



Cabinet
9th March 2020

**Report from the Strategic Director
of Regeneration & Environment**

**Alperton Housing Zone – use of the Council’s compulsory
purchase powers on Abbey Manufacturing Estate, Alperton**

Wards Affected:	Alperton
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
No. of Appendices:	Two Appendix 1: Site Plan (exempt) Appendix 2: Equalities Analysis
Background Papers:	None
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1.0 Purpose of the Report

- 1.1 To provide an overview of private developer negotiations to acquire land interests by private treaty on Abbey Manufacturing Estate within Alperton Housing Zone. These negotiations have been unsuccessful in acquiring all required land interests, and in order to assist in delivering comprehensive redevelopment of the site, the developer of the site has asked the Council to use their powers and authorise commencement of the compulsory purchase process.

2.0 Recommendations for Cabinet

Cabinet are asked to:

- 2.1 Note the background to Alperton Ltd & Alperton Projects 2 Ltd’s (“the developer”) redevelopment proposals for Abbey Manufacturing Estate and the developer’s endeavours to negotiate acquisition of freehold and leasehold interests within the site;

- 2.2 Note the previous in-principle approval given by Cabinet July 2015 to use compulsory purchase powers in Alperton Housing Zone;
- 2.3 Agree in-principle the making of a Compulsory Purchase Order (CPO) pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 on Abbey Manufacturing Estate, subject to a further specific resolution of Cabinet in respect of making, confirming and implementing CPOs, if required;
- 2.4 Agree advancing the preliminary stages of the compulsory purchase process on Abbey Manufacturing 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;
- 2.5 Note that the Strategic Director Regeneration & Environment will approve the procurement of additional compulsory purchase support as set out in paragraph 3.13 if required, the cost of which will be indemnified by the developer; and
- 2.6 Delegate authority to the Strategic Director Regeneration & Environment, in consultation with the Lead Member for Regeneration, Property & Planning, to enter into an indemnity agreement with the developer to indemnify the Council for all costs associated with the compulsory purchase process on Abbey Manufacturing Estate.

3.0 Detail

- 3.1 The Council secured GLA Housing Zone designation for Alperton in 2015. Since then, the Council has been working with landowners and developers to enable and accelerate the regeneration of the area, delivering new homes, including affordable homes, new workspace and supporting infrastructure.
- 3.2 In July 2015, Cabinet approved in principle to make CPOs of land interests within the Housing Zones under Planning, Housing and Highways legislation to help bring forward development objectives. This agreement was subject to further reports to Cabinet, seeking approval to make a CPO in respect of specific sites.
- 3.3 As this approval from Cabinet was given over four years ago, officers are asking Cabinet to reaffirm the in-principle approval to use the Council's compulsory purchase powers in Alperton Housing Zone, specifically on Abbey Manufacturing Estate, and seek the relevant approvals required to commence the preliminary stages of the compulsory purchase process. A further paper will be brought to Cabinet, if required, seeking approval to make and implement CPO(s) on the site. The site is discussed in further detail below.

Scheme overview

- 3.4 The developer submitted a valid full planning application for the majority of the site in March 2019. The major mixed-use, residential led scheme, proposes 581 new homes, including 18% affordable homes on a per unit basis, 22% on a habitable room basis (agreed as the maximum viable provision of affordable homes on site), new commercial space, improvements to the east-west connectivity across the site, linking to the wider area, all set within a new high quality public realm.

- 3.5 Site allocation BSWSA5 (as allocated in the draft Local Plan, previously allocated as SSA A6) identifies the site (Abbey Manufacturing Estate) for mixed-use redevelopment, to be brought forward as part of a comprehensive redevelopment, rather than individual schemes to make the most efficient use of land.

Negotiations to date

- 3.6 The developer has been acquiring land interests within Abbey Manufacturing Estate in Alperton since 2007, a site comprised of low density, low quality, industrial units.
- 3.7 The site is over 5 acres in size and comprises a number of freehold and leasehold interests. Land ownership fragmentation has been significantly reduced over the past 12 years with the developer acquiring a large number of interests with the view to comprehensively redevelop the site.
- 3.8 Despite protracted negotiations and repeated attempts to contact landowners, a number of interests remain to be acquired (see confidential plan in Appendix 1, provided by the developer), which are key to the delivery of the scheme submitted to the Council's planning department, and for the comprehensive redevelopment of the site as set out in planning policy. The developer has provided evidence of valuations undertaken, associated offer letters to landowners, and a Land Assembly Group (LAG) schedule detailing correspondence between Alperton Ltd, agents and landowners of these outstanding interests to date.

Economic, social and environmental benefits

- 3.9 The full planning application seeks permission for 581 new homes, including 18% affordable homes on a per unit basis, 22% on a habitable room basis, comprising one, two and three bedroom apartments and houses.
- 3.10 The development will support economic growth by incorporating over 1,400 sq.m of modern commercial and affordable workspace, and a pavilion café on the canal edge, creating new jobs and employment space.
- 3.11 The development will transform the public realm in the centre of the Alperton area by improving the quality of the canal frontage and providing public access to the canal side, which is currently inaccessible and unattractive. Opening up access to the canal will encourage people to enjoy the waterfront, and utilise the footpaths and green space along the route for leisure.
- 3.12 The comprehensive redevelopment will help to achieve the regeneration ambitions for Alperton as identified in the draft Local Plan, delivering new homes, including affordable homes, modern employment workspace and new public realm, and reducing conflicts arising between the current industrial uses and neighbouring residential streets.

Next Steps

- 3.13 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.

- 3.14 The developer will continue negotiations with landowners to acquire the outstanding interests on 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.

4.0 Financial Implications

- 4.1 The developer has agreed to underwrite all Council costs relating to the preparation of a CPO. Subject to Cabinet approval, the Council will enter into an indemnity agreement with the developer to continue to indemnify the Council for costs incurred throughout the CPO process. As such, there will be no financial impact on the Council.

5.0 Legal Implications

- 5.1 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.
- 5.2 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.
- 5.3 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.
- 5.4 The developer will first attempt to acquire the individual freehold interests by private treaty and take into consideration payment of any valid statutory compensation.
- 5.5 Delivery of the scheme would help deliver the Council's key objectives as set out in the emerging draft Local Plan and in the Borough Plan 2019-2023, 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.
- 5.6 Additional compulsory purchase support may be required as set out in paragraph 3.13. 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.
- 5.7 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 inquiry and any subsequent legal challenges will also be dealt with through the indemnity agreement.

6.0 Equality Implications

- 6.1 The proposed redevelopment is anticipated to provide social, economic and environmental benefits to Alperton and the wider area (as detailed in Section 3 of this report).
- 6.2 An initial screening Equalities Analysis has been undertaken (Appendix 2) with the limited information officers have at this early stage. The Equalities Analysis will be reviewed regularly throughout the next stage, with a more comprehensive Equalities Analysis provided if a further report to Cabinet seeking authority to make, confirm and implement the CPO, is required.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Wider consultation events have been held with residents and other local stakeholders, including Ward Members, local schools and other Council departments, on Alperton Housing Zone.
- 7.2 Subject to Cabinet approval, consultation with Ward Members and other Stakeholders will be undertaken specifically relating to the compulsory purchase process.

8.0 Human Resources/Property Implications

- 8.1 Whilst the developer 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 Alperton Ltd and affected landowners, reviewing information submitted and preparing reports.

Related Documents:

Cabinet Report 27th July 2015 - *Wembley and Alperton Housing Zones*

Report sign off:

AMAR DAVE
Strategic Director of Regeneration & Environment