



Cabinet
9th March 2020

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

**Alperton Housing Zone – use of the Council’s compulsory
purchase powers at Grand Union, formerly known as
Northfields Industrial Estate**

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:	<ul style="list-style-type: none"> ▪ Cabinet 27th July 2015 <i>Wembley and Alperton Housing Zones</i>
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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 the former Northfields Industrial Estate within Alperton Housing Zone, the approximate position of which is shown edged blue on the plan in confidential Appendix 1. These negotiations have been unsuccessful 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 St George's ('the developer') redevelopment proposals for the former Northfields Industrial Estate and St George's endeavours to negotiate acquisition of freehold 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 Compulsory Purchase Orders (CPOs) pursuant to section 226 (1) (a) of the Town and Country Planning Act 1990 on the former Northfields Industrial 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 the former Northfields Industrial Estate, including, but not limited to, land referencing, issuing notices under section 16 of the Local Government (Miscellaneous Provisions) Act 1976 (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 the former Northfields Industrial 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 the former Northfields Industrial 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 CPO(s) on the site. The site is discussed in further detail below.

Scheme overview

- 3.4 Planning permission was granted for a hybrid planning application in September 2018 for a mixed-use, residential led development to provide 2,900 new homes, of which 35% will be affordable, new commercial and light industrial space, community facilities and leisure space, as well as highway improvement works to Beresford Avenue and improved connectivity across the local area. The 2018 permission was subsequently subject to a non-material amendment in March 2019 (reference 19/0465) which increased the number of homes permitted to 3,030. The first phase of the scheme is now on site. Reserved matters for Phase 2 have been approved.
- 3.5 The former Northfields Industrial Estate, site allocation BSWSA7, is identified for comprehensive redevelopment in the emerging draft Local Plan, which notes the potential need for CPO in later phases to ensure delivery of sites not currently owned by St George.

Negotiations to date

- 3.6 St George acquired the majority of the former Northfields Industrial Estate from SEGRO in January 2017. The site is over 20 acres in size and the vast majority of the site was vacant and cleared at the time of purchase. Despite negotiations over the past two years, and which are ongoing, three freehold interests remain outstanding (see confidential Appendix 1, provided by the developer), which are required for the delivery of comprehensive highway and public realm improvements along Beresford Avenue, required to support the development, and the delivery of phase 5 as per the planning permission.
- 3.7 Though phase 5 of the development is not anticipated to start on site until 2028, associated S278 highway and public realm works are required as part of the planning permission to provide public safety improvements and provision of a shared cycle and pedestrian footpath along Beresford Avenue to Stonebridge Park Station. The shared cycle and pedestrian path requires widening of the current path to 5m, of which just over 2m falls within the boundaries of the three outstanding interests.
- 3.8 The developer has provided evidence of valuations undertaken, correspondence with landowners and agents, and associated offer letters dating back to 2017 for the outstanding interests.

Economic, social and environmental benefits

- 3.9 In addition to providing 3,030 new homes, of which 35% are affordable, the S106 Agreement entered into, in connection with the 2018 permission, agrees significant funding to transport and infrastructure improvements, the provision of employment and training initiatives, as well as sustainability and energy measures.
- 3.10 Unlocking the three remaining units will enable the delivery of improved pedestrian and cycle connectivity between Alperton Station and Stonebridge Park Station, and the delivery of phase 5 of the development, including over 300 new homes. The overall comprehensive redevelopment will help to achieve the regeneration ambitions for Alperton as identified in the emerging draft Local Plan, delivering significant social, economic and environmental benefits as well as providing new homes, including affordable homes, modern employment workspace and new public realm.

- 3.11 The wider development is anticipated to generate approximately £62 million in Community Infrastructure Levy receipts; as well as contribute (from completion) approximately £34 million per annum to the net local spend across the area. In addition, the development will provide significant employment floor space, including a bespoke light industrial hub – the first of its kind in the UK.

Next Steps

- 3.12 Subject to Cabinet approval, the first stage of the compulsory purchase process will commence on the site, including land referencing, issuing 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.
- 3.13 St George will continue negotiations with landowners to acquire the outstanding interests on their site by private treaty, but in-principle agreement from Cabinet will allow the compulsory purchase process to commence, and run concurrently with private treaty negotiations.

4.0 Financial Implications

- 4.1 St George have 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 under section 226 (1) (a) of the Town and Country Planning Act 1990 where the acquisition will facilitate the carrying out of development, redevelopment, or improvement in relation to the land. The Council must be satisfied that the a) 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 of 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 purposes 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. Accordingly, the Developer will be unable to deliver the consented scheme without the acquisition of the freehold interests and property rights within the former Northfields site because these units are required to comprehensively deliver the highway and public realm works and phase 5 of the consented scheme.
- 5.4 The developer will first attempt to acquire the individual freehold interests by way of private treaty and take into consideration payment of statutory compensation.

- 5.5 Delivery of the scheme would help to 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 industrial floorspace provided, including the multi-storey Generator building, and improvements to the highway network.
- 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 St George 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 St George 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