



Cabinet
15 September 2014

**Report from the Strategic Director of
Regeneration and Growth**

Wards affected:
Alperton, Harlesden, Kensal Green,
Stonebridge, Tokyngton

**Consultation on the proposed Mayoral Development
Corporation for Old Oak and Park Royal**

1.0 Summary

1.1 The Government has announced proposals for a new High Speed 2 and Crossrail interchange at Old Oak by 2026. Based around the opportunities presented by the new interchange and national and sub regional transport connections, the London Boroughs of Brent, Hammersmith & Fulham, and Ealing, as well as the Greater London Authority (GLA) and Transport for London (TfL), have produced a vision for regenerating the Old Oak area. The Mayor of London is now consulting on proposals to establish a Mayoral Development Corporation (MDC) for Old Oak and Park Royal to take the lead on the planning and regeneration of this area. This report summarises the implications of the proposed MDC for Brent and proposes the areas which should be covered in a formal response to the current consultation.

2.0 Recommendations

- 2.1** The Cabinet agree the Council response to the consultation will cover the issues set out in paragraphs 3.25 to 3.29.
- 2.2** The Cabinet delegate authority to the Strategic Director of Regeneration & Growth in consultation with the Leader of the Council to finalise the exact wording of the final response.

3.0 Detail

3.1 The Government announced proposals for a new High Speed 2 and Crossrail interchange at Old Oak by 2026. Based around the new HS2 and Crossrail interchange at Old Oak, the London Boroughs of Brent, Hammersmith & Fulham and Ealing, plus the GLA and TfL, have been considering the potential for regenerating the area and sought views on a 30-year Vision for Old Oak. It is envisaged the area could be transformed with up to 90,000 new jobs and up to 19,000 new homes, schools, open spaces, shops and leisure

facilities. The vision underwent consultation in summer 2013. The capacity figures have been revised in the Further Alterations to the London Plan (FALP) (2014) to 24,000 new homes and 55,000 new jobs.

- 3.2** The Mayor of London is now proposing to establish an MDC for Old Oak and Park Royal to support delivery on this scale and take the lead on the planning and regeneration of this area. The MDC would take on various statutory powers relating to infrastructure, regeneration, land acquisitions including Compulsory Purchase Orders, streets, businesses and financial assistance, preparing Local Plans (including Community Infrastructure Levy) and determining certain planning applications. The consultation closes on the 24th of September 2014. Further detail on the Mayor's proposal and an analysis of the implications for Brent are set out below.
- 3.3** The MDC would not be responsible for the delivery of the proposed Old Oak Common stations for High Speed 2 or Crossrail, both of which have their own delivery arrangements.

Geographical Extent of the MDC

- 3.4** It is proposed that the MDC boundary encompasses the area known as Old Oak Common and the significant majority of the Park Royal Industrial estates. This includes land within the London Boroughs of Brent, Ealing and Hammersmith & Fulham. It is broadly bounded to the north by the North London and Bakerloo line, St Mary's Cemetery to the east, and includes Wormwood Scrubs to the south and parts of Alperton in the west. A map of the proposed MDC boundary is included in Appendix A.
- 3.5** As proposed the boundary encompasses the Northfields industrial estate, which is adjacent to the Alperton growth area. Previously the Council has proposed to release part of the Northfields estate from its current Strategic Industrial Land designation in order to support the delivery of mixed use housing and employment development. This in turn would support the delivery of the Alperton growth area, the Alperton Masterplan and the proposed Housing Zone bid for Alperton. Historically the GLA have resisted the change in designation of the area and consequently the site remains largely vacant. Consideration should be given to making representations to alter the MDC boundary to exclude the Northfields estate and to release part of the site from the Strategic Industrial Land designation.
- 3.6** To the north-east the proposed MDC boundary borders, but excludes, the Ex Unisys buildings and Station House (Wembley Point). Both are site specific allocations in Brent's Local Plan which have not yet come forward due in large part to significant site constraints which make the sites challenging to deliver. Station House is a 1.2 ha site with an indicative development capacity of 104 residential units and office uses. The former Unisys centre combined with the Bridge Park Centre has an area of 2.85 ha and an indicative capacity of 245 residential units and employment uses. Consideration should be given as to whether there is merit in including these sites within the MDC boundary to help unlock their development potential.

Powers of the MDC

- 3.7** It is proposed that the MDC takes on plan making responsibilities across the entirety of the Old Oak and Park Royal MDC area. In respect of planning application determination functions, a differential approach is proposed. Within the 'core' Old Oak area (shaded in pink on the map at Appendix 1) full planning application powers are proposed in order to support the delivery of the major regeneration ambitions. A majority of the core area is within Hammersmith & Fulham with just a small amount in Brent in the immediate vicinity of Willesden Junction station. Across the wider Park Royal area more limited planning application determination powers are proposed, largely restricted to determining applications of a particularly large size or scale or those relating to business relocations from the core Old Oak area.
- 3.8** In respect of plan making functions it is proposed the MDC prepares the following plans across the whole of the Old Oak and Park Royal area:
- Local Plan Documents (including waste planning), supplementary planning guidance; and
 - Community Infrastructure Levy
- 3.9** In respect of the Local Plan making documents, the critical questions that need to be considered will relate to the designation of the Northfields Site (see above) and the ongoing proposals for residential development on part of the First Central site. It is advised that the Council seeks reassurances on these designations through the consultation process.
- 3.10** In respect of waste, the West London Waste Plan (WLWP) identifies how West London Boroughs will meet their waste apportionment targets set in the London Plan. This was submitted for examination on 30 July 2014. The WLWP identifies waste sites which are to be protected within the Old Oak and Park Royal area. An additional waste plan specifically for Old Oak and Park Royal could jeopardise the delivery of the WLWP and confuse the decision making process. Given the strategic importance of meeting the waste apportionment target and the need for boroughs to work jointly, producing a further separate waste plan which may not be consistent with the WLWP would be contrary to the duty to cooperate and it is advised that this is resisted.
- 3.11** It is proposed the MDC will bring into effect its own Community Infrastructure Levy (CIL), with transitional provisions until that levy is introduced whereby boroughs do not collect their own levy, but instead use Planning Obligations to mitigate the impact of each development. Brent is the only one of the three Boroughs to have formally adopted its CIL charging schedule – although we currently make a zero charge for the employment generating use classes that predominate in Park Royal, on the basis of trying to incentivise investment. The issue for Brent is therefore about ensuring that any new charging schedule continues to promote employment generating development. Clarification will therefore be needed about the interim arrangements given we already have a CIL charging schedule.
- 3.12** In respect of planning applications, the Council would lose planning application decision making powers for Willesden Junction station and a small area immediately surrounding it. Given the importance of Willesden Junction to Brent residents and its function as the primary gateway to Old Oak prior to

the opening of the new HS2 and Crossrail station (at least 10 years away) it is recommended that the Council seek for a commitment from the GLA to support and bring forward substantial and early investment in the station.

- 3.13** Within the wider Park Royal area it is proposed that the MDC's Planning Committee would determine applications relating to:-
- The construction, erection and extension of buildings, land or structures of more than 25,000 sqm in use class A1 to A5, B1 to B8, D1, D2 and sui generis;
 - More than 100 units in use class C1 to C3;
 - Waste facilities with a waste capacity throughput of more than 50,000 tonnes;
 - New and altered vehicle, rail, pedestrian and cycle infrastructure including but not limited to applications for new roads, tunnels and bridges;
 - Development that includes provision of more than 200 additional car parking spaces in connection with that use;
 - The relocation of existing uses from one location to another within the Mayoral Development Area; and
 - Any other planning applications deemed appropriate by the MDC.
- 3.14** The inclusion of the caveat that the MDC could determine any applications deemed appropriate creates uncertainty in the process for both developers and the planning service. This defeats the purpose of having a threshold and is considered unacceptable.
- 3.15** Although the MDC reserves the right to undertake enforcement, these powers would be delegated back to Brent. It is not currently proposed that the MDC is given powers to introduce business rate relief.

Representation on the MDC Board

- 3.16** The MDC Board is proposed to comprise of at least one elected member from each of the authorities. The Mayor of London will appoint the chair, and reserves the right to appoint other members of the Board as he considers necessary. In addition it is proposed that the Board include a representative from the GLA, TfL, a central Government transport body (i.e. DfT/HS2), an un-conflicted representative from the educational community and the development and regeneration community. As proposed there is no representation from the local residential or business community. From the consultation document there is no formal mechanism proposed to engage with either the community or local businesses.
- 3.17** It is recommended that the Council's response highlights the fact that many of the residents and communities most impacted from the proposed regeneration scheme live to the north of Old Oak (in Brent) and that the Council's support for an MDC would be absolutely dependent on robust and meaningful mechanisms for community and business engagement and consultation. This could include establishing community and business forums which meet regularly and frequently as the regeneration proposals are shaped and

developed, perhaps with representation on the MDC Board. In respect of the Council's representation on the MDC Board it is recommended that this is through the Leader of the Council.

Planning Committee

- 3.18** The consultation document sets out three options for the MDC Planning Committee. In the case of all options the chair of the MDC Board would also chair the MDC Planning Committee.
- 3.19** Option 1 - A single planning committee determining planning applications for the entire Old Oak and Park Royal area. The committee would include six additional members including one councillor from each of the three London Borough councils.
- 3.20** Option 2 - A single committee including eight additional members with a minimum of one councillor from each borough. For applications determined within Brent an additional Brent representative would sit on the committee.
- 3.21** Option 3 - Three planning sub-committees for each London Borough. Each sub-committee would include eight members. Brent would have two representatives on the Brent sub-committee and one representative on the Hammersmith & Fulham and Ealing sub-committee.
- 3.22** Option 1 presents the greatest incentive for joint working and also maximises Brent's decision making influence on all of the major development proposals that will come forward within the core Old Oak Area. Under Option 2 Brent would have reduced decision making powers (and influence) for applications within Ealing and Hammersmith & Fulham, although the wider impacts of such developments would impact on Brent's communities and place greater pressure on Brent's infrastructure, particularly local transport networks, schools and health services. Option 3 would reduce joint working and, as is this case with option 2, limit Brent's influence in determining applications outside of the borough. Of the three proposals Option 1 is the recommended option for Brent.
- 3.23** In the case of all three options representatives from the London Boroughs would be in the minority, meaning the chair will ultimately have the casting vote. Reference is made to additional members of the committee who would not be elected members. No clarification is given on how these additional members would be selected, or what background they would be from. As proposed, it could be argued that the MDC Planning Committee would in effect take decision making away from locally elected representatives who are directly accountable to local people. This seems to go against the principles of the Localism Act (2011), which was introduced to devolve more decision making powers from central government back into the hands of individuals, communities and councils. As the Localism Act (2011) is the legislative basis for the establishment of the MDC, it should adhere to the principles of the Act and ensure its planning committee is a truly locally representative body. This will require an increase in the proportion of locally elected members on the committee.
- 3.24** It is not clear if the planning committee would also approve the Local Plan and CIL. It is also not specified at an officer level what mechanisms will be in place

for authorities to feed into decision-making, particularly the production and adoption of the Local Plan. There is no clarification on how local people will be engaged in the process.

Conclusion

- 3.25** To support delivery on the scale required there is no doubt a delivery body with a strong regeneration focus is required. Without such a body there is a real risk that the opportunity HS2 and the Old Oak interchange presents for Brent will be missed. Arguably an MDC gives Brent greater influence over the proposals that will come forward at Old Oak as the Council will have representation on the decision making bodies. However, there are considerable concerns in respect of the current proposals which the need to be mitigated or addressed. Officers therefore recommend through the consultation process the following changes are sought. These recommendations have been informed by consultation with Members.
- 3.26** *Boundary* – the MDC boundary to be amended to exclude the Northfields Industrial Estate, so as not to support the delivery of the Alperton Masterplan and the Council’s housing zone proposals for Alperton. Consideration should also be given to the benefits of extending the boundary to encompass the Ex Unisys building and Station House (Wembley Point) buildings in order to support the comprehensive regeneration of these sites.
- 3.27** *Local Representation* – There must be clear mechanisms for greater local engagement, influence, scrutiny and accountability of the MDC. The Leader of Brent Council must sit on the MDC Board. In addition the Board should include a representative from both the local residential and business communities. Given the extent of the boundary covering the Park Royal Business Park, we would recommend that Brent Park Royal business representative sits on the main Board. The planning committee should include a greater proportion of representation from locally elected members. In addition, greater clarity is required on how local communities will be actively engaged throughout the lifetime of the MDC. There is a need for this engagement process to be formalised and approved by all council’s in advance of the introduction of the MDC.
- 3.28** *Planning Powers* – three specific areas need addressing:
- The proposed transitional CIL provisions whereby boroughs would not collect their own CIL levy until the MDC CIL is introduced is not acceptable – this would have a disproportionate impact on Brent as we are the only Borough to have an adopted CIL regime. It is recommended that the Council also expresses concern about the possible negative impacts on investment on any new CIL regime.
 - Should the MDC produce a separate waste plan it must be in conformity with the West London Waste Plan;
 - The caveat that the MDC Planning Committee can determine any applications they deem appropriate creates uncertainty and should be removed.

3.29 *Local Benefit* – significant assurances need to be provided that the MDC will be fully committed to delivering significant outcomes and benefits for local residents and businesses, in addition to mitigating any potential negative impacts of new development. This should include, but not be limited to:

- *Housing* – ensuring that new housing delivered in Old Oak contributes significantly to meeting local as well as regional housing needs, providing a range of genuinely affordable products and tenures with nominations agreements secured across all three Boroughs.
- *Park Royal* – deliver significant improvements for established Park Royal businesses, including improved power supply capacity, high speed broadband, improved accessibility and creating safe routes to work. In addition commit to providing affordable and start up workspace as part of the regeneration proposals.
- *Transport* – Early and significant investment to improve Willesden Junction station in recognition of its medium term function as the primary gateway to Old Oak and a commitment that there will be no reduction in commuter services stopping at the station on either the Bakerloo or overground lines. In addition, a recognition that the scale of new development proposed at Old Oak will place significant pressure on Brent’s established transport infrastructure. A strong commitment will be required to promote sustainable transport modes, including additional bus services to both Willesden Junction and Old Oak. Recognition is also needed of the considerable investment required to address the increase in pressure on the wider road network extending far beyond the MDC boundary, both during construction and after delivery of new development.
- *HS2* – Whilst supportive of HS2, the Council has petitioned the HS2 Bill on an issue of specific concern in respect of a proposed vent shaft that adversely impacts on the South Kilburn regeneration scheme. It would be beneficial if the GLA and the MDC can support the Council’s position in respect of its petition.
- *Crossrail* – it has recently been announced that the proposed north western extension of Crossrail is not proposed to stop at Wembley Central. This is of considerable concern as it will fail to link the two largest opportunity areas in North West London. There are over 5000 consented homes in Wembley and the Council would want the Mayors full commitment to ensuring that crossrail stops at Wembley Central, thus providing an opportunity to accelerate the delivery of these homes and connect residents to the employment opportunities in Old Oak and Park Royal.
- *Social Infrastructure* – ensure sufficient provision of new schools, health facilities, community infrastructure, sports facilities and open spaces to fully mitigate the impact of the population growth associated with the new developments at Old Oak.
- *Town centres* – ensure any potential negative impacts on Brent’s town centres from retail development at Old Oak are mitigated through

investment and enhancements to Brent's town centres, particularly those close to Old Oak in Harlesden, Willesden, Kensal Green and Wembley.

- *Stalled sites* – A commitment to a proactive approach to addressing stalled sites across the wider Park Royal area, in particular the Twyford site and potentially the Ex Unisys buildings and Station House (Wembley Point).
- *Future liabilities* - There should be no ongoing or legacy financial liabilities to the Council without agreement through the process.

4.0 Financial Implications

4.1 There are no direct financial implications resulting from this report or from the proposed recommendations.

4.2 It is proposed the MDC will bring into effect its own CIL charging regime, with transitional provisions in place until that levy is introduced. This could, as a result, have a minor impact on the Council's CIL related income but as Brent has a zero charge for Use Class B1b&c, B2 and B8, the predominant uses within Park Royal, it is likely financial implications will be relatively limited. Similar limited financial implications could relate to Section 106 resources.

4.3 A potentially significant financial implication relates to the possible transfer of legacy liabilities to the Council when the MDC ceases to exist, but these cannot be quantified at this very early stage and will need to be mitigated in future years when both the likelihood and the impact is more certain.

5.0 Legal Implications

5.1 Chapter 2 of Part 7 of the Government's Localism Act (2011) provides the legislative basis for the Mayor of London to designate a Mayoral Development Area and to take certain decisions in relation to that area. Before designating a Mayoral Development Area, the Localism Act (2011) requires the Mayor to consult on his proposal. If the Mayor does not accept comments from the London Assembly and those London Borough Councils that are affected by the proposal he is required by the Act to publish a statement giving his reasons. If the Mayor decides to proceed with his proposal he must submit his final proposal to the London Assembly which then has 21 days within which to decide if it is to reject the proposal, and can only do so with a two thirds majority. Subject to this, the Mayor then formally notifies the Secretary of State that he has designated a Mayoral Development Area. The Secretary of State then brings forward an Order giving effect to the proposals.

6.0 Diversity Implications

6.1 The proposal to establish the MDC has been subject to an assessment on equality and inclusion. The Mayor has a duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between different minority groups, under the Greater London Authority Act 1999. The assessment states the Mayor will take these duties into account when making any decisions relating to the MDC, and would expect to work with the MDC to involve women, BAME and disabled groups in its work.

7.0 Staffing Implications

- 7.1** The GLA has advertised six transitional posts in the MDC, and are inviting secondments from London Boroughs of Brent, Ealing and Hammersmith and Fulham.

Background Papers

Old Oak MDC consultation report, June 2014

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Appendix A: MDC Boundary

