

Item No. 18.	Classification: Open	Date: 7 December 2021	Meeting Name: Cabinet
Report title:		Tustin Estate Low Rise Redevelopment Programme: Update and Phase 1 CPO	
Ward(s) or groups affected:		Old Kent Road	
Cabinet Member:		Councillor Stephanie Cryan, Council Housing and Homelessness	

FOREWORD - COUNCILLOR CRYAN, CABINET MEMBER FOR COUNCIL HOMES AND HOMELESSNESS

Following on from a successful resident ballot earlier this year to regenerate the Tustin Estate, this cabinet report provides an update on the progress that made to date.

I am pleased that the Tustin Estate rebuild is keeping to programme with a new design team and developer appointed and the proposed amendments to the masterplan will be soon be finalised

As the first phase of the rebuild requires the demolition of some of the homes on the estate, we are in negotiations with the leaseholders to buy back their properties and I am pleased that all leaseholders are engaging in these negotiations This report now asks Cabinet to approve a Compulsory Purchase Order which will only be needed as a last resort to enable the delivery of over 200 new homes

I want to thank the Tustin Estate Tenants and Residents Association and the Resident Project Group for all of their input and support.

RECOMMENDATIONS

1. That Cabinet notes the current position in relation to the delivery of new homes at Phase 1 of the Tustin Estate investment programme:
 - Cabinet approved the funding package for the delivery of the Tustin Estate Low Rise Redevelopment Programme in July 2021
 - A design team led by DRMM have been appointed
 - A Pre Construction Services Agreement with BY Group has been agreed
 - The council has successfully rehoused 6 households in Hillbeck Close on secure tenancies;
 - Only one household remains in Ullswater

- The council is continuing to negotiate with all 5 remaining leaseholders within Hillbeck Close with the intention to acquire these remaining interests by agreement.
2. That Cabinet resolves to make a Compulsory Purchase Order under Section 226 (1)(a) of the Town & Country Planning Act 1990 (“the 1990 Act”) for all land and rights within the Phase 1 area of land identified within the plan at Appendix 1 for the purposes of facilitating the redevelopment, development and improvement of the land and securing the delivery of new homes on the site in line with the proposed planning consent (“the Scheme”) and thereby securing the regeneration of the Tustin Estate.
 3. The Director of Planning and Growth, in consultation with the Director of Housing, be authorised on behalf of the Council to :
 - Take all necessary steps to secure the making, confirmation and implementation of the CPO, including the publication and service of all notices and the presentation of the Council’s case at public inquiry should one be called;
 - Acquire for planning purposes all interests in land and new rights within the CPO area as may be necessary to facilitate the Scheme, either by agreement or compulsorily, including entering into negotiations with any third parties for the acquisition of the land interests and/or for new rights over their land (as appropriate), the payment of compensation and dealing with any blight notices served in connection with the CPO;
 - Approve agreements with land owners setting out the terms for the withdrawal of objections to the CPO, including where appropriate seeking the exclusion of land or new rights from the CPO or giving undertakings as to the enforcement of the terms of the CPO;
 - Make any minor additions, deletions or amendments to the extent of the land to be included in the CPO as shown in Appendix 1 should the need arise, so as to include all interests in land and rights required to facilitate the construction, maintenance and use of the Scheme;
 - Take all necessary actions in relation to any legal proceedings relating to the CPO, including defending or settling (as appropriate) any compensation claims referred to the Lands Chamber of the Upper Tribunal due to the making or implementation of the CPO, and to take all necessary steps in respect of any other legal proceedings that relate to the making, confirmation or implementation of the CPO;
 - Appoint and/or retain such external professional advisors and consultants as are necessary to assist the Council in facilitating the Scheme, including in the promotion of the CPO and the settlement of any compensation claims.

BACKGROUND INFORMATION

4. The background to the rebuilding of the low rise on the Tustin Estate has been covered extensively in previous reports but is summarised here for context.

5. The Tustin Estate Low Rise Re-development programme is the outcome of a resident-led investment decision into low-rise homes on the Tustin Estate following a feasibility, master-planning and options appraisal process.
6. In January 2021, a Cabinet decision to proceed “to a Resident Ballot for the final option, on the basis of the proposals and commitments within the Landlord Offer Document, for the Tustin Estate Low Rise Programme in February 2021” was agreed. The final option, described within this report as the re-development option was described as the following:

Redevelopment of the low-rise homes with:

- The demolition and replacement with new homes of Bowness House, Heversham House, Hillbeck Close, Kentmere House & Ullswater
 - Retention of the houses in Manor Grove with improvements to the tenanted homes
 - New houses in between the existing houses on Manor Grove itself
 - A new park in the centre of the estate
 - A new Pilgrims’ Way School
 - New retail and business spaces on the Old Kent Road and Ilderton Road.
7. On February 10 2021, the Resident Ballot commenced. The results of the ballot were returned by the independent organisation, Civica Election Services (CES) who managed the balloting process. The ballot was initiated three weeks after the Tustin Estate Landlord Offer Document was issued to residents allowing time for the contents of the Offer Document to be digested and for questions to be discussed prior to votes being cast.
 8. The ballot paper question was: “Are you in favour of the proposal for the re-development of the low rise homes on the Tustin Estate?” 87% of votes, voted ‘yes’, 13% of votes, voted ‘no’. 64% of residents eligible to vote took part. 73% of those who live in the low rise homes took part and 53% of those who live in the towers took part.
 9. In light of the results of the ballot and the commitment in the Landlord Offer Document that “If the ballot result is in favour of the final option, we will deliver this option with resident input” a delivery programme has been developed to achieve a start on site in September 2022 for Phase 1 works. This decision was confirmed in the report to Cabinet of 13th July 2021 which approved commencement of negotiations to acquire the leasehold properties affected by the scheme.
 10. The wider programme comprises of
 - The demolition of 249 homes (198 council rented and 51 leasehold) at Bowness House, Heversham House, Hillbeck Close, Kentmere House & Ullswater
 - The build and improvement of an estimated 707 homes comprised of
 - 200 replacement council rented homes

- 220 additional council homes made up of council rented and key worker rented
 - 18 refurbished council rented homes in Manor Grove
 - 49 council shared equity homes
 - 220 private for sale homes
 - The retention of the houses in Manor Grove
 - The development of a new park in the centre of the estate
 - Demolition and redevelopment of Pilgrims' Way School
 - The build of new retail and business spaces on the Old Kent Road and Ilderton Road.
11. It is considered that redevelopment of the low rise homes will bring about significant economic, social and environmental benefits, including improvements in the quality of homes on the Estate. The space standards and access to private space, which are in accordance with the New Southwark Plan, would significantly increase the amenity for local residents. A variety of housing types: houses, flats and maisonettes will be constructed to make an inter-generational neighbourhood that meet people's needs over time. Homes are designed to give views onto green open spaces to reduce opportunities for crime and antisocial behaviour. New homes will be built to zero carbon targets.
12. In later phases, there is specialist provision for over 55s housing. In later phases the energy efficiency of refurbished homes will be improved and move towards net zero carbon. New estate lighting will be energy efficient. New electric charging points for cars will be installed and a car club will be created. The new open space at the centre of the neighbourhood will aim to protect existing nature on the estate and encourage biodiversity to create a public landscape where paths cross, people meet safely and the communities diverse needs can be met – from playgrounds to quiet sitting-out areas. In later phases the primary school will be redeveloped to provide a modern day educational environment. In later phases new commercial buildings will be provided to replace the existing provision.
13. The remainder of the Tustin Estate is comprised of three tower blocks which are currently subject to a major works refurbishment contract. In addition to external and internal works to the properties, the public realm around the towers has been improved. The major works contract delivers 13 additional homes which under a Local Lettings Plan will be available for letting to those secure tenants being rehoused from Phase 1 of the low rise programme. The delivery of new homes under the wider low rise programme will enable those households in the towers in housing need to move to a new home.
14. The council is appointing BY Development Limited (trading as Linkcity) to bring forward the phased rebuilding of the Tustin Estate initially under a Pre-Contract Services Agreement (PCSA). The PCSA is nearing completion. It is anticipated that the Development Agreement will be in place by May 2022. Subject to the successful negotiation of the

Development Agreement, Linkcity will carry out the works associated with the construction of the new and improved council and key worker homes, the new school and commercial properties, landscaping and the construction and funding of the homes for sale. This partnership will see the development of 689 new homes across the Tustin development area, along with a replacement primary school, refurbishment of council homes, a number of community facilities, commercial facilities and a range of open spaces and high quality public realm. The Development Agreement will cover the construction of the entire scheme including the construction and sales of the homes for sale.

15. Following further consultation on the masterplan for the estate, applications will be submitted by the Council for detailed planning permission for the redevelopment of the Phase 1 (the Scheme) and for outline planning permission for the redevelopment of the low rise on the wider estate in March 2022, both in line with the requirements of the development plan and the aspirations of the OKRAAP. This consultation will focus on detailed massing and design of buildings rather than significantly amending the masterplan.
16. The estimated costs of the whole development is £225.9m. It is proposed that this cost is funded through GLA grant, land sales, council borrowing and private sector funding. On July 2021, the report approved by cabinet confirmed the funding provision of £14.14m towards the design and acquisitions relating to the planned rebuilding of the Tustin Estate. Grant funding of £32 million has been allocated to the project by the GLA and discussions are underway about a further £10 million of grant funding. As part of the development partner procurement, BY Group confirmed that they will work with the Council to develop a viable funding model for the delivery of the project.
17. This report sets out the current position in relation to the delivery of the Scheme.

KEY ISSUES FOR CONSIDERATION

The Scheme

18. The proposed Scheme for the Phase 1 Sites will deliver 210 new homes across a range of tenures, including homes for private sale, intermediate shared ownership homes and homes for social rent. The first site (shown as plot C) is on the site of Hillbeck Court and Ullswater. This development, which is subject to planning, will comprise up to 108 homes in 6-9 storey blocks with all homes being dual aspect. The second site (shown as G1) is on land fronting Ilderton Road. This development, which is subject to planning, will comprise up to 102 homes in 8-13 storey blocks. All of the development will have private amenity space including ground floor gardens and balconies.
19. The delivery of Phase One Sites within the programme is a key priority for

the council as it will deliver key rehousing options for tenants and leaseholders on the later phases of the development thereby enabling vacant possession to be secured. It is anticipated, that subject to planning permission and vacant possession, works will start on both sites in September 2022 with completion in Autumn 2024.

20. The balance of the programme will be developed in two further phases over a period lasting until 2028.
21. Through the Pagabo Framework, the Council has appointed BY Developments Limited (trading as Linkcity) through a PCSA to develop the proposals up to a detailed design stage. It is intended that the final contract will be let in summer 2022. A start on site is anticipated for September 2022.

Tenure Mix

22. The currently proposed Scheme for the Phase 1 site includes a total of 210 mixed-tenure housing units comprising units for social rent, units for intermediate shared equity and units for private sale. The tenure split is currently being developed but the priority will be on the provision of new Council rent homes in order to assist the rehousing of those secure tenants affected by later phases of the redevelopment programme.
23. The planning application for Phase 1 will result in a significant increase in affordable homes to be delivered across the two sites as compared to the current provision. The tenure mix is still under development but it is anticipated that over 5 times as many Council rented homes can be provided. The wider programme will double the number of new Council rented and key worker homes provided on the Estate as well as a significant amount of homes for sale.
24. Once completed, the new homes on Phase 1 would provide further opportunities to rehouse existing resident leaseholders from later phases within the estate.

The Site

25. The extents of the Phase 1 Sites are shown in the plan at Appendix 1. The Phase 1 Block C Site comprises the residential blocks at Ullswater and Hillbeck Court and ancillary open space. Hillbeck comprises 32 dwellings of which 6 are vacant, 21 are let on secure tenancies, 1 is occupied by resident leaseholders and 4 are owned by investment leaseholders. Ullswater is a temporary accommodation hostel. Due to impacts of the Covid-19 pandemic and the need to provide safe accommodation, all but one of the residents of Ullswater have moved elsewhere as these homes were non self-contained. It is anticipated Ullswater will be fully vacated before the commencement of phase 1 through direct offers of the accepted homeless households or temporary accommodation transfers.

26. The Phase 1 Block G1 site is currently used for temporary car parking until such a point (Spring 2022) that the major works scheme at the towers on the estate is completed. Parking spaces/garages are occupied on licences which can be terminated on short notice.

Vacant Possession

27. While construction of the Phase 1 scheme can commence on land already within the council's control, full implementation of the scheme will require the council to achieve vacant possession of the block at Hillbeck to enable this building to be demolished and this land to be redeveloped as part of the scheme in line with the proposed planning application.
28. To date, the council has successfully rehoused 6 of the 27 households who occupied dwellings in Hillbeck on secure tenancies on the same basis and the council's Area Housing Office is continuing to work with the remaining secure tenants to facilitate their move to a new property. All secure tenants have the option of moving to vacant properties elsewhere on the Estate and then moving again at a later point to the new homes built in Phase 1 and later Phases of the programme.
29. Since the outset of the consultation on the proposals for the low rise homes on Tustin in 2018 the Council has held a number of meetings with leaseholders across the Estate. The council has been negotiating with the leaseholders in Hillbeck since August 2021 with the intention to acquire the remaining interests by agreement. The council has appointed independent surveyors to value the properties, and leaseholders have appointed their own surveyors to act for them, whose costs will be met by the council.
30. As further properties become vacant within the block, following successful rehousing of the remaining secure tenant households, or buy back of outstanding leaseholds, these properties will no longer be utilised for further lettings and will be held void until the block is fully vacant prior to its demolition. A total of 6 properties within the block are currently held void in this way.
31. The council is continuing to negotiate with the remaining leaseholders, however it is now considered necessary to promote a compulsory purchase order for the blocks comprising Ullswater and Hillbeck and associated land as identified in Appendix 1 in parallel with negotiations, as provided for in the Guidance on the use of Compulsory Purchase powers issued by the Department for Levelling Up, Housing and Communities. This will give further impetus to any stalled negotiations and ultimately to provide certainty of acquiring all remaining interests required to ensure full vacant possession of Ullswater and Hillbeck within the timescale required by the construction programme for Tustin Estate Low Rise Redevelopment Programme. It will ensure the redevelopment of the Phase 1 Sites fully in line with the proposed scheme and thereby ensure delivery of new homes on the site to support the existing and incoming residents.

Policy framework implications

32. New Southwark Plan

The New Southwark Plan is now at an advanced stage. The New Southwark Plan (NSP) was submitted to the Secretary of State in January 2020. The Examination in Public (EiP) for the NSP took place between February and April 2021. The Inspectors wrote a post hearings letter on 28 May 2021 and under Section 20(7)(c) of the Planning and Compulsory Purchase Act (2004) the Council asked the Inspectors to recommend Main Modifications to ensure the Plan is sound. The Council consulted on the Main Modifications as recommended by the Inspectors from 6 August 2021 to 24 September 2021. The Inspectors will publish their report once they have had the opportunity to consider representations. It is anticipated that the plan will be adopted in early 2022 and will replace the saved policies of the 2007 Southwark Plan, the 2011 Core Strategy, the Aylesbury Area Action Plan 2010, the Peckham and Nunhead Area Action Plan 2014 and the Canada Water Area Action Plan 2015. Paragraph 48 of the NPPF states that decision makers may give weight to relevant policies in emerging plans according to the stage of preparation of the emerging plan, the extent to which there are unresolved objections to the policy and the degree of consistency with the Framework. The Inspectors have heard all the evidence submitted at the Hearings and in previous stages of consultation. The Main Modifications comprise the changes to policies the Inspectors consider are needed to ensure the Plan is sound.

33. Old Kent Road Area Action Plan

The council is preparing an Area Action Plan/Opportunity Area Planning Framework for Old Kent Road (AAP/OAPF) which proposes significant transformation of the Old Kent Road area over the next 20 years, including the extension of the Bakerloo Line with new stations along the Old Kent Road towards New Cross and Lewisham. The extension of the Bakerloo Line will enable substantial growth, with the number of homes rising from 14,500 to 34,500 and the number of jobs rising from 10,000 to 20,000. The policies in the plan will guide new development to provide urgently needed housing and jobs, while providing new opportunities and improving the lives of people who live and work there now. The document refers to the fact that proposals to improve and build new homes are being developed in consultation with residents of the Tustin Estate.

34. Consultation has been underway for 5 years, with a first draft published in 2016. The December 2020 draft version was consulted on between 11 January 2021 to 10 May 2021. As the document is still in draft form, it can only be attributed limited weight.

35. The outline masterplan for the regeneration of the estate which was the subject of the Resident Ballot in March 2021 provides for a range of new housing, a replacement school, community facilities, replacement

commercial space and open space. This outline masterplan is currently being further developed in consultation with residents and will form the basis of a planning application in March 2022.

Community, equalities (including socio-economic) and health impacts

Community impact statement

36. As set out in the detailed description of the scheme at paragraphs 10 and 11 above, the proposed redevelopment brings about significant benefits which together contribute to a significant increase in the social, economic and environmental well being of the site itself, the wider estate and the borough as a whole.
37. The scheme will address the poor quality of existing physical environment. Existing buildings are of poor quality, using poor quality building materials, employing outdated construction methods, severely in need of costly repair, and representing inefficient land use with a low density of residential accommodation. The site also comprises under-utilised spaces, reducing personal security and perceived safety, with the ground plane dominated by car-focussed uses, deterring the use of this space by local people.
38. The proposed redevelopment of the site will bring about a significant improvement of the physical environment within the site. It will deliver a broad range of community facilities, replacing existing facilities with new purpose-built facilities, and extending these. The development will deliver a replacement school. The development will also provide new high-quality homes, contributing towards an increase in both the quantum and quality of residential accommodation on the site and contributing to corresponding improvements in the wider area. The homes that will be built will see significant improvement on the existing stock and will retain the spaciousness of the existing properties.
39. While these scheme benefits are significant and compelling they must however be weighed against any potential disbenefits. The council has given detailed consideration to the potential adverse impacts of bringing forward the proposed redevelopment and promoting the associated CPO. The primary potential area for direct adverse impacts arises from the requirement for households currently resident within the Site to be relocated outside of the Site in order to allow for the construction of the development in line with the proposed planning application. In the absence of council rehousing policies to enable affected residents to be able to stay in the local area this could give rise to a number of resulting adverse impacts such as disruption, unfamiliarity with a new area, difficulty maintaining access to local amenities, services and other social and cultural amenities. However, it is considered that the council's rehousing assistance and associated support and guidance enable these potential adverse impacts to be fully mitigated.

40. As outlined above, the land to be included in any CPO currently comprises a block of 32 residential properties, of which 26 are presently occupied, and a further block of residential properties of which all will shortly be vacant.
41. There are currently 21 households occupying a property on a secure tenancy. These tenants have priority rehousing status and the housing office are working with them to assist them with the rehousing process. The Council has sought to mitigate the adverse impact on these households resulting from the scheme. They have been given priority status in bidding for alternative accommodation either within existing council stock or that of housing association partners. As this is a choice-based bidding system, tenants are able to exercise personal choice in the location of moves. This ensures the ability to remain within the local area should they wish to do so.
42. There are 5 leasehold interests remaining in the site. In line with Compulsory Purchase and Compensation guidelines set out by the Government, leaseholders receive market value for the purchase of their property, plus a home loss payment of 10% for resident leaseholders, or 7.5% for non-resident leaseholders, as well as disturbance payment to cover the reasonable costs of moving, such as removals costs and fees. Even where purchasing properties by agreement, the council makes offers on this basis in recognition that this would be the basis for a purchase under a CPO. Leaseholders are free to purchase a new property on the open market.
43. While issues relating to the value of leasehold interests are not in themselves a consideration in promoting a CPO, it is acknowledged that there could be a potential impact resulting from the disparity in existing values on the estate and those in the surrounding areas which if unmitigated could present a barrier to resident leaseholders remaining in the area and continuing to access services, employment opportunities and community ties. The council has, therefore, put in place a range of rehousing options for resident leaseholders which, depending on the individuals' specific circumstances, can result in the offer of a council tenancy on a council-owned property, the purchase of a council property on either shared ownership (where rent is paid on the unowned portion) or shared equity (where no rent is paid on the unowned portion) terms, or the purchase of a housing association property on either shared ownership or shared equity terms. Such options provide the opportunity for existing residents to be able to choose to remain in the local area, should they wish to, and thereby mitigating any potential impacts on individuals' ability to continue to access local services and amenities resulting from the proposed CPO.
44. The Council has sought to mitigate any disbenefits through a range of reasonable and proportionate measures focused on rehousing and compensation options, in order to realise the public benefits associated with the redevelopment. The council has given consideration to the

potential disproportionate impacts that could potentially arise and has identified and implemented measures to mitigate such impacts as far as possible. It is therefore considered that there is a compelling case in the public interest for the scheme to proceed and therefore for the council to promote a CPO for the site.

Equalities (including socio-economic) impact statement and Human Rights implications

45. Section 149 of the Equality Act 2010 lays out the Public Sector Equality Duty (PSED) which requires public bodies when taking decisions, to have due regard to the need to:
 - a) Eliminate discrimination, harassment, victimisation or other prohibited conduct;
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
 - c) Foster good relations between those who share a relevant characteristic and those that do not share it.

46. The Council through a process of regular review has been considering the impact on all protected groups throughout the development of the Council's proposals for all regeneration projects within the borough. This has led to the Council developing rehousing policies for tenants and leaseholders affected by regeneration proposals in the borough.

47. These have identified that the Council has a range of measures in place to mitigate any potential impacts of regeneration proposals, including:
 - a) Rehousing policies through the Council which provide a range of local re-housing opportunities that enable residents to move locally (if they choose to do so) to a new home that meets the needs of their family and financial position.
 - b) A dedicated team of officers which supports both tenants and leaseholders through the rehousing process.
 - c) Providing support and guidance about a range of routes to all residents affected by regeneration but with particular focus on those that may be vulnerable or in need of additional support.
 - d) The development of new homes in the borough which will provide high quality homes to modern standards for residents in the borough to move to.

48. Therefore, the council considers that the potential impacts of the scheme are fully addressed through the operation of its rehousing policies and provision of dedicated support and guidance available through Council officers and local independent organisations that provide support and guidance to Tustin Estate residents.

49. Through the consultation process, the council has also sought to update its understanding of the makeup of individuals affected by the rehousing

and process. The council will continue to monitor any resulting impacts. The council will also seek to update and expand upon this information throughout the ongoing process as it continues to discharge its public sector equality duty.

50. In addition, an Equality Health and Impact Assessment (EqIA) has been undertaken by the Council and completed by Mott McDonald for the whole project to ensure the impacts of the re-development of the estate have been independently assessed. This is currently being updated with information on the protected characteristics of those living in Phase 1.
51. It identifies differential or disproportionate effects, both positive and negative, on those with protected characteristics from the development proposals and sets out mitigation or enhancement measures that the council can put in place. It looks at these factors ahead of confirming decisions and policy. Relevant mitigation measures are identified and are embedded into the redevelopment programme.
52. The equalities impact assessment was carried out in accordance with the Equality Act 2010 and the council's Public Sector Equality Duty.
53. The assessment will be shared with the consultants engaged to work on this programme to inform their resident engagement process alongside the council's.
54. The compulsory acquisition of land will interfere with Article 1 First Protocol Convention Rights. However Article 1 of the First Protocol allows such interference if it is in the public interest and in accordance with the law. The use of CPO powers as contemplated by this report is lawful in Article 1 terms provided that the Council strikes a fair balance between the public interest and the private rights of individuals which are protected by Article 1. It is also relevant that compensation is available to persons affected by compulsory acquisition in certain circumstances. It is considered that the compelling benefits of the Scheme in the public interest justify the interference with Article 1 rights in this case when weighed against the private rights of individuals.
55. As regards Article 6 Convention Rights, there are well established statutory procedures that will give all of those likely to be affected by a CPO the right to be notified and the opportunity to object. Any such objections may cause a public inquiry to be held where those objections can be heard. Compensation disputes can be referred for hearing by the Lands Chamber of the Upper Tribunal. For these reasons Article 6 is complied with.

Health impact statement

56. The EqIA sets out the potential health impact of the overall development.

Climate change implications

57. The redevelopment of these blocks would enable homes of the highest environmental standard to be developed. The current homes are inefficient in energy terms.
58. The achievement of a zero carbon development is a key objective of the programme for the low rise homes on Tustin. As part of the development of the design option as part of the ballot process, a detailed report was produced by sustainability consultants. Sustainability consultants have been appointed as an integral part of the new design team and will provide a detailed assessment of the impact of redeveloping the low rise as part of the planning application process. Experience in addressing these issues was a key criteria in the appointment of the delivery partner.
59. It is anticipated that the new homes will be served by the SELCHIP heating system.

Resource implications

60. The acquisition process continues to be met within existing resources within the council, supplemented with external professional advice as required. The delivery of the new homes is being taken forward to contract stage by BY Group on behalf of the council under the PCSA entered into in November 2021. There are no additional resource implications arising from this report.

Legal implications

61. The report recommends that a compulsory purchase order is made under Section 226(1)(a) of the 1990 Act. The report of the Director of Law and Governance below sets out further detail of the legal implications of that recommendation.

Financial implications

62. The recommendation to make a compulsory purchase order under Section 226(1)(a) of the 1990 Act does not in itself give rise to any financial implications for the council, as the cost associated with achieving vacant possession of the site is provided for within existing budgets for this project.

Consultation

63. Consultation is taking place with all affected leaseholders and tenants within Hillbeck. In addition this issue has been discussed with the wider estate leaseholder group, the Residents Project Team and the Tustin Community Association.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

64. The purpose of this report is to make, and subject to confirmation, to implement, a compulsory purchase order under section 226(1)(a) of the 1990 Act.
65. Section 226(1)(a) of the 1990 Act gives local authorities the power to compulsorily acquire land in their area if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land. The use of the power is limited by s226(1A) which provides that a local authority must not exercise the power unless they think that the development, redevelopment or improvement is likely to contribute to the achievement of any one or more of three objects, namely the promotion or improvement of the economic, social or environmental well-being of their area.
66. Paragraphs 11 and 37 set out a summary of the economic, social and environmental well-being benefits the implementation of the Scheme will bring to the area.
67. Appendix 3 provides further detail on the legal powers available to the Council in connection with the use of its CPO powers and the curbs on the use of those powers, further detail on the Human Rights and Equalities implications of the use of those powers. There is also detail of the CPO process including the entitlement of affected parties to compensation.

Strategic Director of Finance and Governance (H&M21/105)

68. This report seeks Cabinet approval for the council to make a compulsory purchase order under section 226(1) (a) of the Town and Country Planning Act 1990 to facilitate the redevelopment of the Tustin Estate. As outlined in the financial implications section of the report, the costs associated with achieving vacant possession of the site are provided for, and the recommendation does not, therefore, give rise to further financial implications for the council at this stage. It is expected that future progress reports to Cabinet on the redevelopment of the Tustin Estate will include updates on the acquisition of leasehold interests.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Report to Cabinet 13 July 2021 Tustin Low Rise Redevelopment Delivery	Regeneration South Tooley Street	Neil Kirby 07984 269 587
Link (please copy and paste into browser): https://moderngov.southwark.gov.uk/documents/s99985/Report%20Tustin%20Low%20Rise%20Re-development%20Delivery.pdf		
Report to Cabinet 13 July 2021 Tustin Low Rise Redevelopment Delivery Appendix 1 Equalities and Health Impact Assessment	Regeneration South Tooley Street	Neil Kirby 07984 269 587
Link (please copy and paste into browser): https://moderngov.southwark.gov.uk/documents/s99986/Appendix%201%20Tustin%20Estate%20Equalities%20and%20Health%20Impact%20Assessment.pdf		

APPENDICES

No.	Title
Appendix 1	Site plan showing Phase 1 sites
Appendix 2	Site plan showing Tustin Estate
Appendix 3	Legal report

AUDIT TRAIL

Cabinet Member	Councillor Cryan Stephanie Cryan, Council Housing and Homelessness	
Lead Officer	Michael Scorer, Strategic Director of Housing and Modernisation	
Report Author	Neil Kirby, Head of Regeneration South	
Version	Final	
Dated	25 November 2021	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	25 November 2021	