

	<p>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 1 February 2017</p>
<p>Title</p>	<p>Dollis Valley Estate Acquisitions</p>
<p>Report of</p>	<p>Interim Deputy Chief Executive and Commissioning Director, Growth and Development</p>
<p>Wards</p>	<p>Underhill</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>none</p>
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Summary

This report is to authorise the acquisitions through private treaty or through a vesting order of the remaining residential leasehold interests and other non-residential land within the Compulsory Purchase Order (CPO) dated 29th July 2014 and confirmed by the Council on 7 August 2014.

Decisions

1. To authorise the preparation of the contracts and all other relevant legal documentation for the voluntary acquisition by negotiation of the leasehold properties listed in paragraph 5.2.1 and all other necessary properties within the compulsory purchase order area and to complete the purchases of those property transactions, subject to final terms being agreed with the owners and being approved through the delegated powers of the Commissioning Director for Growth and Development
2. To authorise the compulsory acquisition of all leasehold properties listed in paragraph 5.2.1 and all other necessary properties within the boundary of the compulsory purchase order area which are not acquired by negotiation, including the taking of all necessary steps to fully implement those

compulsory acquisitions and secure possession of the properties, as set out in the decisions of Cabinet Resources Committee dated 24th September 2013.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council will be acquiring a number of leasehold properties, and any necessary non-residential land within the redevelopment area, in support the delivery of the Dollis Valley Regeneration Scheme, and officers are required to report on each property that may be acquired through private treaty or where this is unsuccessful through CPO. The existing CPO expires on 7th August 2017.
- 1.2 On 17 October 2016, the Urgency Committee granted approval for the Council to include the leaseholder properties at Dollis Valley Estate Regeneration in the Advanced Acquisition Scheme, to cover those properties on Phases 4 and 5 of the Estate. On 1 December 2016, the Policy and Resources Committee included funding for the acquisition of leasehold properties in Phase 3 of the Dollis Valley Estate Regeneration. On 12 December 2016 Assets Regeneration and Growth Committee delegated authority to the Commissioning Director for Growth and Development to acquire properties on Phases 3, 4 and 5 of the Estate.
- 1.3 This report lists the properties that may need to be acquired by the Council in phases 3, 4 and 5 of Dollis Valley Regeneration Scheme and seeks authority to proceed with negotiating and preparing documents for voluntary acquisitions and to compulsorily acquire any properties which cannot be acquired by agreement by implementing the CPO prior to its expiry. All properties are included in the CPO which expires in August 2017.
- 1.4 The final purchase terms for individual properties to be acquired by negotiation by the Council, or final agreed compensation payments to the former leaseholder required as a result of implementing the CPO will be approved through delegated powers of the Commissioning Director, Growth and Development.

2. REASONS FOR DECISIONS

The Urgency Committee on 17 October 2016 approved the inclusion of Dollis Valley Estate into the Council's advanced acquisition programme. The

Committee also delegated authority to the Commissioning Director for Growth and Development to decide upon the most appropriate use of funds across the Council's regeneration schemes and to take all other necessary actions to implement the advanced acquisition programme.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3.1 In accordance with statutory guidance CPO powers should be exercised as a last resort and the Council as the acquiring authority is expected to try and negotiate the acquisition of the relevant interests, by way of private treaty acquisitions.
- 3.2 The Council could decide not to make provision for acquisition of the remaining leasehold properties and not progress the CPO any further. This would result in a new CPO being required and the associated costs as well as the risks to the regeneration scheme of not successfully securing a second CPO.

4. POST DECISION IMPLEMENTATION

- 4.1 Countryside and L&Q are working in partnership with the Council to negotiate the proposed terms for the private treaty acquisitions. HB Public Law will continue to draw up the relevant legal agreements for signing to reflect what has been agreed with any owners who wish to sell to the Council. It is envisaged that some leaseholders who wish to defer their sales may alternatively wish to enter into option agreements direct with Countryside. An update on the acquisitions will be provided as part of the capital budget monitoring progress. In addition updates will be given to Growth and Regeneration Operations Board and to the Dollis Valley Partnership Board.

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 Countryside and L&Q, working in partnership with the Council, will be undertaking private treaty negotiations to secure the acquisition of the following leasehold properties on the Dollis Valley Estate:

Areas	Property Acquisition	Type
Phase 3 CPO	17 The Ridge, EN5	Leaseholder
	28 The Ridge, EN5	Leaseholder
	65 The Ridge, EN5	Leaseholder
	72 The Ridge, EN5	Leaseholder
	73 The Ridge, EN5	Leaseholder
	90 The Ridge, EN5	Leaseholder
	93 The Ridge, EN5	Leaseholder
	105 The Ridge, EN5	Leaseholder
	116 The Ridge, EN5	Leaseholder
	9 Garrowfield, EN5	Leaseholder
	13 Garrowfield, EN5	Leaseholder
	18 Garrowfield, EN5	Leaseholder
	19 Garrowfield, EN5	Leaseholder
	21 Garrowfield, EN5	Leaseholder
	26 Garrowfield, EN5	Leaseholder
	28 Garrowfield, EN5	Leaseholder
	29 Garrowfield, EN5	Leaseholder

	31 Garrowfield, EN5	Leaseholder
	42 Garrowfield, EN5	Leaseholder
	110 Millbridge, EN5	Leaseholder
Phase 4 CPO	82 Millbridge, EN5	Leaseholder
	84 Millbridge, EN5	Leaseholder
	90 Millbridge, EN5	Leaseholder
	96 Millbridge, EN5	Leaseholder
	102 Millbridge, EN5	Leaseholder
	130 Millbridge, EN5	Leaseholder
	131 Millbridge, EN5	Leaseholder
	132 Millbridge, EN5	Leaseholder
	135 Millbridge, EN5	Leaseholder
	138 Millbridge, EN5	Leaseholder
	140 Millbridge, EN5	Leaseholder
	146 Millbridge, EN5	Leaseholder
Phase 5 CPO	49 Garrowsfield, EN5	Leaseholder
	57 Garrowsfield, EN5	Leaseholder
	62 Garrowsfield, EN5	Leaseholder
	68 Garrowsfield, EN5	Leaseholder
	73 Garrowsfield, EN5	Leaseholder
	78 Garrowsfield, EN5	Leaseholder
	82 Garrowsfield, EN5	Leaseholder
	83 Garrowsfield, EN5	Leaseholder
	88 Garrowsfield, EN5	Leaseholder
	95 Garrowsfield, EN5	Leaseholder
	108 Garrowsfield, EN5	Leaseholder
	112 Garrowsfield, EN5	Leaseholder
	115 Garrowsfield, EN5	Leaseholder

In addition there are some non-residential pieces of land within the CPO area, for example sub-stations and garages, which will need to be acquired voluntarily or, if agreement cannot be reached, by implementation of the CPO prior to its expiry.

- 5.2.2 The market value of each property is determined by qualified surveyors, and the agreed purchase price and additional payments (e.g. CPO compensation payments, including home loss and disturbance payments) will be detailed in the heads of terms for each transaction. The maximum total estimated costs for these acquisitions are in the region of £16.5 million. This is on the assumption that all properties will be acquired by the Council.
- 5.2.3 HB Public Law has been instructed by the Council to draft the relevant contracts as and when terms are agreed with the current owners and to complete on these purchases.
- 5.2.4 Acquisitions for Phase 4 and 5 will be funded through the Advanced Acquisition Scheme, as the developer does not require these properties for

several years. This was approved by the Urgency Committee on 17 October 2016. The overall HRA capital budget for this programme is £13. million. The maximum that will be required under this budget for Dollis Valley is £9 million; the profile of this budget is as follows:-

Housing Revenue Account	2016-17	2017-18	2018-19	2019-20	Total
	£000	£000	£000	£000	£000
Advanced Acquisitions (Regen Estates)	2,993	9,174	1,250		13,417

5.2.5 Funding for the acquisitions of properties in phase 3 is also in the current HRA capital budget. This will also cover the additional compensation (eg home loss and disturbance payments) that the Council will have to pay to leaseholders whether the properties are compulsory purchased or acquired by agreement. The funding was agreed by Policy and Resources Committee on 1 December 2016. The amount of funding is £7.5 million, within an overall budget of £13m, profiled as follows:-

Housing Revenue Account	2016-17	2017-18	2018-19	2019-20	Total
	£000	£000	£000	£000	£000
Dollis Valley	100	9,900	1,500	1,500	13,000

5.2.5 It can be seen then that overall there is currently sufficient budget for the currently estimated maximum total cost of £16.5m.

5.2.6 In addition to direct acquisitions by the Council, residents have the choice to enter into an option agreement directly with Countryside. This would allow a leaseholder to defer the sale of their property and the completion of the sale would instead take place when Countryside is ready to start with that particular phase.

5.2.7 The Council are not anticipating acquiring all the leasehold properties as some may want to enter into an options agreement. This will be attractive for those qualifying resident leaseholders on phases 4 and 5 who want to remain on the estate with the option to acquire a new home on the development on a shared equity basis once Phase 3 has been constructed. In phases 4 and 5 there are 9 residential leaseholders out of a total of 25 leaseholders.

5.3 Legal and Constitutional References

5.3.1 The Council has the power to acquire land by agreement and compulsorily pursuant to powers in the Housing Act 1985 and the Local Government Act 1972. The existing compulsory purchase order has been confirmed by the secretary of state and may be implemented in respect of the order land if properties cannot be acquired by agreement.

5.3.2 The Commissioning Director for Growth and Development has been given delegated authority to implement the CPO and acquire any properties by agreement in Phases 3, 4 and 5 of the scheme pursuant to the resolutions of Cabinet Resources Committee of 24 September 2013, Urgency Committee of 17 October 2016 and Assets Regeneration & Growth Committee of 12 December 2016.

5.4 Risk Management

5.4.1 The Council can continue negotiations to acquire properties by agreement until the final vesting declaration date. Thereafter all properties where agreement has not been reached will transfer to the Council ownership. There is a risk that properties acquired by the Council in phases 3, 4 and 5 may not be transferred to the developer if those phases do not proceed. In those circumstances the Council would not be able to recover the costs of additional CPO compensation payments such as home loss and disturbance paid to the previous owners. However it would retain title to the properties and would be able to let them out for rental income, or sell them on as the case may be.

5.4.2 The issues involved are unlikely to give rise to policy considerations or to give rise to significant levels of public concern.

5.5 Equalities and Diversity

5.5.1 The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services. 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.

5.5.2 The Council is committed to improving the quality of life for all and wider participation in the economic, educational, cultural, social and community life in the Borough.

5.5.3 The development proposals for the Dollis Valley Regeneration will make a

significant contribution to the provision of additional, high quality affordable housing units in the Borough as well as providing employment through the construction process.

5.5.4 It is important to note that all relevant equalities and diversity issues were considered as part of the original planning application which was approved in October 2013.

5.6 Consultation and Engagement

5.6.1 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.

5.6.2 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.

5.6.3 A meeting was held with all the leaseholders in phases 3,4 and 5 on 25 January 2017 explaining the CPO process and also the options available to leaseholders. All leaseholders have subsequently been written to thanking them for attending the meeting and giving with contact details of officers who attending the meeting if they require further information on the process.

5.6.4 Extensive consultation will continue to be undertaken with the residents and leaseholders on the Dollis Valley Regeneration.

6.0 BACKGROUND PAPERS

6.1 Cabinet Resources Committee on 24 September 2013, Dollis Valley Regeneration Schemes – Agenda Item 8 approved the following:

- 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 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.

Since the above decisions were made, the position of the Director of Place has been deleted and the Commissioning Director for Growth and Development is the appropriate Chief Officer to exercise the delegated functions.

6.2 On 17 October 2016, the Urgency Committee approved:

- (i) the inclusion of all regeneration estates within the existing HRA capital budget for Advanced Acquisitions (Regeneration Estates)
- (ii) the inclusion of hardship cases within the Advanced Acquisition capital budgets
- (iii) removing limits to individual schemes in terms of overall number of properties that can be acquired on a particular regeneration scheme

- (iv) delegating authority to the Commissioning Director for Growth and Development to decide upon the most appropriate use of funds across the Council's regeneration schemes and to take all other necessary actions to implement the advanced acquisition programme, acting in the best interests of the council

6.3 On 1 December 2016, the Policy and Resources Committee approved the inclusion of £7.5 million into the Council's Capital Programme for the acquisitions of leaseholder properties in Dollis Valley phase 3.

6.4 On 12 December 2016 the Assets Regeneration and Growth Committee delegated authority to the Commissioning Director for Growth and Development to "take all necessary actions to implement acquisitions and shared equity arrangements for phases 3, 4 and 5 of the scheme"

7. DECISION TAKER'S STATEMENT

7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

8. OFFICER'S DECISION

I authorise the following action

8.1 To authorise the preparation of the contracts and all other relevant legal documentation for the voluntary acquisition by negotiation of the leasehold properties listed in paragraph 5.2.1 and all other necessary properties within the compulsory purchase order area and to complete the purchases of those property transactions, subject to final terms being agreed with the owners.

8.2 To authorise the compulsory acquisition of all leasehold properties listed in paragraph 5.2.1 and all other necessary properties within the boundary of the compulsory purchase order area which are not acquired by negotiation, including the taking of all necessary steps to fully implement those compulsory acquisitions and secure possession of the properties, as set out in the decisions of Cabinet Resources Committee dated 24th September 2013.

Signed



**Cath Shaw
Commissioning Director, Growth & Development
Interim Deputy Chief Executive**

Date

01/02/2017
