

## APPENDIX F

### ELEPHANT AND CASTLE TOWN CENTRE - COMPULSORY PURCHASE ORDER

#### STATUS UPDATE

#### SUMMARY ON DISCUSSIONS WITH THIRD PARTIES

#### (PROVIDED BY DEVELOPER)

1. This document provides a summary of the current status of agreements with the key third parties whose land interests need to be acquired or over whose land new rights are sought to facilitate the redevelopment.

*Transport for London (as regards crane oversail rights on the West Site)*

2. TfL and LUL's land interests generally are brought into the Scheme by way of the December 2021 agreement with the developer; crane oversail licences were also granted in May 2022 to facilitate works on part of the East Site. It is hoped that similar crane oversail rights will be granted in respect of the West Site by TfL - EC has approached TfL to provide these and negotiations are ongoing.

*Network Rail - new rights to be granted*

3. Station change proposals and asset protection agreements are already in place. EC has sought additional new rights to be granted by Network Rail to facilitate the Scheme. These are considered to be minor in nature. Network Rail owns the viaduct structure. EC is therefore seeking new rights from Network Rail, including: the right to remove the existing shopfronts and rear elevations from 6 and 7 Farrell Court to create the Park Route pedestrian walk-through and the carrying out of various minor works to the sides and undersides of the relevant viaduct arches, including the affixing of a kiosk within the walk-through; the right to affix apparatus and frontages and rear elevations to the sides and undersides of Arches 113A/120 and 113B/121 to bring them into beneficial use as a relocation premises for the cultural electronic and dance music club); the ability to carry out works to facilitate the conversion of 4 and 5 Farrell Court into relocation premises for the tenant and occupiers of 7 Farrell Court; and a right of way across the Network Rail station entrance to ensure that users of the East Site can access to and from the railway station, with a related right to pave and maintain that area. Again, EC's intention is to reach agreement with Network Rail by private treaty if practicable and discussions with Network Rail are ongoing.

*The Arch Company*

4. Arch Co was granted a long lease of all of the Elephant & Castle railway arch units by Network Rail in 2019. Discussions are ongoing regarding commercial and title terms with the Arch Co, having commenced in 2019. EC began by offering for the arch units and adjacent land envisaged by the CPO, but following a specific invitation from Arch Co, EC then offered to acquire Arch

Co's long lease for the entire run of arch premises in the railway viaduct at Elephant & Castle, with three offers having been made for that larger area. Although that larger area is not required for the Scheme, EC offered for it in the hope that would avoid the need for compulsory acquisition of Arch Co's land, due to Arch Co's desire to deal with all of the arch units at Elephant & Castle. The parties remain apart in their valuations on that and in relation to the smaller area required for the Scheme as envisaged by the CPO. Offers have also been made in respect of that smaller area.

5. A further proposal was put to Arch Co in June 2022 which would involve the collaborative working together of EC and Arch Co to redevelop the arch units and land adjacent to the viaduct in Arch Co's ownership covered by the CPO, without the need for compulsory acquisition. That proposal, if taken forward, would however rely upon all parties, including Arch Co, Network Rail and the affected tenants, agreeing matters and so it is envisaged that the CPO would still be pursued even if such an agreement was to be reached, because if any one of the parties defaulted on their contractual commitments the proposal could unravel. In that scenario, the Council could undertake not to use confirmed CPO powers in respect of the arches if all relevant parties comply with their obligations. It is not clear to the Council and EC whether Arch Co will engage with that proposal. Since it was submitted to Arch Co there has been no positive engagement on it and Arch Co have again referred to the possibility of an outright sale.

*Occupational tenancies in some of the railway arches on Elephant Road*

6. The Scheme envisages the use of what are currently 6 Farrell Court (DistriAndina) and 7 Farrell Court (Beset International) as the new pedestrian link to Elephant Road. In addition, the Scheme envisages the redevelopment of 4 and 5 Farrell Court (currently occupied by Corsica Studios) for use as a relocation opportunity within the Scheme for Beset and their occupiers displaced from 7 Farrell Court (with the proposal to relocate DistriAndina within the Scheme, to a new unit within one of the new blocks on the East Site).
7. An offer from EC had been accepted by DistriAndina in 2020 but the requisite agreement was not completed. No offer has been accepted by Beset and there has been difficulty finding a relocation opportunity which is suitable for their requirements. 4 and 5 Farrell Court would, however, be a suitable relocation opportunity for them and their occupiers.
8. Discussions with Corsica Studios for some time focussed on retro-fitting 4 and 5 Farrell Court with noise insulation and consequential remodelling of the units, but through the detailed discussions that ensued it became clear this was not feasible and would in any event require Corsica to close for a significant period of time whilst the works were undertaken. Discussions are progressing with Corsica Studios in respect of the proposed relocation to the northern arches 113A/120 and 113B/121, though no commitment or agreement in principle to move has been reached.
9. Discussions are ongoing with all of these tenants.

*London Power Networks (surrender of electricity substations)*

10. The leases of the current substations on the LCC Site will need to be surrendered and the substations relocated in due course. Discussions have commenced in this regard with the electricity undertaker and it is hoped that this will be done by private agreement but the CPO is necessary as a backstop should this fail.

*Metropolitan Tabernacle (new rights to be acquired)*

11. The Tabernacle has appointed a surveyor to act on its behalf and the parties are in discussion to address various practical aspects that the Tabernacle has raised in respect of EC's request to obtain some relatively minor new rights to facilitate the demolition of the adjacent LCC building and crane oversail. Whilst it is hoped that these discussions will result in an agreement by private treaty, and EC is working towards that objective, the CPO is required in case agreement cannot be reached.

*Other crane oversail (West Site)*

Crane oversail rights over some highway areas and to a small extent over The Castle Centre and Perronet House. The highway areas are unregistered but some of them are presumed to be owned by the Council. Perronet House is owned by the Council.