

Meeting Name:	Cabinet
Date:	15 October 2024
Report title:	Aylesbury Estate Phase 2B Compulsory Purchase Order
Cabinet Member:	Councillor Helen Dennis, New Homes and Sustainable Development
Ward(s) or groups affected:	Faraday
Classification:	Open
Reason for lateness (if applicable):	Not Applicable

FOREWORD – COUNCILLOR HELEN DENNIS, CABINET MEMBER FOR NEW HOMES AND SUSTAINABLE DEVELOPMENT

The council remains unwavering in its ambition for the renewal of the Aylesbury Estate and the delivery of high quality, sustainable homes for our residents who live there. Over the last year, we have seen the completion of new council homes on the First Development Site as well as Plot 18, and it is wonderful to see residents moving into their new homes.

With the new phase 2b planning application having recently been submitted, for planning approval by Notting Hill Genesis, the Council's fulfilment of its obligations to provide vacant possession is one of the key milestones in the delivery of the new homes in this next phase.

We are in negotiations with the leaseholders to buy back their properties and I am pleased that most leaseholders are engaging in these negotiations. This report now asks Cabinet to approve, in principle, the use of the Council's compulsory purchase powers under section 226 of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976, subject to a formal resolution to make a Compulsory Purchase Order at a later date, which will only be needed as a last resort in the event that acquisition of all relevant interests cannot be reached by agreement with relevant parties, so as to enable the continued delivery of the Aylesbury Estate.

RECOMMENDATIONS

1. That the cabinet note that approval has previously been obtained for Aylesbury Phase 2B, as designed by Notting Hill Genesis prior to new legislation on fire safety and 2 staircases, and prior to the outcome of the Judicial Review hearing on the resolution to grant consent on the previous planning submission. This report provides an update on Notting Hill Genesis' current design proposals, updated tenure mix and programme, and the council's progress on rehousing existing residents and achieving vacant

possession of the blocks on Phase 2B.

2. That the cabinet, having understood the changes as set out within this report, re-affirm its consent as previously granted on 14 June 2022, to proceed with the Compulsory Purchase Order as set within this report.
3. That the cabinet note the current position in relation to the delivery of new homes at Phase 2B of the Aylesbury Estate regeneration programme:
 - A resubmitted planning application for the redevelopment of the site to provide 640 homes, including 173 social rent homes, has been submitted by Notting Hill Genesis;
 - Vacant possession of 348 existing properties has been achieved; and
 - The council has successfully acquired 1 freehold and 62 leasehold properties by agreement, and successfully rehoused 309 households on to a secure tenancy (the disparity with the 348 figure above is because of the numbers of void properties which have been converted to temporary housing).
4. That the cabinet note that officers are continuing to negotiate with the remaining 6 leaseholders at Phase 2B, with the intention to acquire these remaining interests by agreement.
5. That the cabinet resolve 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 area of land identified within the plan at Appendix 1 for the purposes of securing the delivery of new homes on the site in line with the proposed planning consent (“the Scheme) and thereby securing the continuation of the regeneration of the Aylesbury Estate in line with the adopted Aylesbury Area Action Plan.
6. That the cabinet agree to the Director of Planning and Growth, in consultation with the Director of Housing, be authorised on behalf of the Council to:
 - Negotiate and complete a CPO indemnity agreement with Notting Hill Genesis, which allows them to underwrite all costs (apart from the buyback costs) associated with the CPO process;
 - 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 landowners, 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; and
- Appoint and/or retain such external professional advisors and consultants as necessary to assist the council in facilitating the Scheme, including in the promotion of the CPO and the settlement of any compensation claims.

7. That Cabinet notes the progress on acquiring leasehold interests as part of the Aylesbury Estate regeneration.

REASONS FOR RECOMMENDATIONS

8. There are various third party interests in the land at Phase 2b of Aylesbury Estate. The Council will need to acquire those interests in order to secure vacant possession of Padbury, Ravenstone, 241-471 Wendover and Winslow, at Aylesbury Estate (which it is contractually obliged to do) so as to enable the scheme, including the demolition works scheduled to commence during 2025.
9. The preparation of a CPO is crucial to the Scheme's success and Cabinet is therefore being asked to confirm its willingness to investigate the use of compulsory purchase powers. If a CPO needs to be made, the Council must be able to demonstrate that it has taken reasonable steps to acquire all of the land and interests included in the CPO by agreement.
10. The Initial Demolition Notices served in respect of the Aylesbury Estate are due to expire on 30 April 2024. It is unlikely that demolition will occur by such date and therefore in order to ensure that suspension of the Council's duty to complete right to buy applications new notices will need to be served.

ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

11. There are none. The council cannot guarantee it will secure vacant possession of Phase 2b voluntarily by agreement and therefore considers starting the Compulsory Purchase Order (CPO) process (subject to a formal

resolution to make a CPO at later date) is an appropriate action to take to enable the council to meet the delivery programme.

12. The land referencing exercise will be carried out in December 2024 - March 2025.

POST DECISION IMPLEMENTATION

Key Activity	Target completion date
Land referencing and diligent enquiries to be made about the interests held in the land shown on the Plan at Appendix 2	December 2024 - March 2025
Review of position and requirement for CPO to be considered and formal authority to make a CPO to be sought from Cabinet (if required)	May 2025

BACKGROUND INFORMATION

13. The background to the redevelopment of the Aylesbury Estate has been covered extensively in previous reports but is summarised here for context.
14. Having spent a number of years investigating plans for refurbishing the estate, it became apparent that the extent and cost of works required to refurbish the estate to an acceptable standard would be prohibitive and would not overcome the fundamental design flaws of the layout of the estate. The council took the decision in 2005 to redevelop the estate. The council has been successful in securing Compulsory Purchase Powers for three sites on Aylesbury Estate - Phase 1a, Site 7 (developed by L&Q) and the First Development Site.
15. In March 2007, the council undertook the preparation of the Aylesbury Area Action Plan, to establish the policy framework for the redevelopment of the estate. The Aylesbury Area Action Plan (AAP) was adopted by the council in January 2010, following extensive public consultation and an Examination in Public in 2009. It deals directly with the redevelopment of the Aylesbury Estate, therefore its policies have significant weight in any decisions on planning applications in this area.
16. Having undertaken a competitive procurement process to secure a development partner for the delivery of the regeneration of the estate, the council appointed Notting Hill Housing Trust (now Notting Hill Genesis (NHG)) to bring forward the phased regeneration of the Aylesbury Estate. A Development Partnership Agreement (DPA) between the council and NHG was signed on 28 April 2014. Since then, a number of variations to the DPA have been agreed in order to respond to changes in requirements or the condition of the estate.
17. Following further consultation on the masterplan for the estate, applications were submitted by NHG for detailed planning permission (reference no.

14/AP/3843) for the redevelopment of the First Development Site (FDS) within the south west corner of the estate and for outline planning permission (reference no. 14/AP/3844) for the redevelopment of the wider estate, both in line with the requirements of the development plan and the aspirations of the AAAP. Both were granted consent on 5 August 2015.

18. To date, 827 homes have been completed by L&Q in Phase 1A and Site 7 developments of the former Aylesbury Estate, and by the council on FDS A and on parts of FDS B, and by NHG on Plot 18. Works are on site to complete a further 284 council homes on FDS B, as well as NHG's development of 321 homes on FDS C – these homes are programmed to complete in Spring 2025 and Summer 2026, respectively. The completions to date also include a new library, health centre and early years centre on Plot 18, and a community centre on FDS A.
19. The AAAP showed that the next phase for development was Phase 2. This next phase of development covered the following blocks:
 - Padbury
 - Ravenstone
 - 241-471 Wendover
 - Winslow
 - Wolverton
 - Brockely House
 - 1 – 240 Wendover

Since 2014, tenants and leaseholders from these blocks have had the opportunity to move to Site 7, off-estate developments, FDS A and FDS B. Residents have also had the opportunity to express an interest in moving to the remaining properties which are due to hand over on FDS B.

20. Due to changes in external funding for housing re-provision by the GLA and the council's view on the timescales for achieving vacant possession, the council and NHG agreed that it was practical to take forward the following blocks as sub-phase Phase 2B:
 - Padbury
 - Ravenstone
 - 241-471 Wendover
 - Winslow

In addition to these blocks, the development site includes the property of the former Foxcote House and 140 Albany Road which have both been acquired through negotiation and demolished.

21. Due to the physical condition of these blocks, it is not considered to be value for money to refurbish rather than redevelop them to provide modern, efficient homes with communal areas that meet current standards.

22. NHG has funding in place to redevelop the site, subject to obtaining planning permission, for 640 homes, of which in accordance with the AAAP 50% of the homes on a habitable room basis will be affordable. In addition, the Scheme will include two substantial areas of open space, a MUGA and commercial premises. A drop-in, standalone planning application was originally submitted to planning in October 2022. The current resubmission has a programmed start on site date of May 2026, subject to vacant possession, which is currently programmed for Autumn 2025.
23. In January 2023, Planning Committee passed a resolution to grant consent to the standalone application for Phase 2B, on the basis of a separate S96A application to the outline consent, inserting the word 'severable' into the description of the phases. This decision was successfully challenged at a Judicial Review hearing in January 2024. The judgement means that NHG is not able to rely on the outline consent in their resubmitted application for Phase 2B. The redesigned Scheme is due to be resubmitted in September 2024, and the details of the design are included in paragraphs 28 to 31 below.
24. NHG will procure a contractor for this development through their contractor framework.
25. It is considered that this phase 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 meets people's needs over time. Homes are designed to give views onto green open spaces and to reduce opportunities for crime and antisocial behaviour. New homes will be built to zero carbon targets.
26. A condition of GLA grant funding for estate regeneration schemes is that a policy compliant resident ballot has taken place. Under the terms of the guidance, exemption from a ballot can be granted by the GLA in circumstances where planning permission was in place before the guidance was issued and there has been a programme of extensive community consultation. In 2018, the GLA granted this exemption to NHG for the Aylesbury regeneration programme – the guidance remains unchanged, and it is the council's understanding that this exemption remains in place.
27. The Aylesbury Estate regeneration programme has been developed in accordance with the National Estate Regeneration Strategy.
28. The council's policies for acquisition of leasehold properties in estate regeneration schemes has developed over the last 25 years. The current policies have been compared favourably with those of other London boroughs by an external expert at a public inquiry and at a November 2023 rehousing workshop with external consultants and legal advisors. Officers seek to secure vacant possession through negotiation of the market value of the property and pay compensation for homeloss and disturbance, in line with

legislation. Rehousing options available for resident leaseholders include a bespoke shared equity offer through a choice-based system of properties across the borough, as well as opportunities to purchase new homes on similar shared equity terms from the new homes being delivered on the footprint of estate. Where affordability may prevent a leaseholder being able to afford the ongoing cost of ownership, it may be that some leaseholders are able to be rehoused as a council tenant.

29. In January 2022, Cabinet agreed additional funding for leaseholder acquisitions on the Aylesbury Estate.
30. The use of CPO powers is a last resort in this process.
31. This report sets out the current position in relation to the delivery of the Scheme.

KEY ISSUES FOR CONSIDERATION

The legislative framework for Compulsory Purchase Orders and the Crichel Down Rules

32. Under Section 226 of the Town and Country Planning Act 1990, a council can acquire land compulsorily for development and other planning purposes. An application for compulsory purchase is assessed against a series of criteria known as the Crichel Down Rules. In relation to this application, in summary the Rules are satisfied as follows:
 - a) There is a compelling case in the public interest:

The regeneration of the Aylesbury Estate has been the focus of consultation and council strategy for over 20 years. The case has been examined at public at both planning and CPO inquiries. The redevelopment of this site will provide high quality housing, open spaces and commercial facilities which meet local and borough-wide needs.
 - b) The purposes of the CPO justify interfering with the human rights of those affected:

The Council is seeking to mitigate the impact on human rights of those affected through the rehousing and acquisition policies which apply to tenants and leaseholders.
 - c) The acquiring authority must have a clear idea of how it intends to use the land which it is proposing to acquire:

NHG has submitted a planning application to redevelop the order land.
 - d) The acquiring authority must show that all the necessary resources are likely to be available to achieve that end within a reasonable timescale:

NHG have funding in place from internal resources and GLA grant to implement the Scheme.

- e) The Scheme is unlikely to be blocked by any physical or legal impediments to implementation:

Subject to planning permission and securing vacant possession, the Scheme is not impacted by any physical or legal impediments to implementation. The Scheme is in accordance with local and regional planning policy.

The Scheme

33. In summary, the proposed development comprises the demolition of the existing buildings on site and construction of five buildings (known as Blocks 4A, 4B, 4C, 5A and 5C). The proposed building heights range from between 5 to 25 storeys, with the tallest element located on the corner of Albany Road and Thurlow Street, as a gateway building next to Burgess Park. Two new public spaces are proposed (Thurlow Square and Bagshot Park). The site will be connected through a network of tree-lined streets and the existing public realm will be enhanced through detailed landscaping proposals. A total of 4,030m² of public open space is proposed.
34. A total of 640 residential units (2,070 habitable rooms) is proposed within the unit mix below:

Proposed Accommodation Schedule

	Private		Social		Intermediate		Total	
	Unit No.	HR	Unit No.	HR	Unit No.	HR	Units	HR
1 Bed	156	317	30	60	32	65	218	442
2 Bed	208	644	55	216	57	201	320	1,061
3 bed	14	65	28	137	-	-	42	202
4 bed	-	-	49	288	-	-	49	288
5 bed	-	-	11	77	-	-	11	77
Total	378	1,026	173	778	89	266	640	2,070

The residential accommodation provides:

- 49.6% private and 50.4% affordable units (by habitable room) with an affordable split of 74.5% social and 25.5% intermediate.
 - 34.1% 1-bedroom units, 50% 2-bedroom units, 6.6% 3-bedroom units, 7.6% 4-bedroom units and 1.7% 5-bedroom units.
 - 10% of units are wheelchair accessible (64 units).
 - 70% of units are dual (or more) aspect and there are no single aspect north facing units.
35. The residential units will be supported by the following:

Private and Communal Amenity:

Private amenity is provided through private rear gardens for ground floor homes and balconies for those at upper floors. A total of 5,845m² of private amenity space will be provided throughout the site.

Each proposed residential building will be served by a communal garden. Block 5C also has a roof terrace and Block 5A will have an area of amenity on a podium. The total communal amenity provision is 4,275m².

Play Space:

A total of 3,205m² of play space is proposed in the form of three public play spaces (including a new Multi Use Games Area in Bagshot Park) as well as doorstep play in communal areas.

Car and Cycle Parking:

Car parking for wheelchair users and existing residents is provided on-street, within the Block 5A podium and within the Block 4A/D basement. A total of 83 spaces are provided, 6 of which are car club spaces.

1,299 cycle spaces are provided across the site, including 66 visitor cycle parking spaces. The cycle parking stands comprise a combination of sheffield stands, two-tier standard and spaces for cargo bikes.

Servicing:

Loading bays are located throughout the development, with 5 bays in total.

Refuse:

Each block will accommodate its own refuse storage within communal stores, which will include food storage and bulky waste storage. All refuse storage accords with the Southwark Waste Management Guidance Note for Residential Developments (2014).

36. The Scheme proposes circa 450m² (GIA) of flexible floorspace for commercial business and service uses (Class E) and local community and learning uses (Class F1/F2(a)(b)). This is located at the ground floor of Block 5A and Block 4D. Two main non-residential units are proposed, one facing onto Thurlow Square and one wrapping around the corner onto Mina Road.
37. The delivery of Phase 2B Site 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 scheme thereby enabling vacant possession to be secured.
38. As set out above resident consultation took place on the AAAP and the masterplan for the Estate. Since July 2021, NHG has been consulting on the detailed proposals for the site. The methods used include a Commonplace website, in person events at the market and on the Estate, youth workshops and consultation with groups such as the TRAs and Friends of Burgess Park. Residents were generally positive about the proposed plans, with many keen to see the development progress. Comments were received about ensuring open space provision for picnics, areas for quiet contemplation, and accessible play equipment for children with disabilities.
39. In accordance with the relevant legislation governing CPOs, the development proposal has the following benefits for the area:

a) Economic

The proposals will provide a level of flexible commercial space. This will be available for local businesses and will therefore benefit the local economy. The building contract to implement these proposals will create a series of construction jobs and training opportunities targeted at the local community.

b) Social

The proposals will provide a large number of high-quality homes for rent, sale and shared ownership. This will significantly improve the quality of housing accommodation available in the area. The proposals also create spaces for community and learning opportunities.

c) Environmental

The proposals will be serviced by a modern, efficient energy and heating system including the use of air source heat pumps and photo voltaic panels. The proposals provide amenity space, play space and landscaped open space.

Tenure Mix

40. The currently proposed scheme for the Phase 2B site includes a total of 640 mixed-tenure housing units comprising units for social rent, units for intermediate shared equity and units for private sale. The tenure split is consistent with that required by the AAAP and NSP (50.4% affordable by habitable room).

41. Once completed, these units would provide further opportunities to rehouse existing secure tenants and resident leaseholders from later phases within the estate.

The Site

42. The extent of the Phase 2B site is shown in the plan at Appendix 1. It comprises of the residential blocks at Padbury, Ravenstone, Winslow and 241 - 471 Wendover. The current occupation (as at 13 August 2024) is:

Block	Total number of units	Number of secure tenants	Number of leaseholders	Number of temporary accommodation units	Void
Padbury	25	0	2	0	23
Ravenstone	81	1	0	4	76
241-471 Wendover	237	6	2	2	225
Winslow	30	0	2	3	24
Total	373	7	6	9	348

43. The council has already rehoused 309 secure tenants and negotiated to acquire 62 leasehold properties in these blocks. Agreement is in place with a further 3 leasehold interests. Of the 62 leaseholders who have already moved, 24 were resident leaseholders, of whom 1 moved to a council home, 3 moved to NHG property off estate and 1 moved to a L&Q home on Aylesbury Site 7.
44. The secure tenants and those in temporary accommodation in these blocks are prioritised under the Local Lettings Scheme for the new Council homes at FDS A and FDS B.bn Resident leaseholders in the existing blocks are being offered the opportunity of a new shared equity home on FDS A and FDS B.

Vacant Possession

45. While construction of the Phase 2B 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 blocks listed above to enable these buildings to be demolished and this land to be redeveloped as part of the scheme in line with the proposed planning application.
46. To date, the council has successfully rehoused a total of 309 of the 316 households on secure tenancies on the same basis and the council's Area Housing Office is continuing to work with the remaining households on a secure tenancy to facilitate their move to a new property. As with all tenants relocated from the Aylesbury Estate, all tenants relocated retain the option to return to new homes on the estate should they wish to do so.
47. The council has reached agreement with 3 of the remaining leaseholders and is continuing to seek to negotiate with all 3 remaining leaseholders where agreements have not been reached with the intention to acquire the remaining interests by agreement. The council's aspiration is to acquire all outstanding interests by agreement and thereby secure vacant possession of the block and complete the redevelopment of the site without the need to utilise its statutory compulsory purchase powers.
48. 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 348 properties within the blocks are currently held void in this way.

49. The council has been seeking to acquire the leasehold interests since 2014 and a number of offers have been made to the majority of the leaseholders over this time. Two of the leaseholders have instructed lawyers to complete the negotiations with the council. One of the leaseholders has accepted the council's offer but is yet to instruct solicitors as they are still looking for a replacement property. Of the remaining 6 leaseholders, 5 have appointed surveyors to act on their behalf and discussions are ongoing, whilst 1 leaseholder, who is non-resident, has not had regular engagement with the council although an offer has been made.
50. 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 Padbury, Ravenstone, Winslow and 241-471 Wendover 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 stalled negotiations and ultimately to provide certainty of acquiring all remaining interests required to ensure full vacant possession of these blocks within the timescale required by the construction programme for Aylesbury Estate regeneration programme. It will ensure the redevelopment of the Phase 2B site is 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

51. The local plan for the borough, the Southwark Plan 2022, was adopted in February 2022 and fully replaced the Aylesbury Area Action Plan 2010. The Southwark Plan 2022 includes policies specific to the Aylesbury Estate including the site allocation NSP01 for the Aylesbury Action Area Core. The site allocation sets out the site requirements, a minimum residential capacity of 4,200 homes (gross), the phasing plan for the site and reports on the delivery of homes and new community facilities so far.
52. The outline masterplan for the regeneration of the estate provides for new housing, open space and commercial properties in this location, within the site now referred to as Phase 2B. In determining the application for outline planning permission, the masterplan was assessed against the relevant development plan policies and guidance at that time, among which significant weight was attached to the policies of the Aylesbury Area Action Plan, and the principles of the masterplan were found to conform to the policy framework.
53. The outline planning permission was granted subject to a range of parameter plans in relation to the height, layout, open space provision, land use, basement area, access /circulation and phasing.

54. In developing proposals for the site, both Notting Hill Genesis and the council have had regard to policy H8C of the London Plan in determining the approach to retention of the existing buildings on the site.

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

Community impact statement

55. As set out in the detailed description of the scheme at paragraphs 28 to 31 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. The implementation of the scheme for Plot 18 will deliver a range of new community facilities which will support the new and existing residents.
56. 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.
57. 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 open spaces, a MUGA and commercial space. 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.
58. 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 existing planning consent. 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.
59. As outlined above, the land to be included in any CPO currently comprises blocks of 373 residential properties, of which 22 are presently occupied. It is considered that the adverse impacts on these households resulting from the

scheme are mitigated as they would be rehoused through the council's regular rehousing processes by the time of implementation.

60. There are currently 7 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. Again, it is considered that the adverse impact on these households resulting from the scheme are mitigated. 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.
61. There are 6 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.
62. While issues relating to the value of leasehold interests are not in themselves a consideration in promoting a CPO, it is acknowledged that there is a 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.
63. 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 remains 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

64. 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; and
 - c) Foster good relations between those who share a relevant characteristic and those that do not share it.
65. 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 leaseholders affected by regeneration proposals in the borough.
66. 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 rehousing 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 built to modern standards, for residents in the borough to move to.
67. 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 Aylesbury Estate residents.
68. 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.

69. In addition, an Equality Health and Impact Assessment (EqIA) has been undertaken by the council and completed by Mott McDonald, in August 2022, to ensure the impacts of the re-development of the estate have been independently assessed. This will be redone to update the details of the estate.
70. The Mott McDonald EqIA assessment in 2022 identified that the “*Aylesbury Phase 2b project has the potential to provide improved living conditions for local residents, as well as enhancements to housing quality, accessibility, the public realm, and other community facilities. There is, therefore, a compelling case in the public interest for the redevelopment. Furthermore, the council have embedded a series of actions within the design and delivery of the scheme in order to manage any risk associated with potential changes in social conditions which can arise from redevelopment programmes of this kind*”. Levels of deprivation are high, with the assessment noting that 73% of the population lives within the most deprived quintile, which is considerably higher than the comparative population for London (16%) and England (20%). The council’s rehousing policies, the high sustainability standards of the new homes and access to green, open spaces will seek to mitigate the issues identified.
71. An updated EqIA will identify 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.
72. The updated equalities impact assessment will be carried out in accordance with the Equality Act 2010 and the council’s Public Sector Equality Duty and build upon previous work already carried out by the council.
73. The assessment will be shared with the consultants engaged to work on this programme to inform their resident engagement process alongside the council’s.
74. The funding allocations proposed relate to the implementation of policies including leaseholder policy, local lettings policy and compulsory purchase activity for which separate Equality Health and Impact Assessments are completed.
75. 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.

76. 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

77. The health impacts of the policies that this funding relates to are addressed in the EQIA referred to above.

Climate change implications

78. The redevelopment of the site will lead to the development of new homes which meet modern standards. The energy efficiency measures include:

- Thermally efficient, well insulated building fabric meeting the London Plan's 'Be Lean' target.
- Communal Air Source Heat Pump, provides low CO₂ emission heating and hot water source. With backup communal gas boiler providing for peak demand.
- PV panels to provide on-site green electricity generation.
- The risk of overheating is being minimised in anticipation of warm weather events.
- Large sustainable urban drainage (SUDs) features such as a rainwater attenuation basin reduces pressure on mains drains.
- The potential for existing site materials to be reused, and the potential to reduce embodied carbon emissions in new buildings is being reviewed as part of the GLA's Circular Economy and Whole Life Carbon assessment requirements.
- A net increase in the site's biodiversity is being targeted as part of the GLA's sustainability.

79. In accordance with GLA guidance, the planning application assesses the carbon impact of demolishing the existing buildings on the site taking into account the level of building materials that can be recycled.

Resource implications

80. The acquisition process continues to be met within existing resources within the council, supplemented with external professional advice as required.

Legal implications

81. The report recommends that a compulsory purchase order is made under Section 226(1)(a) of the 1990 Act. The report of the Assistant Chief Executive, Governance and Assurance below sets out further detail of the legal implications of that recommendation.

Financial implications

82. There are no financial implications for the council arising from the recommendations made in this report. The costs of acquiring properties in the CPO area will continue to be met from the approved budget within the council's Housing Investment Programme. A CPO indemnity agreement is being agreed with NHG, which sets out that they will underwrite all CPO costs (apart from the residents rehousing costs).

Consultation

83. Consultation is ongoing with all affected leaseholders and tenants. In addition discussions have taken place with the wider estate TRAs.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive, Governance and Assurance

84. The acquisition of land through the use of compulsory purchase powers is a matter reserved to Cabinet by virtue of part 3C of the Council's constitution.
85. The purpose of this report is to seek renewed authorisation of the making and (subject to confirmation by the Secretary of State) implementation of a CPO under section 226(1)(a) of the Town and Country Planning Act 1990. In addition, a CPO indemnity agreement would be authorised.
86. Appendix 2 to this report sets out 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, including the tests to be met under sections 226(1)(a) and 226(1A) of the 1990 (among other legal requirements). The report sets out the benefits of the scheme, including those that the CPO would directly deliver.
87. Due regard must be had to the equality implications of the CPO, particularly on groups sharing a protected characteristic as defined in the Equality Act, including eliminating discrimination, harassment and victimisation, and advancing equality of opportunity and fostering good relations between persons who share a relevant protected characteristic and persons who do not share it. In terms of human rights, there needs to be a fair and proportionate balance struck between the adverse effects of the CPO and the public interest benefits which the new CPO will deliver.

Strategic Director of Resources

88. The Strategic Director of Resources notes the current position in relation to the delivery of new homes at Phase 2B of the Aylesbury Estate regeneration programme and the recommendation that Cabinet re-affirm its consent to proceed with the Compulsory Purchase Order as set within this report. Costs associated with the acquisition of properties in the CPO area are expected to be contained within the approved budget that exists for this scheme and there are, therefore, no additional financial implications arising from the recommendations made in this report.

Other officers

89. There are none.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Aylesbury Estate Phase 2b CPO https://moderngov.southwark.gov.uk/documents/s107262/Report%20Aylesbury%20Estate%20Phase%202B%20CPO.pdf	Planning and Growth, Finance Strategic Directorate, 160 Tooley Street, London, SE1 2QH	Neil Kirby 0207 525 1878
Aylesbury Estate update – Current phases https://moderngov.southwark.gov.uk/documents/s121494/Report%20Aylesbury%20Estate%20Update%20-%20Current%20Phases.pdf	Southwark Construction, 160 Tooley Street, London, SE1 2QH	Lorraine Roach 07902 705200

APPENDICES

No.	Title
Appendix 1	Aylesbury Estate Phase 2B CPO red line boundary plan
Appendix 2	Aylesbury Estate Phase 2B CPO Procedural and Legal matters

AUDIT TRAIL

Cabinet Member	Councillor Helen Dennis, New Homes and Sustainable Development	
Lead Officer	Hakeem Osinaike, Strategic Director of Housing	
Report Author	Julia Williams, Project Manager – Aylesbury	
Version	Final	
Dated	3 October 2024	
Key Decision?	Key	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	No	No
Strategic Director, Resources	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	3 October 2024	