

 Brent	Cabinet 11 March 2024
	Report from the Corporate Director of Resident Services
	Lead Member – Cabinet Member for Housing, Homelessness & Renters Security (Councillor Promise Knight)
Proposal to deliver 60 homes for Social Rent on the Chalk Hill Estate – use of the Council’s Compulsory Purchase Power	

Wards Affected:	Barnhill
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	One Appendix 1: Plan 1: Plan showing proposed development areas
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Emily-Rae Baines, Head of Affordable Housing & Partnerships Emily-Rae.Baines@brent.gov.uk

1. Executive Summary

- 1.1. The purpose of this report is to consider the potential for delivering new social housing through the redevelopment and regeneration of garages, parking areas and associated hard standing forming part of the Scientist Estate, Chalkhill.
- 1.2. The Chalkhill Estate is owned and managed by Metropolitan Thames Valley Housing Association (MTVH). MTVH is currently proposing to deliver and manage the new homes.
- 1.3. The Chalkhill Estate was one of the major social housing estates constructed in the Borough in the 1960's. However, by the late 1970's significant problems had arisen which culminated in the demolition of the high-rise parts of the estate in 1997 and their replacement. The lower rise elements of the 1960's estate remained, and it is some of those original 1960's elements which are

subject to these current regeneration proposals.

- 1.4. The Scientists Estate within Chalkhill comprises a series of 3 and 4 storey residential blocks with associated garages, parking and areas of hard standing. MTVH has been developing regeneration proposals for this area in consultation with the local community. Whilst these proposals remain under consideration, the current proposal comprises the delivery of around 60 new social homes through the redevelopment of garages, parking areas and hard standing identified on Plan 1.
- 1.5. This regeneration proposal will not require the demolition of any existing homes. However, the land identified on Plan 1 is subject to several outstanding third-party interests which will need to be assembled to enable the delivery of new homes. These third-party interests are typical of those falling within a housing authority constructed social housing estate. When such housing estates are regenerated it is commonly necessary for the local authority to support development using statutory site assembly powers. In this case the scheme will be delivered by MTVH but the Council's support will be necessary to enable delivery.
- 1.6. Detailed regeneration proposals will be considered through an application proposed to the Local Planning Authority in 2024, these detailed proposals are not considered by this report. Instead, this report has been prepared to consider the principle of regeneration and recommend the Council work with MTVH to support achieving the overarching development objective of delivering new social housing within the Chalkhill Estate.

2. Recommendation(s)

Cabinet are asked to:

- 2.1. Approve in principle the Council working with MTVH to support the development objective of delivering new social housing within the Chalkhill Estate.
- 2.2. Approve in principle to make Compulsory Purchase Orders of land interests within the Chalkhill Estate as identified on Plan 1 under Planning or Housing legislation to bring forward the development objectives, subject to a further specific resolution of Cabinet in respect of the making of each order.
- 2.3. Agree advancing the preliminary stages of the compulsory purchase process on the Chalkhill Estate, including, but not limited to, land referencing, issuing section 16 of the Local Government (Miscellaneous Provisions) Act 1976 notices (section 16 notices), engaging, consulting and negotiating with landowners, and preparation of documentation and undertake all matters that the Council might need to undertake to inform a further report to Cabinet to make, confirm and implement the CPO, if required.
- 2.4. Approve in principle to appropriate, subject to planning, the land identified on Plan 1 under section 203 of the 2016 Housing and Planning Act, subject to a

further specific resolution of Cabinet in respect of the making of each appropriation.

- 2.5. Approve in principle to make stopping up orders using planning or highways legislation for any land identified on Plan 1 and comprising public highway.
- 2.6. To note the potential for the delivery of new social housing illustrated by MTVH's current design proposals. Noting that the current proposal will be subject to further consultation, design refinement and following that be subject of an application for planning permission to the Local Planning Authority.
- 2.7. Delegate authority to the Corporate Director of Resident Services, in consultation with the Lead Cabinet Member for Housing, Homelessness and Renters Security to enter into an indemnity agreement with MTVH to indemnify the Council for all costs associated with the compulsory purchase process on Chalkhill Estate.

3. Detail

3.1 Cabinet Member Foreword

- 3.1.1 Increasing the supply of affordable housing is integral to meeting the long-term housing needs of Brent residents. In the Council's borough plan, we committed to deliver 5,000 affordable homes in the borough and are on track to achieve this.
- 3.1.2 Despite the Council's success in delivering much needed affordable housing, the cost-of-living crisis and on-going housing crisis has led to more Brent residents needing support to find somewhere safe, secure, and affordable to live.
- 3.1.3 This report sets out an opportunity to work closely with one of our strategic partners MTVH Housing to unlock 60 new social homes for residents by repurposing garage sites.
- 3.1.4 To achieve the homes we need, working collectively with social landlords and private developers is imperative. Increased land prices and building costs have made developing new affordable homes more challenging in Brent, but by working with partners to identify opportunities such as the scheme outlined in this report we can continue to build.

3.2 Contribution to Borough Plan Priorities & Strategic Context

- 3.2.1 The borough plan sets out the Council's ambition to provide safe, affordable housing for residents and under the strategic priority 'Prosperity and Stability' reaffirms the pledge; *to deliver 5,000 affordable homes across the borough of which 1,700 will be delivered by the Council by 2028.*
- 3.2.2 Other strategies relevant to achieving this strategic priority include:

- Local Plan
- The Poverty Commission
- Housing Allocations Policy
- Climate and Ecological Emergency Strategy
- Homelessness and Rough Sleeper Strategy
- Equality Strategy
- Health and Well-being Strategy
- Inclusive Growth Strategy

3.2.3 The Council is currently developing an overarching Housing strategy, in which supply of new Affordable Housing will be a key strand.

4. Background

4.1. The proposed development is situated in the Scientists Estate part of the wider Chalkhill Estate. This is located in the Wembley Park area of the London Borough of Brent. Chalkhill was one of the major estates constructed in the borough by the Greater London Council in the 1960's, by the 1980's the original high-rise blocks had been subject to physical and social deterioration. This culminated in the demolition of the high-rise elements of the estate by 1997. In its place a new low-rise estate was built, together with some commercial development. Some low-rise parts of the estate were not subject to redevelopment in the 1990's and it is some of these retained parts of the original estate that are proposed for regeneration.

The developer

4.2. The estate was transferred from the London Borough of Brent to Metropolitan Housing Trust in 1996, they subsequently delivered the initial regeneration scheme in the late 1990's and early 2000's. Both the new and retained original parts of the estate are now held and managed by MTVH following the merger of Metropolitan Housing Trust with Thames Valley Housing Association in 2018. A smaller number of properties and garages have remained under the management of Brent Council where tenants opted to remain Council tenants. As these properties become vacant, the deed is signed over to Metropolitan and Thames Valley.

4.3. MTVH provides affordable housing for people living in London, the South East, East Midlands and East of England. MTVH is member of the National Housing Federation and the G15 – which represents London's largest housing associations. It has a strong track record of delivering regeneration, new homes and building communities. Whilst MTVH's other projects build a variety of housing tenures, it is proposed all new homes delivered as part of the regeneration proposal on the Chalkhill Estate will comprise social housing, and the Council will hold nomination rights.

Site specifics

4.4. The development sites are identified edged red on plan 1. They form garage blocks, car parking areas, grassed areas, trees and hardstanding. There are

105 individual garages across five separate sites.

- 4.5. In situ there are 5 residential blocks (Curie House, Darwin House, Davey House, Faraday House and Einstein House) all medium rise blocks of brick facades with outset balconies and flat roofs. All of these are from the initial estate construction in the 1960's. These residential blocks fall outside of the development sites and no existing homes will be demolished to deliver the proposed new homes.
- 4.6 Of the 105 garages on the site, 61 (58%) are unoccupied. 39 garages have been secured by MTVH with the rest to be secured by vacant possession via termination of licences / leases. There are 16 garages owned by leaseholders. It is envisaged that these third-party interests will be secured through negotiations in the shadow of compulsory purchase powers. Two garage blocks at Havenwood have been identified as a health and safety risk to the public due to the risk of collapsing roofs. Furthermore, some garages next to Einstein House are currently supported by scaffolding; however, these have not been flagged as having structural issues. The remainder of the garages are largely in detracting condition and beyond economic repair.
- 4.7 The garages were also constructed in the 1960's when cars were considerably smaller. As such the garages are too small to accommodate many modern cars. This typically means garages of this type and age are often used for general storage rather than vehicle parking.

5. The proposal

- 5.1 In 2021, MTVH commissioned BPTW Architects to undertake a masterplan feasibility study of the Chalkhill Estate. This identified six land parcels within the north and eastern areas of the Estate of which one is the site in question. The other five sites are considered long term (20+ year) opportunities, and the suitability and justification of these sites is not considered in this report. On this site three different options were considered:

5.1.1 Option 1: Low Intervention

This option focuses on the infill of vacant or underused brownfield sites for a small housing development, aspirations enshrined in the National Planning Policy Framework (NPPF) 2021. This would involve the redevelopment of underutilised garage space in the site area to develop c. 60 units with a net gain of 60.

5.1.2 Option 2: Medium Intervention

This involved a wider redevelopment of the site including streamlining to the south of the site. This scheme would deliver c. 79 units with a net gain of 69. This solution would require the redevelopment of townhouses requiring the acquisition of 6 privately-owned properties and the possession and decant of 4 MTVH-owned properties. Further, displacement outside of the townhouses would require the paying of statutory compensation payments for home loss and

disturbance to owners and occupants.

5.1.3 Option 3: High Intervention

A complete redevelopment of a wider site to deliver c. 179 units with a net gain of 65 units. This long-term solution would necessitate a CPO to acquire c.100 freehold and leasehold interests in this wider site.

Preferred option

5.2 On balance Option 1 was chosen as the most proportionate solution for a number of reasons. Firstly, it provides similar net gain but without the environmental costs associated with large scale demolition and is tied into the Council's preference to renovate rather than replace affordable housing so that we maximise additional affordable homes in the borough where possible. Secondly, it offers an opportunity to remove underutilised brownfield sites. Most notably however it is the lowest intervention option and does not require the relocation and purchase of leaseholders and freeholders of residential accommodation and therefore it balances a low impact with achieving a good housing gain.

5.3 This preferred option relates only to the footprint of the garages and hard standing and demonstrates the potential delivery of around 60 new social homes by adopting this site boundary. Detailed design proposals for this site option are being prepared by MTVH's team in consultation with the community. This will be subject to a further formal application to the Local Planning Authority in 2024 and is not considered further by this report.

Alternatives

5.4 Options 1-3 above set out potential alternative options, in addition to this there is also a do- nothing option. The do-nothing option is not recommended for it would not deliver any new homes, it would fail to make the best use of the site and would allow the current issues with reports of fly tipping, vandalism, loitering, drug dealing and isolated anti-social behaviour to persist within the garage sites.

5.5 Furthermore, many of the garages are in a poor state of repair, in a do-nothing option this would worsen making the site more dilapidated, detracting further from residential amenity. An alternative do-nothing scenario could involve MTVH refurbishing the garages in their current form. However, stock condition surveys have confirmed that it would be uneconomic to refurbish the garages and the garages are too small for many modern cars, and typically such garages are instead used for storage purposes. A do-nothing refurbishment option would likely result in the sites operating as a small-scale self-storage centre which also has potential to detract from residential amenity and would not support meeting the Borough's housing needs.

Meeting the Councils objectives and benefits of the scheme

- 5.6 The delivery of new social housing on the Chalkhill Estate accords with adopted Council policy and national policy supporting the delivery of new homes and the regeneration of brownfield land.
- 5.7 The Council has committed to providing more council homes, with a target for 5,000 new homes by end of the financial year 2027/28. All of the new homes delivered at Chalkhill by MTVH will be for social rent with the Council holding nomination rights. These new homes will make a significant contribution to the Council's target.
- 5.8 The Council will also have 100% nomination rights to the first let of these homes and nomination rights to 75% in perpetuity meaning all homes built will help to meet the growing housing need on the Council's Housing Register.
- 5.9 Development in this part of the Chalkhill Estate is likely to deliver several benefits which accord with Council objectives as follows:
- 5.9.1 It has been identified that the garages are areas which have been susceptible to crime with reports of fly tipping, vandalism, loitering, drug dealing and isolated anti-social behaviour. This scheme specifically deals with these safety and security issues and replaces these areas with well lit, accessible residential and amenity areas.
- 5.9.2 In terms of environmental issues brownfield redevelopment is a more sustainable option than greenfield development. This proposal is for an environmentally conscious, car light development. The thermal performance of the new homes will allow the occupiers to live in warm homes using minimal energy.
- 5.9.3 This proposal provides an opportunity to deliver new social housing within an existing housing estate without displacing anyone from their home. The housing yield is expected to be around 60. Any statutory land assembly powers used here would not involve removal and relocation of homes and families. As such it is a proportionate solution for the creation of additional affordable housing in the area.
- 5.9.4 This scheme is a superior utilisation of the site compared to the present. Providing around 60 dwellings on a social rented tenure replacing underutilised garages of which: 61 are void and unoccupied, some are deemed a health and safety risk, others next to Einstein House are supported by scaffolding, and many are in poor condition and beyond economic repair.
- 5.9.5 The scheme would also have positive effects for the local area through the general improvement of the social and environmental wellbeing of the area attributed to the provision of high-quality landscaping, functional amenity space, and the removal of garage sites with associated anti-social issues.

Third party land interests

- 5.10 To enable development of the subject sites it will be necessary to assemble

several third- party interests currently understood to comprise:

- Long Leasehold interests in 16 garages held by neighbouring leasehold flats.
- Assured tenancy interests in 8 garages held by neighbouring assured tenants.
- Rights to park held by two neighbouring leasehold property.
- Rights of access and rights to use common parts of the estate held by third party leaseholders in adjoining and neighbouring buildings on the wider Chalkhill Estate.
- Infringed rights of light held by third party leaseholders of adjoining homes.

5.11 As the project progresses formal land referencing will be undertaken to identify the full extent of affected third party land and rights.

5.12 MTVH has undertaken consultation with the community regarding the potential for redevelopment and those affected have been provided with the opportunity to influence the design proposals. It is MTVH's intention to open negotiations to acquire relevant third-party interests by agreement in 2024.

5.13 All private treaty negotiations will be undertaken in accordance with the provisions of the Statutory Compensation Code. This means any affected parties will be able to claim for the market value of their interests, together with a statutory loss payment and reimbursement of reasonable professional fees.

5.14 Whilst it is MTVH's desire to assemble all interest by agreement, the nature and number of affected interests means compulsory purchase powers may be required to enable delivery of the project within a reasonable programme and budget. If it is necessary to exercise compulsory purchase powers, specific authority will be sought from Cabinet in future.

5.15 MTVH is hopeful planning permission will be granted for the scheme by the end of 2024. The desire is to start on site in Q2/Q3 2025. The programmed start on site date would be in either Q2/Q3 of 2025 with a two-year staggered build out ending Q3/Q4 2027 or Q1 2028 maximum. This would be in line to complete within the council's affordable housing target of 5,000 homes by the end of the 2027/28 financial year.

5.16 However, to achieve this programme it will be necessary to assemble all interests by agreement in the shadow of compulsory purchase powers and subsequently appropriate the site using section 203 to extinguish third party rights. There is potential for the project to be delayed if agreement cannot be reached and it is necessary to hold a public inquiry into a compulsory purchase order. If such delay arises it may be possible to accommodate that within a phased construction programme.

5.17 Therefore, it is important to undertake any third-party property negotiations in the shadow of compulsory purchase powers for this will encourage landowners to reach agreement. If agreement cannot be reached, ultimately a CPO will be required to provide certainty over delivery of the project within a reasonable timescale and budget. Should MTVH be required to issue a CPO, support from the Council to exercise such powers is necessary. This report therefore seeks approval of the proposal and confirmation of support to MTVH from the Council to use such powers if required.

6. Stakeholder and Ward Member Engagement

6.1 Consultation and engagement have started with both the community and members. MTVH are being closely supported by the Affordable Housing and Partnerships Service as well as Legal Services within the Council to ensure due process is followed and the scheme proposed meets the requirements of Brent residents.

6.2 In January 2023 MTVH wrote to the Barnhill Ward Councillors; Local MP and Cabinet Members for Housing and Regeneration introducing development proposals at Chalkhill Estate.

6.3 In Spring 2023, letters were sent to all known garage occupants advising that MTVH are considering several options for the future of the garages and requesting completion of a questionnaire to establish if and how the garages are being used. This was supplemented by a door knocking exercise in August 2023.

6.4 In October 2023, a letter and set of Frequently Asked Questions was issued to all known garage occupants and households adjacent to the garage sites informing them of the garages audit findings; advising that MTVH are considering long term options for the garage areas and that residents will be invited to share their views on the options in the coming months. A project website has been operational since September 2023 to provide an online portal for providing updates on the development proposals; managing resident communications and to display consultation materials throughout the project.

6.5 MTVH wrote to the Barnhill Ward Councillors; Local MP and Cabinet Members for Housing and Regeneration in early November 2023 informing them of the findings of the garages audit and updating on the proposed development and proposed consultation strategy.

6.6 In mid-November 2023, MTVH issued a newsletter to all known garage occupants and all households within and surrounding the Chalkhill Estate, inviting local stakeholders to consultation events at Chalkhill Community Centre.

6.7 MTVH hosted two drop-in events for the local community in late November / early December 2023 and attended a pre-arranged community Christmas Event. The purpose of the events was to give the local community an opportunity to view the early development proposals and ask questions and

provide feedback for the project team's consideration.

- 6.8 Approximately 30 people attended the drop in events including both Ward Councillors. Ward Councillors were broadly supportive of rationale / proposals. Issues and queries raised by residents included existing inconsiderate parking practices, sufficiency of proposed parking spaces, visitor parking, replacement storage provision, overlooking, noise from play space, retention of green space, party wall and disruption during construction phase.
- 6.9 A second round of formal consultation events on the developed proposals will take place in Spring 2024. MTVH are also liaising with the Chalkhill Residents' Association and Chalkhill Primary School as key community bodies at the Estate.
- 6.10 A ward member briefing took place on 05 February 2024 to provide an update on plans and progress, whilst giving members an opportunity to ask questions of MTVH. A walkabout of the site with Councillors' including the Cabinet Member for Housing, Homelessness and Renter's Security has been scheduled for 11 March 2024.

7. Next Steps

- 7.1 Subject to Cabinet approval, the first stage of the compulsory purchase process will commence on the site, including land referencing, section 16 notices, landowner negotiations and preparation of documentation required to inform a further report to Cabinet to make CPOs of land interests, if required.
- 7.2 MTVH will continue negotiations with landowners to acquire the outstanding interests of the site by private treaty, but this approval from Cabinet will allow the compulsory purchase process to commence and run concurrently with private treaty negotiations.

8. Financial Considerations

- 8.1 The project will be delivered and funded by MTVH from its internal resources. MTVH has considerable experience in the delivery of regeneration and affordable housing as well as the management of social housing stock. It holds considerable internal resources and has access to external funding; therefore, it is well placed to deliver the regeneration.
- 8.2 Should it be necessary to exercise compulsory purchase and statutory site assembly powers the cost of the Council preparing and exercising these powers will be refunded by MTVH through a suitable indemnity agreement.
- 8.3 Currently any cost being incurred by the Council is staff time through established salaries and remits already in place within the operating structure.

9. Legal Considerations

- 9.1 The Council has powers to make a compulsory purchase order pursuant to

section 226(1)(a) of the Town and Country Planning Act 1990 where the acquisition will facilitate the carrying out of the development, redevelopment or improvement in relation to the land. The Council must be satisfied that the redevelopment, development or improvement is likely to contribute to the achievement of i) promotion or improvement of the economic wellbeing of their area; ii) the promotion or improvement of the environmental wellbeing or their area; iii) the promotion or improvement of the social well-being of their area.

- 9.2 Compulsory purchase orders must only be made if there is a compelling case in the public interest. The purpose for making the compulsory purchase order must be made justifying the interference with the human rights of those with an interest in the land affected. In particular, the provisions of article 1 of the First Protocol to the European convention on Human Rights and in the case of a dwelling article 8 of the convention.
- 9.3 The Council must consider why it is necessary to acquire the property interests identified in Appendix 1. These interests are key to the delivery of the proposed scheme and are located throughout the site so comprehensive redevelopment is not currently feasible.
- 9.4 The developer will first attempt to acquire the individual freehold interests by private treaty and take into consideration payment of any valid statutory compensation.
- 9.5 Delivery of the scheme would help deliver the Council's key objectives as set out in the Local Plan and in the Borough Plan 2023 - 2027, with the provision of new homes, including affordable homes, employment and training opportunities throughout the construction programme and job creation through the commercial and affordable workspace in the proposed scheme.
- 9.6 Additional compulsory purchase support may be required as set out in paragraph 5.17. The contract(s) for such support would be classed as Low Value Contracts under the Council's Contract Standing Orders and Financial Regulations and Chief Officers have authority delegated under Part 3 of the Constitution to procure and award such contracts.
- 9.7 An indemnity agreement with the developer is proposed to indemnify the Council against the costs of running and implementing a Compulsory Purchase Order, if required. This will seek to minimise the Council's exposure to costs in exercising its compulsory purchase powers. Whilst it is not possible at this stage to accurately estimate these costs, the main areas of expenditure will be around land acquisition and compensation, running the compulsory purchase process, professional advice, including legal, property and valuation or other relevant advice. The costs of formal notice serving, public enquiry and any subsequent legal challenges will also be dealt with through the indemnity agreement.
- 9.8 Any appropriation will be delivered using section 203 of the 2016 Housing and

Planning Act.

- 9.9 Stopping up orders for schemes of this nature are commonly delivered through s.247 and s.248 of the 1990 Town and Country Planning Act. Stopping Up Orders are granted by the General Purposes Committee and an application will have to be made to this Committee.
- 9.10 Further reports to Cabinet will follow at the appropriate time to obtain the requisite Cabinet authority in respect of relevant land to be acquired or appropriated which will set out the Council's case for compulsory acquisition/appropriation to form the substance of statement of reasons to be submitted to the Secretary of State with the compulsory purchase orders.

10. Equality, Diversity & Inclusion (EDI) Considerations

- 10.1 Whilst an EQIA has not been prepared at this stage, one will be prepared if it is necessary to exercise statutory site assembly powers. The Council has considered the potential impacts of the current proposals on affected parties and has identified a positive equality impact in terms of the delivery of more and better homes. The new homes will all be available at a social rent and the Council will hold nomination rights. These homes will be designed as lifetime homes, they will be well insulated and designed to be accessible for all, they will make a considerable contribution towards meeting the shortage of social housing in London.
- 10.2 Any affected third-party landowners will be entitled to compensation in accordance with the Statutory Compensation Code. The overarching principle of which is fairness and equivalence. As such any affected landowners should be put back in the position they were prior to the acquisition of any interest, so far as money can.
- 10.3 Although the detailed design of development proposal has not yet been finalised, it is noted that any development option involving the construction of new homes will lead to construction activities with consequent potential for negative impacts amongst protected characteristic groups during the construction phase. As the design progresses to a planning application, if it is approved it will be conditioned such that construction impacts are mitigated so far as reasonably possible. This will be considered further as part of the planning assessment.

11. Climate Change and Environmental Considerations

- 11.1 The delivery of new social housing with high levels of thermal efficiency will ensure those residing in the new homes are able to maintain warm homes whilst minimising energy usage.
- 11.2 The site forms a sustainable location to deliver much needed new homes, it comprises previously developed land and lies in a well-connected location affording the residents good access to services and public transport.

12. Communication Considerations

- 12.1 MTVH have already undertaken a programme of community consultation, this will continue as the project progresses.
- 12.2 For the Council, this scheme (subject to planning) will be an example of working closely with partners to deliver homes for social rent for Brent residents.

13. Human Resources / Property Implications

- 13.1 Whilst MTVH will underwrite the Council's costs, including officer costs, associated with the CPO process, it should be noted that officer time will need to be allocated to the process on a regular basis, including attending meetings with MTVH and affected landowners, reviewing information submitted and preparing reports.

Report sign off:

Peter Gadsdon

Corporate Director of Resident Services