

	<h2>ASSETS, REGENERATION AND GROWTH COMMITTEE</h2> <h3>12th December 2016</h3>
<p style="text-align: center;">Title</p>	<p>Dollis Valley Estate Regeneration</p>
<p style="text-align: center;">Report of</p>	<p>Commissioning Director, Growth and Development</p>
<p style="text-align: center;">Wards</p>	<p>Underhill</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Urgent</p>	<p>No</p>
<p style="text-align: center;">Key</p>	<p>No</p>
<p style="text-align: center;">Enclosures</p>	<p>None</p>
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<h3>Summary</h3>
<p>As a result of changes to the advanced acquisitions strategy in respect of the Dollis Valley regeneration scheme, approved by Urgency Committee on 17th October 2016 it has become necessary to make amendments to the development agreement and compulsory purchase indemnity agreement to facilitate the early acquisition of properties. This report requests that the committee delegates authority to make the amendments required, to the Commissioning Director of Growth and Development. The amendments will ensure that the Council’s commercial and financial position in respect of the acquisition of units on phases 3, 4 and 5 of the scheme is underpinned through the contract protecting the Council’s financial investment.</p>

<h3>Recommendations</h3>
<p>That the Asset, Regeneration & Growth Committee agrees:</p> <p>1.1 to delegate authority to the Commissioning Director of Growth and Development to authorise amendments to the Regeneration Agreement and associated documents for the Dollis Valley regeneration scheme and to take</p>

all necessary actions to implement acquisitions and shared equity arrangements for phases 3, 4 and 5 of the scheme.

1. WHY THIS REPORT IS NEEDED

- 1.1.1 The Regeneration Scheme will replace existing properties within the Dollis Valley Estate which are sub-standard, with new mixed tenure housing constructed to modern standards. The Scheme will deliver 631 new homes. These will be delivered over an 8 year period, with all new homes expected to complete by 2022. The scheme is being delivered by Countryside Properties and London and Quadrant Housing Trust and a Regeneration Agreement was signed with the Council on 23rd October 2012.
- 1.1.2 As a result of the decision at the Urgency Committee on 17th October 2016 to progress advanced acquisitions at Dollis Valley on phases 4 and 5, and of the Policy and Resources Committee on 1 December 2016 to provide funding for acquisitions on Phase 3 of Dollis Valley and the Shared Equity options available to resident leaseholders, amendments are required to the Regeneration Agreement and Compulsory Purchase Order Indemnity Agreement (CPOIA) to vary the commercial arrangements.
- 1.1.3 The commercial arrangements to be amended are to facilitate the Council providing funding in order to enable the acquisition of properties on the remaining three phases which are subject to the compulsory purchase order which expires in August 2017. Any properties acquired by the council will where possible be used as temporary housing accommodation pending future transfer to the development partner on the commencement of development of the relevant phase.

2. REASONS FOR RECOMMENDATIONS

On the 17th October 2016 Urgency Committee took the decision to include the Dollis Valley regeneration scheme in the advanced acquisitions programme. The decision makes way for the early acquisition of properties on the scheme to facilitate delivery. The current agreement between the Council and the developers does not have a mechanism to deal with the financial arrangements in cases where the Council buys property early and the agreement has to be amended to include such a mechanism. Officers will be working with the developers to agree legal terms and this report seek to delegate the agreement of those terms to the Commissioning Director for Growth and Development.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The only alternative to seeking amendments to the Regeneration Agreement is that the council would not be contractually able to seek full reimbursement from the developers of the money spent on the advanced acquisitions.

4. POST DECISION IMPLEMENTATION

- 4.1 Post committee, negotiations will continue with the developer on the amendments that will be required to the Regeneration Agreement and CPOIA. Delegated authority will be sought from the Commissioning Director, Growth and Development to authorise the final amendments.

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 Dollis Valley 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 In October 2012, the Council entered into a Regeneration Agreement which included a Compulsory Purchase Order Indemnity Agreement (CPOIA) with the Developer. Under the terms of the Regeneration Agreement, arrangements for cost recovery of all costs related to the CPO paid by the Council can be recovered. 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.

5.2.2 The strategy for progressing the CPO and advanced acquisitions has now changed and the contractual arrangements need to be amended to reflect these changes so that the financial risk to the Council in not recovering its costs is minimised.

5.2.3 Once acquired all third party interests will be transferred to the Developer when the relevant phase is ready for development and the amendments to the Regeneration Agreement will ensure that the Council's costs will be recovered at the point of transfer.

5.3 Social Value

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

5.4 Legal and Constitutional References

5.4.1 The Council has the power to acquire the properties in phases 3, 4 and 5 compulsorily in accordance with the existing confirmed compulsory purchase order and by negotiation in accordance with the provisions of the Housing Act 1985 and the Local Government Act 1972.

5.4.2 The terms of reference of the Assets, Regeneration and Growth Committee include overseeing the council's major regeneration schemes and all matters relating to land and buildings to be acquired by the Council.

5.5 Risk Management

5.5.1 The delivery of the Dollis Valley Regeneration Scheme ("the Scheme") is dependent upon the ability of the Council and its development partner Countryside ("the Developer") to acquire all third party proprietary interests in the land and/or rights over the land.

5.5.2 The Council has secured a CPO for the Dollis Valley Estate. This CPO expires in August 2017. Amendments to the Regeneration Agreement and CPOIA will ensure that the new commercial arrangements to bring forward the acquisitions are reflected in the agreements.

5.5.3 By acquiring the properties subject to CPO, there is a risk that the Council will not be compensated by the developer if future phases do not go ahead. The financial loss to the Council would be any home loss or disturbance payments the Council has made to leaseholders. There are commercial arrangements within the Regeneration Agreement in the event that future phases do not progress.

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 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. 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 Dollis Valley 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 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 The Council and its partners on regeneration schemes are engaged in a wide range of consultations which are required at every stage of the regeneration programme.

5.7.2 The Council and its partners have established a Dollis Valley Partnership

Board which meets bi monthly. The membership includes local residents, Ward Members, representatives from local community groups.

5.8 Insight

5.8.1 None applicable to this report.

6.0 BACKGROUND PAPERS

- 6.1 Cabinet Resources Committee, 11 November 2011 (Decision 5) approved amongst others: Countryside Properties (UK) Limited, London & Quadrant Housing Trust as the Council's preferred development partner for the regeneration of the Dollis Valley Estate; and authorised entering into a Regeneration Agreement between partners for the Dollis Valley Scheme.
- 6.2 Cabinet Resources Committee, 4 April 2012 (Decision 6) approved amongst other items the appropriation of land on the Dollis Valley site to planning purposes.
- 6.3 In 2012 (1st October), the Council entered into a Regeneration Agreement with Countryside Properties (UK) Limited and London & Quadrant Housing Trust for the delivery of the regeneration. Following the selection of Countryside Properties and London & Quadrant Housing Trust, officers were engaged in detailed pre-application discussions leading to the submission of a planning application for planning permission in February 2013.
- 6.4 In June 2013 (17th June), a Resolution to Grant Planning Permission (Detailed consent for Phase 1 & Outline Consent for Phases 2-5) was passed by the Planning & Environmental Committee. This was subject to the necessary Greater London Authority approvals, which have now been received.
- 6.5 In October 2013 (1st October), Full Planning Permission/Decision Notice for Phase 1 of the Dollis Valley proposed regeneration scheme was granted by the Planning & Environmental Committee.
- 6.6 The Compulsory Purchase Order was appropriately signed and sealed by the Council on the 29th July 2014.
- 6.7 The Reserved Matters Planning Application for Phase 2 was unanimously approved by the members of the Planning & Environmental Committee on the 30th July 2014.
- 6.8 On 17th October 2016 the Urgency Committee resolved to include the Dollis Valley Estate within the Council's advanced acquisition programme for regeneration estates.

6.9 On 1st December 2016, Policy and Resources Committee resolved to include Phase 3 leaseholder acquisitions and shared equity funding for Dollis Valley into the Council's Capital Programme.