:

- removal of the Perryfield Way gyratory which acts as a barrier to pedestrian movement and creates an environment that reinforces the isolation of the existing estate properties;
- widening of Station Road at its junction with the Broadway (A5) to allow two-way traffic flow;
- provision of new and improved pedestrian crossings to the A5;
- introduction of a right turn from the A5 onto Station Road;
- comprehensive streetscape improvements to Station Road and the Broadway;
- pedestrianisation of northern section of Perryfield Way;
- removal of through traffic from Garrick Road; and
- reversal of traffic direction and traffic calming on Herbert Road.

5.4.18 These works will result in reduced traffic flows through the redeveloped West Hendon estate creating a better environment for pedestrians and vehicular movements along with improvements to traffic movement on the A5 and Station Road. The works will provide an improved environment for existing and future residents.

5.4.19 In using the enabling powers pursuant to the Highways Act 1980, the Council is using the most specific powers available to it for the purposes of delivering the Major Highway Works required as part of Phase 4 of the regeneration Scheme.

5.4.20 Government guidance on the use of Highways Act 1980 compulsory purchase powers is set out in Circular 02/97 "Notes on the Preparation, Drafting and Submission of Compulsory Purchase Orders for Highway Scheme" (DoT Guidance). In resolving to make CPO2a the Council has had full regard to the DoT Guidance and the DCLG CPO Guidance.

#### Human Rights

5.4.21 The Human Rights Act 1998 requires (amongst others) that every public authority acts in a manner which is compatible with the Convention for the Protection of Human Rights and Fundamental Freedoms ("the Convention"). The following parts of the Convention are relevant to the Council's exercise of its compulsory purchase powers:

Article 1 of the First Protocol – the right to peaceful enjoyment of possessions;  
Article 8 – respect for private and family life and home.

- 5.4.22 A decision to make CPO2 and CPO2a must strike a fair balance between the public interest in the regeneration of the land and interference with private rights. Bearing in mind the fact that the exercise of compulsory purchase powers is a statutory process, the provisions for compensation to be paid to those affected and the compelling case in the public interest for the regeneration, it is considered that the interference with private property rights is necessary, proportionate and strikes a fair balance towards meeting the Council's objectives.
- 5.4.23 Those affected by CPO2 and CPO2a will be informed and advised of their right to make representations to the relevant Secretary of State, to be heard at public inquiry and of a fair entitlement to compensation (where applicable). Thus ensuring consistency with Article 6: right to a fair hearing.
- 5.4.24 The terms of reference of Assets, Regeneration and Growth Committee which includes: to develop and oversee a Regeneration Strategy; develop strategies which maximise the financial opportunities of growth; oversee major regeneration schemes including those of key social housing estates; and all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.
- 5.4.25 This is outlined in the Council's Constitution, as are specific terms of reference relating to land disposals. The Management of Asset, Property and Land Rules govern how the Council may acquire, lease, act as landlord, licence, develop appropriate, change use of, or dispose of assets within its asset portfolio. Specific aims of the Management of Asset, Property and Land Rules outline how to apply the terms of reference.

## **5.5 Risk Management**

- 5.5.1 The delivery of the West Hendon Regeneration Scheme ("the Scheme") is dependent upon the ability of the Council and its development partner BMLLP ("the Developer") to acquire all third party proprietary interests in the land and/or rights over the land.
- 5.5.2 The Scheme is to be implemented in accordance with an agreed phasing plan. In order to ensure Scheme viability (and delivery) the commencement and completion of each phase has to occur within a defined timeline. Both the Council and the Developer are committed to entering into negotiations with third party freeholders and leaseholders with a view to acquiring their interest in the land by way of private treaty. However, in the event that negotiations become complex and protracted any delay to the completion of the land assembly process will pose a significant risk to the delivery of the Scheme.
- 5.5.3 Given the lengthy construction programme to deliver the Scheme in its entirety, on 16 December 2013, the Cabinet Resources Committee resolved in principle, to the making of up to four separate CPOs in order to safeguard

the delivery of the Scheme in the event that the Council and Developer are unable to acquire all third party proprietary interests and/or rights in the land through private negotiations within required timescales.

- 5.5.4 The first of the four CPOs was confirmed by the Secretary of State for Communities and Local Government on 12 November 2015.
- 5.5.5 This report seeks a resolution to make two further CPOs (hereinafter referred to as “CPO2” and “CPO2a”). Appendix 1 of this report shows the area over which the compulsory acquisition of land and/or rights are required for CPO2 (areas shown tinted blue and pink). Those areas tinted yellow and green identify the areas over in order which the compulsory acquisition of land and/or rights are required for CPO2a. Both CPO2 and CPO2a are required to secure the delivery of Phase 4 of the Scheme.
- 5.5.6 Whilst it is hoped that all outstanding proprietary interests can be acquired by negotiation, the Scheme cannot proceed with the risk that negotiations may not prove successful in all cases. If confirmed by the Secretary of State, CPO2 and CPO2a will secure the delivery of Phase 4 of the Scheme.
- 5.5.7 The land assembly exercise is also dependent upon tenants relocating from their existing properties to other suitable alternative premises within an identified construction timetable. Any delays in achieving vacant possession could risk the deliverability of the scheme. By a letter dated 1 August 2014, the Secretary of State granted Ground 10A approval for the redevelopment of the West Hendon Scheme under Part V of Schedule 2 to the Housing Act 1985. In the first instance officers will seek to rely on that approval to obtain vacant possession of properties occupied by secure tenants. In order to further mitigate this risk, it is also proposed that all tenures, including premises occupied under a secure tenancy on the estate, would be included within the proposed CPOs for the Scheme.

#### CPO Indemnity Agreement

- 5.5.8 Costs incurred by the Council relating to the compulsory purchase process (including compensation payments and claims arising from blight notices) will be met by the Developer in accordance with the CPO Indemnity Agreement dated 5 February 2014 (“CPOIA”). The Council – through Re – has procedures in place to monitor costs against the agreed estimate. Costs will be approved by both the Developer and Re.
- 5.5.9 Once CPO2 and CPO2a have been made, the Council will be exposed to potential Blight Claims from owners of properties included within the CPO areas. The CPOIA will indemnify the Council against any payments made following a blight notice.
- 5.5.10 A continuing risk to the viability of the Scheme is the possibility that secure tenants may exercise the Right to Buy. This leads to increased acquisition costs and could result in a delay to the overall programme which ultimately could threaten the financial viability of the Scheme. The service of initial and Final Demolition Notices (on secure tenants within CPO2) pursuant to the

Housing Act 1985 (as amended), will mitigate against this risk by suspending the Right to Buy transactions within the scheme.

- 5.5.11 If confirmed by the Secretary of State, CPO2 and/or CPO2a must be implemented within three years (this period can be extended to a further three years (making a total of six years) by the service of Notice to Treat and then a Notice of Entry on the proprietors of the relevant interests.
- 5.5.12 The Council and the Developer are confident that Phase 4 is viable and remain committed to the delivery of the Scheme in its entirety.

## **5.6 Equalities and Diversity**

- 5.6.1 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 West Hendon 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. This supports the overall aim of the Council's Equalities Policy and the Council's duties under the Equality Act 2010.
- 5.6.2 At present the West Hendon Estate does not reflect a mixed and balanced community, with a heavy bias towards an affordable housing tenure. The Estate offers little by way of variety of unit mix. The regeneration proposals seek to address this imbalance through the delivery of a range of residential tenures across the site e.g. private housing, a new range of intermediate housing, wider range of unit sizes across all tenures and 10% of all residential units meeting Wheelchair Standards. The Scheme seeks to improve the demographic of the Estate to provide a step change in the levels of social inclusion to create a sustainable, mixed and cohesive community.
- 5.6.3 The public sector equality duty under section 149 of the Equality Act 2010 ("PSED") requires the Council to have due regard to: (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; and (ii) the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. 'Protected characteristics' are: gender, race and disability, sexual orientation, age, religion or belief, pregnancy and maternity and gender reassignment.
- 5.6.4 The Council is aware that within the West Hendon estate there may be residents for whom English is a second language. The Council will offer a translation service when sending out CPO literature; additionally all those affected will be advised to seek independent legal advice so they fully understand the CPO process.
- 5.6.5 All owners and/or residents within the CPO2 and/or CPO2a boundary will be affected by the Compulsory Purchase Orders. The Council and its partners will endeavour to reduce this effect by extensive consultation. Consultation has and will continue to be undertaken with the residents and wider

community to ensure that the Scheme reflects local needs. In this regard, the Council and the Development Partners appointed an Independent Resident Advisor to work with the residents on the estate. A Partnership and Residents Board has been established who meet on a regular basis to discuss the regeneration proposals with the Council and its partners.

- 5.6.5 Having had due regard to its duty under the Equality Act 2010, the Council is confident that the delivery of the Scheme will contribute towards the social, economic, educational and cultural improvements for existing and future residents. It will also increase levels of social inclusion within a mixed and diverse community.

## **5.7 Consultation and Engagement**

- 5.7.1 Consultation has and will continue to be undertaken with the residents and wider community to ensure that the Scheme reflects local needs. In this regard, the Council and the Development Partners appointed an Independent Resident Advisor to work with the residents on the estate. A Partnership and Residents Board has been established who meet on a regular basis to discuss the regeneration proposals with the Council and its partners.

## **6. BACKGROUND PAPERS**

Cabinet Resources Committee, 16 December 2013, West Hendon Regeneration Project  
<http://barnet.moderngov.co.uk/documents/s12100/West%20Hendon%20Regeneration%20Project.pdf>