

THE LONDON BOROUGH OF SOUTHWARK

SECTION 226 (1)(a) OF THE TOWN AND COUNTRY PLANNING ACT 1990

AND

THE ACQUISITION OF LAND ACT 1981

**THE LONDON BOROUGH OF SOUTHWARK (TUSTIN ESTATE – HEVERSHAM HOUSE)
COMPULSORY PURCHASE ORDER 2025**

STATEMENT OF REASONS

CONTENTS

1.	INTRODUCTION	3
2.	POWER	5
3.	DESCRIPTION OF ORDER LAND	6
4.	JUSTIFICATION FOR THE USE OF COMPULSORY PURCHASE POWERS	7
5.	LEGAL REGARDS	30
6.	CONCLUSION	34
7.	ADDITIONAL INFORMATION	35

1. INTRODUCTION

- 1.1. On 2 July 2025 the London Borough of Southwark (**“the Council”**) made The London Borough of Southwark (Tustin Estate – Heversham House) Compulsory Purchase Order 2025 (**“the Order”**).
- 1.2. The Order is made pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 (**“the 1990 Act”**) and the Acquisition of Land Act 1981 for the acquisition of all interests (except those of the Council) in the land within the areas as shown edged red and shaded pink on the plan attached to the Order (**“the Order Land”**), and as described in the Schedule to the Order. The Order has been made to facilitate the carrying out of the necessary development, re-development and improvements on the Order Land to deliver the continued development, re-development and improvements to the Tustin Estate to deliver new high quality homes, amenity space, parking, landscaping and ancillary infrastructure (**“the Scheme”**) which will contribute to achieving the promotion or improvement of the economic social and environmental well-being of the area and will be submitted to the Secretary of State for Housing, Communities and Local Government (**“the Secretary of State”**) for confirmation pursuant to the above Acts.
- 1.3. The Order Land comprises 14 leasehold flats, 59 flats let to secure tenants and 9 flats for temporary accommodation. The land and interests proposed to be acquired compulsorily pursuant to the Order are described in greater detail in section 3 below.

The Order has been made to secure the outstanding interests so as to facilitate the continued comprehensive regeneration, by way of redevelopment of the Tustin Estate (**“the Estate”**). The Estate is a large housing estate, located off Old Kent Road, predominantly owned by the Council and situated in the London Borough of Southwark.
- 1.4. On 8 November 2022 the Council and BY Development Ltd (**“the Developer”**) (being the Council’s selected development partner) entered into a contract for the carrying out of the Scheme by means of the comprehensive phased regeneration of the Estate to provide 690 new homes together with new commercial floorspace, educational floorspace, parking, public realm, open spaces landscaping and ancillary infrastructure. Development of the first phase of the Scheme is currently underway, with development of the remaining phases to follow.
- 1.5. The Council is now seeking to secure vacant possession of the Order Land in order to deliver Phase 2 of the Scheme which involves the demolition of Heversham House and the construction of four buildings between 5 and 20 storeys in height, containing 295 homes as well as amenity space, parking, landscaping and ancillary infrastructure (**“Phase 2”**). Further details are set out in the paragraphs below.
- 1.6. This Statement of Reasons introduces the Order and explains the justification for its confirmation, heeding the advice provided in the Guidance on Compulsory Purchase Process (January 2025) (**“the Guidance”**) issued by the Ministry of Housing, Communities and Local Government.

- 1.7. The overarching consideration of the Secretary of State in deciding when a compulsory purchase order should be confirmed, and which is of equal relevance to the Council in reaching its decision, is whether there is a compelling case in the public interest. Paragraphs 13, 15 and 109 of the Guidance identify the following issues which should in particular be considered:
- a. whether the purpose for which the land is being acquired fits with the development plan for the area;
 - b. the extent to which the proposed development would contribute to the achievement of the economic and/or social, and/or improvement of the environmental well-being of the Council's area;
 - c. whether the purposes for which the proposed Order Land is to be acquired could reasonably be achieved by any other means; and
 - d. the potential financial viability of the Phase 2, general funding intentions and the timing of the funding and whether there is a reasonable prospect of Phase 2 going ahead.
- 1.8. Each of these considerations will be addressed within this Statement of Reasons using the following structure:
- a. Power
 - b. Description of the Order Land & interests to be acquired
 - c. Justification for the use of compulsory purchase powers
 - i. The need for regeneration
 - ii. The Scheme and Phase 2
 - iii. Consistency of Phase 2 with the planning framework for the area
 - iv. Well-being benefits
 - v. Consultation
 - vi. The Development Partner
 - vii. Financial viability/funding
 - viii. Alternatives
 - ix. The need for compulsory purchase
 - x. Absence of impediments to delivery
 - xi. Reasonable steps to acquire land by agreement
 - xii. Compelling case in the public interest
 - d. Legal regards
 - i. Public sector equality duty

- ii. Human rights considerations
 - iii. Conservation, listed buildings and special category land
 - iv. Compensation in a no Scheme world
 - e. Conclusion
- 1.9. As noted previously, the Council recognises that a compulsory purchase order can only be made if there is a compelling case in the public interest which justifies the overriding of private rights in the land sought to be acquired. It is considered that a compelling case exists here.
 - 1.10. Although significant parts of the site of Phase 2 (**“the Phase 2 Site”**) are already in the freehold ownership of the Council, single ownership and control of the Order Land is required to enable the delivery of Phase 2. The Council is satisfied that it has made reasonable attempts to acquire outstanding interests by private agreement. The Council and those persons duly authorised by them have and will continue to make reasonable attempts to purchase outstanding interests by private agreement. However, given the number of third party interests identified in the Schedule to the Order, the Council considers it unlikely that it will be able to acquire all of these interests by agreement within a reasonable time period. The exercise of compulsory purchase powers will enable redevelopment to take place by providing certainty in respect of site assembly.
 - 1.11. Following confirmation of the Order, the Council will, in line with the Guidance, continue to take reasonable steps to seek to acquire land and interests in the Order Land by private agreement, but in the event that agreement and acquisitions cannot be completed within a reasonable time period the Council intends either to serve a Notice (or Notices) to Treat or execute one or more General Vesting Declarations at appropriate stages as Phase 2 progresses in order to assemble title to the Order Land to facilitate the continued delivery of the Scheme.
- ## 2. POWER
- 2.1. The Order has been made under Section 226(1)(a) of the 1990 Act and the Acquisition of Land Act 1981. Section 226(1)(a) of the 1990 Act permits a local planning authority to exercise compulsory acquisition powers if it thinks that the land will facilitate the carrying out of development, redevelopment or improvement on, or in relation to the land being acquired.
 - 2.2. Section 226(1)(a) is subject to Section 226(1A). This requires that the acquiring authority (the Council) must not exercise the power unless it thinks that the proposed development, redevelopment or improvement is likely to achieve the promotion or improvement of the economic and or social and or environmental well-being of its area.
 - 2.3. The Council considers that the proposed redevelopment of the Order Land will meet all of these objectives. The Council has taken into account the guidance contained in the Guidance on the use of its compulsory purchase powers in making the Order. The Council is using its powers under section 226(1)(a) because achieving voluntary transfer of the ownership of the Order Land is uncertain and the Council needs to ensure that ownership of the Order Land is vested in it so

that it can provide vacant possession and title to the Order Land so that Phase 2 can proceed and be delivered within a reasonable time period.

- 2.4. Although the primary objective of Phase 2 is to deliver housing provision and, as such, the Council has powers of compulsory acquisition under section 17 of the Housing Act 1985 to achieve such aims, the Council has concluded that the use of general planning powers is more appropriate as the proposed development of Phase 2 includes amenity spaces, parking, landscaping and ancillary infrastructure. Phase 2 also forms part of the Scheme, which includes other non-housing uses. The proposed development of the Order Land will give rise to the well-being benefits in the Council's area and accordingly the Council has concluded that section 226(1)(a) is the appropriate power.
- 2.5. The Council has had regard to paragraph 166.1 of Section 7 of the Guidance which confirms that the Council's use of its planning powers is appropriate even where the primary objective is the delivery of housing. The Guidance states *"Where an authority has a choice between the use of housing or planning compulsory purchase powers the confirming authority will not refuse to confirm a compulsory purchase order solely on the grounds that it could have been made under another power."*
- 2.6. Where, as in this case, the Order Land is being assembled under planning powers for housing development, the Secretary of State will have regard to the policies which would have been relevant if the Order was made under housing powers (i.e. under section 17 of the Housing Act 1985).
- 2.7. Section 17 of the Housing Act 1985 empowers local housing authorities to acquire land, houses or other properties by compulsion for the provision of housing accommodation where such acquisition will achieve a "quantitative or qualitative housing gain". Evidence that Phase 2 will achieve a quantitative and qualitative housing gain is set out in paragraphs 4.11 and 4.23 below together with information regarding the needs for the provision of further housing accommodation in the Borough as part of the development plan and as referred to in paragraph 4.20 below.

3. DESCRIPTION OF ORDER LAND

- 3.1. The Order Land extends to approximately 0.322 hectares (ha) and forms part of the Estate.
- 3.2. The Estate is circa 5 hectares and is located on the corner of Old Kent Road and Ilderton Road. It was constructed in the 1960s and comprises housing, a primary school (Pilgrims Way Primary School), and non-residential uses fronting Old Kent Road, as well as areas of semi-private open space and infrastructure throughout.
- 3.3. The Phase 2 Site on which Phase 2 will be undertaken (and which includes the Order Land) is irregular in shape and is located to the north of Old Kent Road and west of Ilderton Road. The main feature of the Phase 2 Site is a mid-rise residential block constructed in the 1960s known as Heversham House. That building requires extensive modernisation and refurbishment to meet the needs of existing and new communities.

- 3.4. In total, on the Phase 2 Site, there are 98 residential units made up of leaseholder-owned homes, council tenanted homes and temporary accommodation. Of these, 28 units had been sold under right to buy and are subject to long leaseholds but 15 have already been bought back to date, leaving a further 13 to be acquired.
- 3.5. Ilderton road bordering the Order Land is publicly adopted highway. The Order Map shows the interests to be acquired compulsorily. The Order Map has been carefully delineated to ensure the land and rights to be acquired are only what is required to facilitate the delivery of Phase 2.
- 3.6. The properties included within this Order include all interests that are outside of the Council's ownership within the following flats and premises and gardens at 1 to 98 (inclusive) Heversham House, London SE15
- 3.7. There are also a number of utilities running through the Phase 2 Site, including water, telecommunications, gas and electricity.
- 3.8. Full details of the Order Land appear in the Schedule to the Order. The Order Map identifies interests to be acquired (edged red and coloured pink). Out of the 14 leaseholder flats referred to in the Schedule to the Order, the Council has very recently acquired one of those leasehold interests, the transfer of which remains to be registered at the Land Registry. Consequently only 13 leaseholder flats remain outstanding.

Land Referencing

- 3.9. The Council instructed independent agents, TerraQuest, to carry out the land referencing exercise. The actions taken by the agents to investigate title and occupier details for inclusion in the Order include:
- a. Land Registry searches;
 - b. Service of Section 16 Requisitions for Information on behalf of the Council (issued on 15th August 2024, 2nd September 2024, 13th May 2025 and 6th June 2025) and review of information returned in response;
 - c. Local authority enquiries including processing of tenancy information and vacant possession information; and
 - d. Contact Site Visit alongside council personnel including a door knocking exercise on 26th September 2024..

4. JUSTIFICATION FOR THE USE OF COMPULSORY PURCHASE POWERS

(I) THE NEED FOR REGENERATION

- 4.1. Phase 2 represents the second phase of the Scheme, which involves the comprehensive redevelopment and refurbishment of the low rise buildings on the Estate.
- 4.2. The Estate itself is located at the junction of Old Kent Road (to the south) and Ilderton Road (to the east), both roads are well trafficked, with Old Kent Road being a route into central London

and Ilderton Road leading north to Bermondsey serving the local area to the north and east. The Estate was constructed in the 1960s following the clearance of bomb damaged terraced houses and small industrial premises post the second world war. There is no vehicular route through the Estate and the area has limited dedicated cycle paths.

- 4.3. The Estate is located within the Old Kent Road Opportunity Area (“OKROA”). It is important to note that despite the Estate not forming part of any specific allocation, the draft Area Action Plan (“AAP”) always anticipated the possibility of estate regeneration here, subject to the support of residents which was obtained through the Resident Ballot held in March 2021.
- 4.4. The Estate falls within an area of higher deprivation and the housing is generally considered poor quality due to its poor energy efficiency. The 3 towers to the south-east of the Estate, have recently undergone refurbishment works as part of a separate scheme.
- 4.5. The area surrounding the Estate is undergoing rapid transformation and change and numerous regeneration schemes have been granted planning permission in the immediate vicinity. Sites to the immediate north, south and east and further to the west fall within the AAP and as such are changing and emerging. Plans for the Bakerloo Line extension to the London Underground network feature two new stations, one of which is proposed to be located to the south-east of the Estate.
- 4.6. Planning permission for the development pursuant to which the Scheme is to be implemented was originally granted on 27 October 2022 (under reference 22/AP/1221) for the redevelopment of the low rise buildings on the Estate, comprising full planning permission for Phase 1 (167 homes) and outline planning permission for Phases 2 to 4 (523 homes, 3,452sqm sqm of flexible commercial space and 2,214 sqm of educational space), alongside new open spaces and landscaping (the “**Original Hybrid Permission**”).
- 4.7. Following changes to the building fire safety requirements, particularly on taller buildings, a minor material amendment was proposed to the Original Hybrid Permission to address those fire safety requirements as well as well as resolve minor issues with phasing and land uses. That minor material amendment was approved on 11 August 2024 (under planning reference 23/AP/3474) pursuant to an application made under section 73 of the 1990 Act (the “**S73 Permission**”).
- 4.8. The construction of Phase 1 of the Scheme comprising the demolition of Hillbeck Close, Ullswater House and garages at Manor Grove and the erection of four buildings at 2/3-storeys (Block D1 and D2), 5/9-storeys (Block C) and 7/13-storeys (Block G1) providing 167 homes with associated parking, public realm, open spaces, landscaping and ancillary infrastructure and the refurbishment of properties at Manor Grove is ongoing, with the first homes scheduled to handover from the Developer to the Council in Autumn 2025.
- 4.9. An application for reserved matters approval for Phase 2 was submitted to the local planning authority and validated on 27 August 2024 (allocated reference 24/AP/2446) and approval of that application was granted on 16 April 2025 (the “**Phase 2 RMA**”).

Housing Need

- 4.10. Southwark have a council housing waiting list of over 17,000 households and approximately 1,500 households living in temporary accommodation. The adopted Southwark Plan (2022) set out the overall housing target of 23,550 net new home completions over the next ten years with 50% of all new homes being social rented and intermediate homes. The Council also aims to create 11,000 new council homes by 2043, and 500 new keyworker homes.
- 4.11. Phase 2 will provide both quantitative and qualitative housing gain by the delivery of 295 new, high quality and energy efficient housing (a net addition of 197 homes in Phase 2) which comprises of 88 social rent homes, 58 intermediate keyworker homes, 5 shared equity homes and 144 private market homes. Including all 295 homes, the overall quantum of affordable housing in Phase 2 would be 56% by habitable room. Phase 2 will therefore contribute to the overall Borough's housing target and play a significant role in meeting the Borough's affordable housing targets and the Council's homes building and Key Worker homes targets (more than a tenth of the Borough's keyworker homes target). 60% of the proposed homes in Phase 2 will have two or more bedrooms, and 17% of the units will contain three or more bedrooms.

In addition to delivering new homes, Phase 2 will deliver a wide range of place-making benefits and enhance the neighbourhood. It will improve the public realm through incorporating active frontages of buildings that promote passive surveillance creating a safer streetscape. It will also introduce wider, more accessible footways, and enable the delivery of a cycling route along Ilderton Road (known as the TfL's Cycle Future Routes). Furthermore, 46 new trees and green roofs of 1,643 sqm will be delivered, achieving an Urban Greening Factor of 0.4 and contributing to increased local biodiversity and a more sustainable urban drainage.

(II) THE SCHEME AND PHASE 2

The Scheme

- 4.12. The proposed Scheme involves the comprehensive phased regeneration of the Estate over a number of phases to provide:
- a. demolition of Hillbeck Close, Ullswater House and garages at Manor Grove and the erection of four buildings, providing 167 social rent homes with associated parking, public realm, open spaces, landscaping and ancillary infrastructure; and the refurbishment of properties at Manor Grove; and
 - b. demolition of Bowness House, Pilgrims Way Primary School, Kentmere House and Heversham House and the erection of 12 buildings and new Pilgrims Way Primary School ranging in height from 2 to 21 storeys to provide up to 57,786 sqm of floorspace, comprising up to 523 affordable and market homes, up to 3,452 sqm of flexible commercial floorspace, and up to 2,214 sqm of educational floorspace including temporary space for a children's centre, with

associated parking, public realm, open spaces (including a MUGA), landscaping and ancillary infrastructure.

- 4.13. Planning permission for the development underlying the Scheme has been secured by the Original Hybrid Planning Permission and the S73 Permission and is compliant with planning policy.
- 4.14. The Scheme has received widespread support from residents of the Estate and a resident ballot was held in March 2021 in accordance with Mayor's Good Practice Guide to Estate Regeneration (GPGER). The result of this ballot was that over 87% of residents voted in favour of the proposals to regenerate the area and consequently GLA grant funding has been secured to support the delivery of the Scheme.

Phase 2

- 4.15. Phase 2 (which represents the second phase of the Scheme, and which the proposed Order will facilitate) relates to the eastern part of the Estate and includes the demolition of Heversham House to facilitate the construction of four buildings (Blocks F1, F2, G2 and H) ranging between 5 and 20 storeys, containing 295 homes as well as amenity space, parking, landscaping and ancillary infrastructure:
- 4.16. Although Phase 2 forms part of the Scheme, it should be noted that Phase 2 is not dependent upon the delivery of the later phases of the Scheme.

Residential

- a. The 295 homes (867 habitable rooms) within Phase 2 are proposed for Blocks F1, F2, G2 and H and are split as follows:
 - i. Block F1 – 19 homes (72 habitable rooms)
 - ii. Block F2 – 22 homes (96 habitable rooms)
 - iii. Block G2 – 110 homes (339 habitable rooms)
 - iv. Block H – 144 homes (360 habitable rooms).
- b. The 295 homes will be a mixture of 1, 2, 3, and 5 bedroom units being; 120 one-bedroom homes (40.7%), 126 two-bedroom homes (42.7%), 47 three-bedroom homes (15.9%) and 2 five-bedroom homes (0.7%).
- c. Out of 295 homes, it is proposed that 146 of those units will be affordable homes (comprising 88 social rent homes and 58 keyworker units) and 149 market homes comprising 5 shared equity units and 144 private homes (to be provided as build to rent accommodation).
- d. 30 M4(3) accessible homes (10.2% by habitable room), which are spread throughout the blocks and across a range of tenures and sizes. Over 10% of the accessible homes within the social rent tenure are designed to M4(3)(2)(b) standards.

Open Space and Landscaping

- e. Phase 2 will provide:
 - i. 2,107 sqm of private amenity consisting of a mix of balconies and gardens.
 - ii. 745 sqm of communal amenity space (proposed to be located in Block H, in between Blocks F2 and G2, and in between Blocks F1 and G1)
 - iii. 642 sqm of children's play space located in the courtyard areas between Blocks F1 and G1, and Blocks F2 and G2.
 - iv. 46 trees will be planted as part of Phase 2 contributing significantly towards a greater canopy cover across the Tustin Estate, urban greening and biodiversity net gain.

Access and Circulation

- 4.17. The wider Scheme proposals propose a network of streets and Quietways to improve access and circulation around the Estate. Relevant to Phase 2 are the following:
- a. Patterdale Road – This is to be located between Blocks G2 and H to initially function as a cul-de-sac for servicing and deliveries with some limited parking for Blocks F2, G2 and H and a temporary turning head. It is anticipated that the Quietway will be completed in Phase 4 of the Scheme allowing cyclists and pedestrians to travel safely through the Estate. It is anticipated that the temporary turning head will be converted to open space at that time.
 - b. Hornshay Street West – This is to be located between Blocks G1 and F1 to the south and Block E (anticipated to be constructed in Phase 3 of the Scheme) to the north. It is an extension of the access from Ilderton Road being completed as part of Phase 1 of the Scheme. It will also function as a cul-de-sac for servicing and deliveries with some limited parking for Blocks F1 and G1 and a temporary turning head. The longer-term ambition is for Hornshay Street west to extend to the new Pilgrim's Way Primary School that is proposed to be constructed as part of Phase 3 of the Scheme. Once Phase 3 of the Scheme is completed, it is intended that Hornshay Street West will predominantly function as a pedestrian only route.
 - c. Heversham Court – To be located between Blocks G1 and G2 is a permanent cul-de-sac that will primarily allow for servicing and deliveries. No changes are to be made to this cul-de-sac in future phases, and it will continue to be used by smaller delivery vans.
 - d. Green Link – a green link to be provided between Blocks F1 and G1, and F2 and G2, linking Hornshay Street West in the north to Patterdale Road in the south. This link will offer communal amenity and play space alongside extensive landscaping.

Cycle Parking

- e. A total of 534 cycle parking spaces are proposed amounting to 514 long stay spaces and 20 short stay spaces.
- f. Cycle stores are proposed to be located at the ground floor of each respective block with the cycle storage area consisting of perforated folded metal panels to provide passive surveillance over the storage areas. Additionally, qualitative improvements will be added to the storage areas in the form of workshop repair benches which will benefit users.

Car Parking

- g. Nine blue badge car parking spaces are proposed within Phase 2 along Hornshay Street West, Heversham Court and Patterdale Road, with at least 20% of the spaces being equipped with electric vehicle charging points. As the car parking spaces are suitable for blue badge holders, the spaces will be slightly larger than a standard parking space.

(III) CONSISTENCY OF PHASE 2 WITH THE PLANNING FRAMEWORK OF THE AREA

- 4.18. As referred to above the Original Hybrid Permission was granted for the redevelopment of the Estate on 27 October 2022 and a further S73 Permission was granted on 11 August 2024.
- 4.19. Due to the nature of the hybrid permissions (i.e. being part full (in respect of Phase 1) and part outline in respect of the later phases (phases 2-4) of the Scheme) the Phase 2 RMA was submitted to the local planning authority and validated on 27 August 2024. The Phase 2 RMA sought approval of all the reserved matters for that phase of the Scheme. The application for the Phase 2 RMA was approved by the local planning authority on 16 April 2025. The timeframe for challenging that approval has expired and the Council is not aware of any challenge. The Council therefore considers that there is no planning impediment to the delivery of Phase 2.
- 4.20. The proposed development of Phase 2 remains consistent with the planning framework for the area (which has not materially changed since the grant of the relevant permissions) and is strongly supported by planning policy at all levels. In the paragraphs which follow, the proposed development of Phase 2 is considered against the key policies of the statutory Development Plan, national policy and other material considerations.
 - a. For the purposes of section 38(6) of the Planning and Compulsory Purchase Act 2014, the statutory Development Plan covering the Order Land comprises:
 - i. The London Plan (2021)
 - ii. Southwark Plan (2022)]
 - b. The following are material planning considerations:
 - i. National Planning Policy Framework ("NPPF"),

- ii. National Planning Practice Guidance
- iii. Draft Old Kent Road Area Action Plan (2024)
- iv. Better homes for local people: The Mayor's Good Practice Guide to Estate Regeneration (February 2018)
- v. National Model Design Code (2021)
- vi. The Mayors Housing SPG (March 2016)
- vii. Southwark's 2015 Technical update to the Residential Design Standards (2011)
- viii. Tustin Estate Design Code (March 2022) and Addendum (2024)

Scale and layout

- c. The proposals for Phase 2 consist of buildings ranging between 5 and 20 storeys which complies with the approved maximum building heights parameter plan under the S73 permission. The proposed buildings also are sited with sufficient spacing in between them and have welcoming entrances promoting active frontages and appropriate access which accords with the approved movement parameter plan.

Appearance

- a. The appearance of the buildings in Phase 2 has been carefully designed following discussions with the local planning authority, existing residents of the Estate and the Design Review Panel. The buildings are in bricks and each has unique designs for communal entrances, frontages and lobbies, and window colours and balconies, and commonality in detailing of windows and balconies, with a common ground floor appearance to the maisonette homes. The proposed materials are of high quality and robust. The overall appearance reflects the architectural heritage of the Estate.

Housing Provision

Unit Mix

- b. 175 of the proposed units (60%) consist of two- or more-bedroom homes which is compliant with Policy P2 of the Southwark Plan.

Accessibility

- c. 30 of the proposed homes (10.2%) are wheelchair accessible (M4(3)) with the remaining 265 homes being wheelchair adaptable (M4(2)), which is compliant with Policy P8 of the Southwark Plan and Policy D7 of the London Plan. 13 of the 18 wheelchair homes provided within the affordable tenure are built to standard M4(3)(2)(b) wheelchair accessible dwellings. This amounts to 100% of the social rent provision, significantly above the recommended 10% as per Policy P8.

Affordable Housing

- d. The quantum of affordable housing to be provided across the Estate is set by the Original Hybrid Permission and the S73 Permission. There are no specific requirements for Phase 2. However, the section 106 obligation pertaining to the Scheme defines the overall affordable housing mix required across the masterplan:

Unit Type	Social Rented Units	Intermediates Housing Units
1 bed	143	37
2 beds	82	38
3 beds	87	23
4 beds	30	0
5 beds	3	0
Total	345	98

- e. Phase 2 provides a significant number of 3 bedroom affordable homes. Phase 2 also includes 146 affordable homes (56% by habitable room) in accordance with Policy H5 of the London Plan which sets a target of 50% on publicly owned land.

Quality of Accommodation

Internal Space Standards

- f. All residential homes in Phase 2 meet the minimum floorspace standards as defined in Table 6 of Policy P15 of the Southwark Plan. Additionally, all homes have adequately sized bedrooms, bathrooms and storage space provision.

Internal Living Conditions

- g. 88% (259) of the units benefit from a dual aspect outlook that enables natural daylight and sunlight to penetrate deep into unit layouts in accordance with the requirements of Southwark Plan Policy P15, and London Plan Policy D6 which advocate for the maximisation of dual aspect units, sufficient daylight for new homes, and comfortable and functional layouts. Sufficient measures are in place to reduce the risks of overheating in accordance with London Plan Policy SI 4.

Amenity Space

Private Amenity Space

- h. A total of 2,107 sqm of private residential amenity space is proposed across Phase 2, consisting of 1,693 sqm of balcony space and 414 sqm of garden space. Regarding the balconies, all three-bedroom flats have 10sqm of balcony space with one- and two-bedroom flats having at least 5sqm and 7sqm respectively which will meet the Mayor's

minimum standards, starting at 5 square meters for 1b2p occupancy homes, with an additional 1 square meter required for every additional occupier.

Communal Amenity Space

- i. A total of 745 sqm of communal amenity space is proposed, designed to provide multiple benefits such as recreation, habitat creation and SUDS, which exceeds the requirement for 50 sqm per block (a total of 200 sqm for Phase 2) in Southwark Plan Policy P15.

Play Space

- j. A total of 642 sqm of play space is proposed between the blocks as part of Phase 2. The play equipment selected is inclusive and utilises robust materials that reflect the character of the site. Natural materials have been used to soften the appearance of the play elements.

Public Open Space

- k. Policy P15 Residential Design of Southwark Plan (2022) acknowledges that there is currently an area of open space deficiency within the OKROA. The policy calculates that 5 sqm of public open space per dwelling is required. As an interim measure to accommodate public open space within Phase 2, temporary landscape works to Tustin Common were approved under the S73 Permission to meeting the requirement for Phase 2.

Amenity for Existing and Future Residents

Privacy and Separation

- l. Local Plan Policy D3 requires development proposals to be designed to allow for adequate privacy and outlook for adjoining and potential occupiers and users. The Southwark Residential Design Guidance SPD provides recommends a minimum of 12m separation distances between habitable windows to allow for an acceptable degree of privacy for occupiers. London Plan Policy D1 further explains that development proposals should deliver appropriate outlook, privacy and amenity.
- m. As per the Design Code, all street widths are at least a minimum of 12m in width. Heversham Court is a link route in the Design Code and complies with the 12m width between G1 and G2. Hornshay Street West and Patterdale Road, identified as main routes, are at a width of 14m. These route widths enable the minimum separation distances to be adhered to in line with the guidance contained within the Southwark Residential Design SPD.
- n. The SPD recommends a minimum distance of 21m between the rear of buildings. These distances are largely adhered to, particularly at ground floor where the maisonettes in Blocks G1 and G2 are setback sufficiently from the rear building line of the buildings opposite.

Daylight, Sunlight and Overshadowing

- o. 67% of the habitable rooms across all buildings will meet or exceed the BRE recommended illuminance levels for their respective room use. Overall, Phase 2 achieves good levels of internal daylight and sunlight compliance to all units within the scheme in accordance with Southwark Plan Policy P15 and London Plan Policy D6.

Wind Microclimate

- p. A Wind Microclimate Assessment has been undertaken to ascertain the prevailing wind conditions in the surrounding area alongside appropriate mitigation measures. The assessment has been submitted as part of the Phase 2 RMA and is compliant with policies P14 and P56 of the Southwark Plan where mitigation measures have been secured to restrict impacts on neighbouring amenity and the design quality of the buildings.

Noise

- q. A Noise and Vibration Assessment ("NVA") has been submitted with the Phase 2 RMA to demonstrate compliance with Conditions 41 (internal noise levels) and 49 (vibration) of the hybrid permission.
- r. Overall, the NVA demonstrates that Phase 2 would be compliant with Southwark Plan Policies P15 and P56 and London Plan Policy D14.

Urban Greening Factor

- s. The Phase 2 proposals will meet the recommended target of 0.4 Urban Greening Factor (UGF) in accordance with Policy G5 of the London Plan, and Southwark Plan Policies P59 and P65. The UGF will be achieved through the incorporation of green roofs, flower-rich perennial planting, permeable paving, green walls, semi-natural vegetation, rain gardens, and the planting of trees in natural soils and individual pits.

Biodiversity

- t. Phase 2 will attain a 6.12% BNG uplift. This will be achieved by increasing the floristic diversity within Phase 2 through green infrastructure provisions such as shrubs, rain gardens, new tree planting, and biodiverse green roofs to all Blocks within the phase. These initiatives are also considered to increase connectivity on site for bats, birds and invertebrates in accordance with Policies P59 and P60 of the Southwark Plan, and Policies GG2, D8, G1, G5, and G6 of the London Plan. Phase 2 is not subject to the statutory biodiversity net gain requirements.

Transport, Highways and Parking

- u. A Transport Assessment Addendum was submitted with the Phase 2 RMA providing further details of access arrangements for Phase 2 pursuant to the Original Hybrid Permission and S73 Permission alongside other matters as discussed below.

Pedestrian Access

- v. The masterplan provides a clear emphasis on the prioritisation of pedestrians around and through the Estate. Three pedestrian access routes are provided from Ilderton Road, these being Hornshay Street West, Heversham Court, and Patterdale Road. Whilst Patterdale Road and Hornshay Street West are constructed as cul-de-sacs in this Phase 2, the intention of these routes is for both to span from east to west through the site with the alignments being pedestrian only beyond the cul-de-sacs to promote the prioritisation of pedestrian movement through the Estate. Secondary routes are proposed off these cul-de-sacs that will provide access to the communal courtyards located between Blocks F1 and G1, and F2 and G2.
- w. In accordance with the Design Code, these pedestrian routes allow for a minimum of 2m width in public spaces for pedestrian comfort. The secondary footpaths that provide access for private and communal areas are at a minimum of 1.2m width to comply with the ambitions of the Design Code.
- x. Entrances to Blocks F1 and F2 will be from footpaths adjacent to the Common which allows for passive surveillance to the Common once it is brought forward in Phase 3. The entrance to Block G2 is predominantly via the Heversham Court with the access to the ground floor maisonettes is through individual entrances from Ilderton Road.
- y. For Block H, the entrance is via Ilderton Road, adjacent to Patterdale Road which is enhanced by an open soft landscape square. A Bus Stop is to be constructed outside of Block G2 as part of the Cycle Future Routes 12 (CFR 12) works being done by TfL and Southwark Highways along Ilderton Road which provides ease of access for residents within this Phase 2.

Car Parking

- z. A total of nine car parking spaces, suitable for blue badge drivers, are proposed within Phase 2, split across Hornshay Street West, Heversham Court and Patterdale Road. The spaces are parallel to the layouts of the cul-de-sac roads as per the ambitions of the hybrid permission. Additionally, the blue badge spaces are built with an extra 1.2m on both sides and to the rear than a standard parking space of 2.5m x 5m. In line with the policy requirements of P54 of the Southwark Plan, 20% of the proposed car parking spaces will be equipped with Electric Vehicle Charging Points.

Cycle Parking

- aa. Cycle storage is provided at the ground floor area of each respective Block with an external storage area located between Blocks F2 and G2. For the ground floor homes within Blocks F1 and F2, cycle storage is located within the rear garden amenity area.
- bb. The proposed cycle storage broadly adheres to the guidance contained within the London Cycling Design Standards. In some storage areas, bike repair stations are

proposed to enhance the quality of the overall provision. A total of 514 long stay residential cycle parking will be provided in Phase 2 which exceeds the Southwark Plan Policy 53 requirement of 470 spaces. Phase 2 would provide a total of 20 visitor cycle parking spaces in the forms of 10 Sheffield stands which exceeds the London Plan Policy T5 requirements.

Deliveries, Servicing, and Emergency Access

- cc. Delivery, servicing and maintenance access is provided at the northern and southern ends of Phase 2 on Hornshay Street West and Patterdale Road respectively. Delivery bays are located off each route to ease pressure on Ilderton Road whilst also providing surveillance over the two routes within the site.
- dd. For access to maintenance of plant spaces located on the roof level of each Block, this is provided via the staircases in each core with an access hatch to get on to the roof. Post boxes are contained within the lobbies at the ground floor of each respective Block.
- ee. The Transport Assessment Addendum is compliant with Southwark Plan policies P50, P51, P53, and P54 of the Southwark Plan, and policies T1, T3, T4, T5, T6, and T6.1 of the London Plan 2021.

Energy and Sustainability

- ff. Condition 53 of the Original Hybrid Permission requires the submission of an Energy Statement for each respective phase. The Energy Assessment Report submitted with the Phase 2 RMA addressed the requirements of Southwark Plan Policy P70 as follows:
 - i. *Be Lean* - The design of the units has targeted highly efficient U-values for windows and air tightness with the units being provided heating, cooling and ventilation from the District Heat Network ("DHN"). Additionally, domestic hot water pipework will be insulated with all units receiving instantaneous hot water via a twin late heat interface unit.
 - ii. *Be Clean* - The DHN is now operational with the operator Veolia confirming that heat will be available for the Phase 2 RMA. The DHN will provide heat, ventilation and cooling will be electrical.
 - iii. *Be Green* - Photovoltaic Panels ("PV") are to be installed at roof level on all Blocks within Phase 2 alongside biodiverse roofs.
 - iv. *Be Seen* - The energy usage within each Block will be monitored by meter readings in accordance with the GLA's Energy Monitoring Guidance (2021). This approach will be undertaken during the first five years from occupation with the metering plans developed further allow for energy performance reporting to occur. Residents will be able to monitor their respective energy usage through smart meters.

- gg. Overall, the Phase 2 proposals will reduce carbon emissions by 85% beyond Part L 2021 Building Regulations. These energy efficient, low carbon homes would help reduce energy poverty. Together with a CO2 offset payment of £118,976, Phase 2 therefore would meet the Net Zero carbon target and is compliant with London Plan Policies Policy SI 1, SI 2 and SI 3 and Southwark Plan Policies P69 and P70.

Utilities

- hh. The South East London Combined Heat and Power ("SELCHP") District Heat Network ("DHN") is now operational within the OKROA, and within the vicinity of the Estate. The Phase 2 proposal is designed in accordance with CIBSE CP1 Heat Networks Version 2, and suitably sized heat substations and plant rooms are proposed.

Fire

- ii. Condition 52 of the Original Hybrid Permission requires the submission of a Fire Strategy for each respective phase. For the Phase 2 RMA, a Fire Strategy has been prepared and will be carried out in accordance with planning approval.
- jj. All Blocks are provided with automatic fire detection and alarm systems to support the evacuation strategy for the different sections of each building with involve a stay put strategy for residential areas, and simultaneous for ancillary areas. Additionally, a fire suppression system is to be installed throughout all parts of the four Blocks in accordance with BS 9251:2021, with ancillary accommodation and residential homes being separated from each other to assist in creating separated fire compartments.
- kk. Regarding means of escape and firefighting, the upper floors of the two tallest buildings, Block G2, and Block H, will be served by two protected stairs which are to be constructed as firefighting stairs, Blocks F1 and F2 will be served by a single protected staircore. As Block H is taller than 50m, one of the firefighting stairs is to be equipped with the appropriate wet riser and associated pumps in accordance with BS9990. Blocks F1, F2, and G2, being under 50m in height will be equipped with dry risers to comply with BS 9990.
- ll. All firefighting cores in Block H and G2, and evacuation cores in Blocks F1 and F2 will have provisions to assist with disabled evacuation. Firefighting lifts will serve all floors above ground level, and all lifts assisting evacuation of disabled residents will be fitted with disabled refuge space and emergency voice communication systems in the event of evacuation procedures within protected lobbies.
- mm. The Gateway One Fire Statement and associated Fire Strategies for each respective Block are compliant with the requirements of Policies D5 and D12 of the London Plan.

(IV) WELL-BEING BENEFITS

- 4.21. The Council is satisfied Phase 2 represents a significant investment in the area, the benefits of which will be considerable to the economic, social and environmental wellbeing of the Borough, in terms of:-

Economic benefits

- a. Bringing additional housing to the Borough which will enhance spending in the local economy and promoting and strengthening the borough
- b. Employment and training – the proposed social value targets for Phase 2 include 53 new jobs; 53 training courses and 13 apprenticeships or NVQs all for local residents. In addition all jobs created by the construction will be advertised locally, and the Developer will provide work experience and graduate opportunities as well as run job fairs and provide educational workshops in local schools. These benefits have been secured via the section 106 obligation relating to the Original Hybrid Permission.
- c. Phase 2 will attract significant CIL of an estimated amount of £1,523,343 (net of the Social Housing CIL relief) and s106 payments of amount of £480,768 (before indexation) to support local infrastructure including improvements to the local bus service.
- d. The construction of Phase 2 will stimulate the local economy. 10% of the total value of the construction contract or the number of contracts procured in relation to Phase 2 will be procured from organisations based in the Borough. All those directly employed for Phase 2 will be paid not less than the London Living Wage during the construction of Phase 2. These benefits have been secured via the section 106 obligation relating to the Original Hybrid Permission.

Social benefits

- e. The right for all existing secure tenants and resident leaseholders to stay living on the redeveloped estate
- f. Maximising and improving existing housing to create a mixed and balanced community and improved public realm with inclusive design and passive surveillance;
- g. The delivery of a range of housing typologies and accommodation sizes to meet the needs of single people, couples, families and older people;
- h. The delivery of high quality homes which are tenure blind and built to high standards of design and energy efficiency;
- i. Provision of 745 sqm of communal amenity space,
- j. Provision of 642 sqm of children's play space
- k. BY Development Ltd will continue running the programme of resident drop-ins, RPGs, and estate events during Phase 2 construction period, contributing to strengthening the local community

- l. Affordable housing – delivery of 146 affordable homes including 88 social rent
- m. Delivery of significant public realm and landscaping including upgrades to the existing Tustin Common

Environmental benefits

- n. Provision of 2,107sqm private amenity space consisting of balconies and gardens
 - o. Planting of 46 trees, contributing significantly towards a greater canopy cover across the Estate, urban greening and biodiversity net gain.
 - p. The site wide proposals approved by the Outline Hybrid Permission and the S73 Permission will deliver more efficient pedestrian and cycle routes through the Estate that will improve accessibility for existing and new residents and connect into a growing network of active travel measures in the local area. Phase 2 will help to deliver those routes.
 - q. Phase 2 is proposed to be connected to the SELCHP district heating network as part of its expansion.
 - r. Green roofs on all buildings
 - s. Incorporation of sustainable drainage features throughout buildings and streetscapes and public realm, including replacing existing drainage channels with rain gardens, blue roofs and permeable paving which would minimise rainwater run-off to the sewers
 - t. Highly energy-efficient and water-efficient new homes
 - u. Phase 2 encourages active modes of transport with reduced car parking, high levels of cycle parking, close proximity to public transport
- 4.22. The regeneration well-being benefits reflect the objectives set out in the planning policy framework for the area and will be delivered by and are satisfied by Phase 2.

Quantitative and Qualitative Housing Gain delivered by Phase 2

- 4.23. As referred to in the paragraphs above there will clearly be a quantitative housing gain delivered through Phase 2 through the delivery of 295 new residential dwellings (a quantitative gain of 197 homes), of which 146 will be for affordable housing. The Council also considers that there will be a significant qualitative housing gain in that the accommodation to be provided will be of a high quality, built to modern design standards, each with private amenity spaces, along with improved accessibility and safety standards. Details of the qualitative improvements are set out in the sections above. As such the Council considers that the redevelopment of Phase 2 satisfies the tests which would apply were the Order to be made under section 17 of the Housing Act 1985.

(V) CONSULTATION

- 4.24. Significant levels of consultation have been undertaken with existing residents of the Estate, the local planning authority, TfL and Southwark's Design Review Panel. There has been a structured approach to community engagement throughout various events such as place-making sessions, resident tours, and festive gatherings, which were pivotal in shaping the final design and the Scheme is a reflection of the feedback received from all stakeholders.
- 4.25. Residents of the Estate developed a Manifesto in 2019 setting out what they would like to see from the Council in respect of the regeneration of the Estate.
- 4.26. The Council worked with residents in 2019 and 2020 to consider options for the future of the Estate. In October 2020 an options survey was undertaken where residents were asked to rank various regeneration, redevelopment and refurbishment options for the Estate. Following that options survey, residents were informed about the final proposed option for the Estate and a Resident Ballot was held (in March 2021). As part of that Resident Ballot process the Council produced a Landlord Offer setting out details of the Council's commitments to residents should the final proposed option for Estate proceed. Residents were asked as part of the ballot process whether they were in favour of the proposal for the re-development of the low rise homes on the Estate. The voter turnout was 307 out of 480 (64% voter turnout) with 87% of voters voting 'yes', which evidences the widespread support for the Scheme of which Phase 2 forms part.
- 4.27. There continues to be a programme of monthly coffee mornings, community drop-ins, newsletters, resident project group meetings and other community events.

(VI) THE DEVELOPMENT PARTNER

- 4.28. The Council appointed the Developer to deliver the comprehensive development of the Estate and entered into a formal development agreement with the Developer on 8 November 2022 (the "DA"). The appointment was made under the Pagabo developer framework in line with a formal procurement process and approved by the Council's Cabinet on 18 October 2022.
- 4.29. The Developer is the development arm of construction firm Bouygues UK who will deliver the works at the Estate pursuant to the DA in conjunction with their specialist contractors. The Developer has experience of delivering other high-quality large scale housing development for local authorities – their previous regeneration experience includes:
- a. Hallsville Quarter, Canning Town, Newham: BYD / BYUK; masterplan for 1,100 homes and a retail town centre, ph1-3 complete (delivering all the homes), ph4 under construction as student accommodation
 - b. Gascoigne Estate, Barking: BYUK, delivered award-winning phase 1 including 190 homes
 - c. Wornington Green Estate, Kensington: BYUK, delivered phase 2b including 230 homes
 - d. Luton Street Regeneration, Westminster: BYD/BYUK, developed and delivered ph1 including 170 homes

- 4.30. Bouygues UK is a wholly-owned subsidiary of Bouygues Bâtiment International, itself part of the wider Bouygues group (Bouygues SA). Bouygues SA is a public company founded in 1952, listed on the French stock market, and majority family and employee owned. Originally a construction company, it has become a diversified group with expertise in infrastructure, engineering, energy, facilities management, telecoms and media.
- 4.31. In 2024 the Bouygues group generated over £47bn in sales operating in over 80 countries, ending the year with a very strong balance sheet and a net free cash flow of over £1bn. Bouygues is committed to its presence in the UK, having built a strong brand for the past 25 years, with now over 20,000 people employed in the country.
- 4.32. The DA envisages that the Scheme will be delivered by the Developer in four Phases and sets out the terms for delivery. In relation to Phase 1, a detailed proposal for delivery was required as part of the tender process and delivery of Phase 1 is already underway. In relation to Phases 2, 3 and 4, the DA obliges the parties to work together in good faith to bring these Phases forward for development, and includes a mechanism for agreeing the detailed terms for delivery including approval of the application for detailed planning permission, design documents, decant plan and funding commitments for the relevant phase.
- 4.33. The Council is responsible for securing vacant possession of the Order Land under the terms of the DA to facilitate delivery of Phase 2.
- 4.34. The Council and the Developer wish to implement Phase 2 as soon as possible. They have entered into the DA to undertake the Scheme and have committed to developing the Order Land by obtaining the Original Hybrid Permission, the S73 Permission and the Phase 2 RMA.
- 4.35. The Developer has attended monthly resident project group meetings and the monthly Tustin Community Association meeting as well as taking part in estate 'walkarounds' to better understand the residents needs and concerns about the construction.

(VII) THE POTENTIAL FINANCIAL VIABILITY OF PHASE 2, GENERAL FUNDING INTENTIONS AND THE TIMING OF AVAILABLE FUNDING AND WHETHER THERE IS A REASONABLE PROSPECT OF PHASE 2 GOING AHEAD

- 4.36. The Scheme has received £60,260,000 grant funding from the Greater London Authority following the positive result in 2021 to the resident ballot. The required budgets to fully implement Phase 2 including the cost of acquiring the land and building out Phase 2 were agreed by Cabinet in October 2022. These costs will be funded from resources supporting the Housing Investment Programme, including borrowing and GLA grant. The Council are funding the build of all council homes in Phase 2. The private homes will be funded by the Developer and they have agreed that this is viable to deliver.
- 4.37. All affordable homes are fully funded by the Council through HRA borrowing, supported by affordable housing grant.
- 4.38. Part of the normal process of delivering the Scheme involves reconfirming budgets at each phase. This is underway for Phase 2 and will be reconfirmed at Cabinet in September 2025,

however the Council is confident that there is currently sufficient budget to deliver all of the required buybacks to achieve vacant possession for Phase 2. The Council confirms that it has adequate funding in place to deal with any blight claims that might arise.

- 4.39. The Council has attracted grant funding from the GLA under two separate funding programmes: the Building Council Homes for Londoners programme and the Affordable Homes Programme 2021-2026. Both have similar grant requirements and under the GLA terms, start on site has been granted for all units with 90% of grant already paid to the Council. There are no long stop dates for completion for any units not in Phase 1. Therefore, there is no risk to funding.

(VIII) ALTERNATIVES

- 4.40. The planning policy documents are clear that the preferred approach is for the site of the Scheme which includes the Phase 2 Site to be redeveloped.

- 4.41. A number of options were considered by the Council as part of the regeneration of the Estate (which includes the Order Land). These options were consulted on with residents and the residents' views were sought. The options considered were:

- a. Option 1: Do Nothing but maintain the Estate

This option involved the Council maintaining properties for the next 30 years to Decent Homes and Southwark Standard (new kitchens and bathrooms) and carrying out estate repairs. A stock condition survey was carried out.

- b. Option 2: Refurbish the Estate with new infill homes

- i. This option involved the building of new homes on existing empty space in the Estate.

- c. Option 3: Partial refurbishment and partial redevelopment

- i. This option included the retention of some homes (i.e. maisonettes at 21-98 Heversham House, Bowness House and houses at Manor Grove and carrying out works to maintain such) and the demolition of Kentmere House, Hillbeck Close, Ullswater House and bed-sit flats at the end of Heversham House in order to build between 320- 370 additional new homes as well as a new school and dedicated housing for the over 55s.

- d. Option 4: Redevelop the Estate– demolition and rebuild of low rise homes

- i. This option included the demolition and rebuilding of the low rise blocks on the Estate but not the tower blocks, as well as a new school, dedicated houses for the over 55s and a new park at the centre of the Estate.

- e. Option 5 Redevelop the Estate- demolition and rebuild of low rise homes except Manor Grove

- i. This option included the demolition and rebuilding of the low rise blocks on the Estate but not homes in Manor Grove or the tower blocks, as well as a construction of a new school, dedicated houses for the over 55s and a new park at the centre of the Estate. Phase 2 forms part of this option and this option was considered by residents as part of the Resident Ballot held in March 2021 – where 87% of residents voted in favour of this option.

4.42. Whilst the Council could have elected to do nothing that approach nor the options considered as options 2, 3 and 4 would not have comprehensively addressed the existing issues nor delivered the range of well-being benefits that the Scheme delivers. Option 5 was the residents' preferred option because the majority of Manor Grove residents did not support plans to demolish their homes.

(IX) THE NEED FOR COMPULSORY PURCHASE

- 4.43. In light of the multiple ownerships on the Phase 2 Site, it is considered that the only sure way of securing development to deliver Phase 2 in its entirety and within a reasonable time and in accordance with the relevant policies, is for a Compulsory Purchase Order to be made covering the whole of the Order Land within the Phase 2 Site. This approach is supported by the planning policy framework of the area, the potential to deliver the regeneration well-being benefits, and the fact that alternatives that are not comprehensive would not deliver the range of regeneration benefits that are required.
- 4.44. Although significant parts of the Phase 2 Site are already in the ownership or control of the Council, the implementation of Phase 2 requires the acquisition of a number of further land interests including land currently owned by third parties
- 4.45. The Council has been negotiating with the holders of the private sector interests for their acquisition by agreement, but a significant number of interests still need to be acquired. Details of the negotiations to date are set out in paragraph 4.53 to 4.64 below.
- 4.46. Single ownership and control of the Order Land is necessary to enable Phase 2 to proceed. Given the number of third party interests identified in the Schedule to the Order it is unlikely that the Council will be able to acquire all of the necessary interests by agreement within a reasonable timescale.
- 4.47. The Council has therefore made the Order to ensure that the significant benefits of Phase 2 can be brought forward in a reasonable timescale. Whilst the Council's approach is to negotiate all interests wherever possible, given the fragmented nature of the Order Land, confirmation of the Order is required in order to use compulsory purchase powers where necessary.
- 4.48. For the reasons explained above, the Council therefore considers there to be a compelling case in the public interest to proceed with Order.

(X) IMPEDIMENTS TO DELIVERY OF THE SCHEME

- 4.49. The Council acknowledges that a Stopping Up Order will be required to deliver Phase 2, and that there will likely be a need to appropriate land in the Phase 2 Site which is already in the Council's ownership so as to hold it for a planning purpose and thereby engage the provisions of s.203 of the Housing and Planning Act 2016 so as to enable interference with third party rights.
- 4.50. The Council has previously appropriated land for the Scheme and will do so again in future where required. The Council's reliance upon s.203 in due course will be justified by reference to the same considerations that underly the confirmation of the Order.
- 4.51. A Stopping Up Order will be required for the pedestrian passage between Manor Grove and Kentmere House and this Stopping Up Order will be sought, at an appropriate stage, as the delivery of Phase 2 progresses.
- 4.52. The Council is confident that it will obtain the necessary Stopping Up Order and for the reasons set out above considers that there are no planning, financial, legal or other impediments to the delivery of Phase 2.

(XI) STEPS TO ACQUIRE ORDER LAND BY AGREEMENT

- 4.53. The Council recognises the Guidance advice, that acquiring authorities should seek to acquire land by negotiation wherever possible. Given the timescales involved in obtaining a CPO, the Guidance recommends that acquiring authorities seek to run a CPO in parallel with negotiations. Outlined below are the steps taken to secure vacant possession of individual property types.

a. Landlord Offer Commitments

The Council has been negotiating with leaseholders in Heversham House since the point the Landlord Offer was agreed in March 2021 with the intention of acquiring all interests by agreement.

The Council (as part of its Landlord Offer) has made a series of commitments to residents who lived on the Estate for at least 12 months prior to the resident ballot. The commitments made by the Council include the following:-

Commitments to Resident Leaseholders

- i. A right to buy a new home on the Estate in any phase of the Scheme. Homes can be purchased via shared ownership, shared equity, or equity loan with the Council. The Council has committed to providing resident leaseholders, who need to move to a temporary home before their new property is ready, with the offer of a home on the Estate to rent in the meantime. If resident leaseholders cannot afford a new property on the Estate and/ or don't have enough equity to buy a new home on the Estate, the Council are committed to conducting a financial appraisal and will work with residents to find a solution that enables these leaseholders to stay on the Estate and in homeownership and / or to offer

a council tenancy (subject to eligibility) where this is the resident leaseholder's preference.

- ii. An offer to purchase leaseholders' homes on the Estate. The Council is committed to paying resident leaseholders market value for their existing property and due compensation in accordance with the Compulsory Purchase Compensation Code, including home loss payments and disturbance costs.

Commitments to Council Tenants in Bowness Heversham, Hillbeck and Kentmere

- iii. A right to remain on the Estate – The Council are committed to offering Council tenants in the above blocks a new Council home on the Estate, pre-allocated based on housing need.
- iv. A commitment that the tenancy rights will remain the same and the tenancy will be with the Council.
- v. A commitment that the rent would remain a Council rent.
- vi. A commitment to paying home loss compensation and disturbance costs.
- vii. A commitment that the resident right to buy will apply when the Council tenant moves to their new home on the Estate.

Commitments to residents on the housing waiting list or tenants in the towers and in Manor Grove who are living in overcrowded accommodation or in housing need, including those who want to downsize

- viii. A commitment to offer a Council home on the Estate
- ix. A commitment that the tenancy offered will be a Council tenancy (subject to eligibility)
- x. A commitment that if residents are currently in a larger property than they need, they will be eligible for a property with one more bedroom than their need. However, if residents wish to downsize they can.

Further commitments

In addition to the above, as part of its Landlord Offer the Council is also committed to providing:

- xi. A dedicated support team – to support residents on the Estate to understand the proposals of the proposed Scheme and the best options for them and provide support moving home. This dedicated support team offers support to vulnerable residents with all aspects of their move and liaises with family members accordingly
- xii. A fair and flexible offer to homeowners – The Council are committed to ensuring that no homeowners are worse off financially as a result of this offer.

- xiii. Adaptable homes in over 55s block – The Council has provided a commitment that tenants and homeowners will be able to move into a dedicated Over 55s Block (if eligible) or move directly into their new home in one move.
 - xiv. High standards and high quality homes – maintain the Estate in line with the Council's Great Estates Programme and all new homes to be built to latest standards in current Building Regulations
 - xv. Help when moving by paying all reasonable removal expenses and help with arranging moves and setting up homes
 - xvi. Minimal disruption
 - xvii. Parking – resident car owners who currently have a parking permit will have a parking permit for the Estate.
- b. The Council has appointed independent surveyors to inspect and value the properties, and leaseholders have appointed their own surveyors to act for them. The Council is also committed to paying leaseholders' reasonable legal and surveyors' professional fees so that they may take independent professional advice.
- c. All resident leaseholders have been offered a range of rehousing options to acquire a new leasehold home that can be bought via shared ownership, or shared equity loan with the Council.
- d. **Acquisitions to date**
- i. There were initially 28 leaseholders within the Phase 2 Site. Out of the 28, 15 leasehold interests have been successfully acquired to date by the Council with 13 leasehold interests still to be acquired.
 - ii. Out of the 13 remaining leasehold interests, 7 are non-resident leaseholders investors and 6 are resident leaseholders.
- e. **Resident leaseholders**
- Out of the 6 resident leaseholders
- i. 2 have reached agreement with the Council and lawyers are instructed; and
 - ii. 4 are in negotiations with the Council.
- f. **Non-resident leaseholder investors**
- Of the 7 remaining non-resident leasehold interests:
- i. 1 has reached agreement with the Council and lawyers are instructed;
 - ii. 3 are in negotiations with the Council; and
 - iii. 3 are not engaging with the Council.

The Council will continue to negotiate with the remaining leaseholders and seek engagement with the leaseholders who have thus far not responded.

g. **Statutory Undertakers**

Negotiations are ongoing with statutory undertakers regarding diversion of their networks running through the Phase 2 Site with the principle of development agreed with certain undertakers.

Summary

- 4.54. Prior to the availability of compulsory purchase powers, discussions will continue with the owners of the relevant interests who are willing to sell their interest by agreement. This approach of making the Order and, in parallel, conducting negotiations to acquire land by agreement is in accordance with the Guidance.
- 4.55. The Council remains committed to acquiring outstanding interests, wherever practicable, by way of agreement. The Council has agreed to continue their attempts to negotiate purchases of the outstanding land interests by private treaty agreement, but there is no guarantee that these attempts will be successful and accordingly, without the Order, there is no certain prospect of Phase 2 proceeding. As noted above, a small number of non-resident leaseholders are not engaging with the Council, reinforcing this point.
- 4.56. The Council considers that the use of its CPO powers to acquire all outstanding interests in the Order Land is required as it has not been possible to achieve this by agreement and it is highly unlikely that it would be able to do so within an acceptable timescale without the Order. Phase 2 cannot proceed unless these interests are acquired.
- 4.57. The Order Land includes utilities that run through the Phase 2 Site. All utility operators with known equipment in the Order Land will be given notice of the making of the Order. Phase 2 takes account of the apparatus of Statutory Undertakers (UKPN/ Thames Water/ SGN/ Openreach / Virgin) and where affected, discussions will be held with the relevant Statutory Undertakers and alternative arrangements agreed to relocate or replace as required.

(XII) COMPELLING CASE IN THE PUBLIC INTEREST

- 4.58. The Council has been conscious of the need to strike a balance between the rights of the individual within the Order Land and the interests of the public. In light of the significant benefits both to residents and the public that would arise from the regeneration of the Order Land as part of Phase 2, the Council has concluded that it would be appropriate to make the Order, and that the Order will not result in any unlawful interference with Human Rights. At all times, the Council has been aware that the Order Land includes homes, balancing this with the need to secure the regeneration of the area for the provision of high quality new homes, and the wider well-being, social and economic benefits.

- 4.59. The Council and the Developer have undertaken wide and meaningful engagement and consultation with residents and owners who have had the opportunity to make representations in respect of the proposals. In addition, objections can also be made to the Order, which will then have to be considered by the Secretary of State before a decision is made whether or not to confirm the Order. It is therefore considered that the statutory procedures which give the right to object and provide for judicial review are sufficient to satisfy. Furthermore, those directly affected by the Order may be entitled to compensation in line with legislation and statutory guidance together with support from the Council as necessary.
- 4.60. The purpose of the Order is therefore to secure the acquisition of all the relevant interests in the Order Land to facilitate Phase 2.
- 4.61. The Council considers that there is a compelling case in the public interest for the making of the Order. The principle of Phase 2, and the Scheme overall, is supported by planning policy at both a national and local level. It is not considered that there are any planning or viability impediments to the implementation of Phase 2: the Original Hybrid Permission was granted on 27 October 2022 with the S73 Permission being granted on 11 August 2024. Approval of reserved matters for Phase 2 (i.e. the Phase 2 RMA) was granted in April 2025. The Developer is committed to the delivery of Phase 2. The Council considers that Phase 2 will make a positive contribution to the promotion of the achievement of the economic, social and environmental well-being of the area.
- 4.62. Vacant possession of the outstanding interests within the Order Land is required to enable Phase 2 to proceed. The Council is satisfied that it has made reasonable attempts to acquire outstanding interests by agreement. The Council have attempted, and will continue to attempt, to take reasonable steps to purchase the outstanding interests by agreement. However, the Council considers it unlikely that it will be able to acquire all of these interests by agreement within a reasonable time period. The exercise of compulsory purchase powers will enable redevelopment to take place at an earlier date by providing certainty in respect of site assembly.
- 4.63. The Council has carefully considered the need to include each parcel of land in the Order Land and is satisfied that these interests are required for the delivery of Phase 2.
- 4.64. For the reasons explained above, the Council therefore considers there to be a compelling case in the public interest to proceed with the Order.

5. LEGAL REGARDS

Public Sector Equality Duty

- 5.1. In formulating and promoting the Order, the Council has had regard to its statutory duties and obligations under the Equality Act 2010 and in particular its obligations under Sections 149 and 150 of the said Act in taking into account the differential impact the Order will have on various groups of persons with different characteristics.

- 5.2. A full equality analysis was undertaken in November 2024. This analysis identified effects on residents during the renewal process including relocation and loss of social cohesion, loss of access to community resources, access to finance as a result of relocation, expenses associated with relocation, access to housing, health effects associated with relocation, safety and security, accessibility and mobility in the surrounding area and information and communication.
- 5.3. No other negative impacts were identified and the assessment will be regularly reviewed and updated to ensure that any impacts are identified and mitigated.
- 5.4. The full equality analysis sets out existing measures the Council has in place to mitigate or enhance impacts and makes recommendations as to how the Council can further mitigate risk or enhance opportunity. The Council has followed the measures recommended:

Relocation and loss of social cohesion:

- a. Work proactively and constructively through a range of channels, including face to face engagement where possible with residents, keeping up-to-date records of changing needs and circumstances, particularly if residents who will be most affected by refurbishment and/or relocation in order to remediate feelings of social isolation.
- b. Temporary housing will adhere to accessibility guidelines and consider the environmental needs of tenants e.g. elderly residents will avoid being allocated in temporary accommodation near busy roads.

Loss of community resources:

- c. Maintain continuity in access to community resources (e.g. churches and play areas) where possible. If this is not possible, consider pop-up spaces for these uses.

Access to finance as a result of relocation/ Expenses associated with relocation:

- d. Residents will be supported through market search assistance to find an alternative property in the local area, if this is desired, which meets their needs.

Access to housing Appropriate and accessible housing:

- e. The Council will continue to communicate proactively with residents through a range of channels, including face-to-face engagement where possible, keeping up-to-date records of changing needs and circumstances, particularly those who are most affected by a change to accessible and appropriate housing such as families with children.
- f. Early estimates of changes to rent and service charges as a result of the redevelopment will be communicated to residents as soon as possible.

Health effects as a result of relocation:

- g. If possible, permanently rehouse residents within the Phase 1 homes to which they have been temporarily moved

- h. Ensure that accessible and inclusive support options are provided for disabled individuals who require support services during relocation.
- i. Limit the amount of times individuals are moved, where possible, to reduce stress.
- j. Continue to explore options to grow and advocate existing peer support groups such as the Tustin Resident Project Group (RPG). Review accessible provisions within group meetings.

Safety and security:

- k. Ensure best practices for enhancing safety and preventing crime are considered throughout the planning and construction process.
- l. Ensure a process is in place for reporting and addressing incidents of Anti-Social Behaviour (ASB) within the Estate.
- m. Monitor the security of the Estate and consider additional security where concerns are flagged. However, any enhanced security measures will only be implemented as a last resort, if deemed necessary, and in conjunction with residents, as it risks adding to a sense of vulnerability, isolation, and loss of sense of community for residents.

Accessibility and mobility in the surrounding area:

- n. As with health impacts, good access and mobility would be maintained through the creation of a construction environmental management plan ("CEMP"), which would set out arrangements for any necessary diversions, which will provide well-signed routes that limit extra travelling distances. The CEMP will also ensure that access is maintained through measures such as limiting pavement obstructions and maintaining disabled parking. The CEMP will specifically consider the needs of protected characteristic groups who may have limited mobility.

Information and communication:

- o. Accessible format consultation materials, including but not limited to, easy read, different community languages, audio, and braille, is available if requested.
- p. Access to information and communication will be available in a number of formats, including online, telephone and one to one meetings, to ensure that all residents have safe access to information and support services
- q. Information will be provided in a clear and easy to understand way and communicated in a timely manner. This includes keeping website information up to date.

Human Rights Considerations

- 5.5. The Human Rights Act 1998 ("the **HRA**") incorporated into domestic law the Convention.

- 5.6. Section 6 of the HRA prohibits public authorities from acting in a way which is incompatible with the Convention. Articles 6 and 8 and Article 1 of the First Protocol of the Convention are considered to be relevant by the Council.
- 5.7. The Council has duly considered the rights of property owners under Article 1 of the First Protocol of the Convention, which provides for the peaceful enjoyment of possessions. Article 1 further provides that no one shall be deprived of possessions except as provided for by law or where it is in the public interest. It is considered that the Order will strike a fair balance between the private loss of property and the public interest in securing the implementation of Phase 2.
- 5.8. Article 6 of the Convention provides that everyone is entitled to a fair and public hearing in the determination of their civil rights and obligations. It is considered that the statutory procedures, which give the right to object and provide for judicial review, are sufficient to satisfy the requirements of this Article.
- 5.9. The Council has also considered the rights contained in Article 8 of the Convention. This provides that everyone has the right to respect for their private and family life and that there shall be no interference by a public authority with the exercise of this right except in accordance with the law, where there is a legitimate aim and where it is fair and proportionate in the public interest. It is considered that any interference caused by the Order will fall within these exceptions having regard to the public benefit which will accrue from Phase 2.
- 5.10. The Council have been conscious of the need to strike a balance between the rights of the individual and the interest of the public. It has considered the effect of the Articles and decided that on balance, and in light of the significant public benefit that would arise from Phase 2 and the nature of the Order Land, it is in the interest of the wider community to make the Order over and above the interests of any individuals affected. Any interference with the Convention rights is considered to be justified in order to secure the economic, social, physical and environmental regeneration that Phase 2 will bring. Appropriate compensation will be available to those entitled to claim it under the relevant statutory provisions.

Landlord Offer – Resident Ballot

- 5.11. As referred to above, as part of the Resident Ballot process a series of commitments have been made by the Council to all residents on the Estate who were resident on the Estate at least 12 months prior to the ballot in March 2021. These commitments are outlined in the paragraphs above but for ease of reference include:
- a. if a resident wishes to remain on the Estate a new home would be offered in the development that meets the residents housing needs;
 - b. a commitment to ensuring that no homeowners are worse off financially, and an option for homeowners to buy a property on the Estate (if they so wished).

As a result, residents will not be unintentionally displaced from the Estate as a result of the regeneration proposals

Conservation Area, Listed Buildings and Special Category Land

- 5.12. The Order Land is not located in a conservation area and does not comprise any special category land nor does the Order Land contain any listed or designated assets.

No Scheme World

- 5.13. For the purposes of assessing compensation to be awarded under the CPO Compensation Code, the effects of the Scheme as a whole, and which includes Phase 2, should be disregarded and compensation should be assessed in the no scheme world.

6. CONCLUSION

- 6.1. The Order Land relates to and forms a critical part of Phase 2. Phase 2 itself will deliver much needed high quality new homes (295 residential units), including over 50% affordable housing, spread across a range of dwelling types and sizes to help meet local needs which would make a contribution to the overall Borough's annual housing target of 2,355 units and play a significant role in meeting the Borough's affordable housing targets, the Council's homes building and Key Worker homes targets (almost a fifth of the Borough's keyworker homes target). The majority of the proposed homes are dual aspect, and each has good access to green open spaces, public transport and active travel. A high standard of design is proposed, with robust brick and metal being the primary materials to ensure longevity and good weathering for years to come. The proposed development of Phase 2 is also highly sustainable with on-site carbon emissions reductions of 85% beyond Building Regulations due in part to connectivity to the District Heating Network. This will ensure that residents' bills are minimised moving forward.
- 6.2. Furthermore Phase 2 is supported in policy terms at national, regional and local level. In order to achieve the redevelopment of the Order Land, action is required to facilitate the acquisition of the interests necessary for the provision of the high quality residential accommodation as envisaged by Phase 2. Phase 2 will also improve the streetscapes and Tustin Common with passive surveillance, inclusive design, new sustainable drainage and enhanced landscaping achieving an urban greening factor of 0.4, biodiversity net gain and reduced runoff rates. The proposed development of Phase 2 would also increase local job training, employment opportunities and a significant amount of CIL and S106 payments towards improvements of local infrastructure. The redevelopment of Phase 2 can only sensibly be achieved within a reasonable timescale through the use of the Council's powers of compulsory acquisition.
- 6.3. Having considered the relevant policy and guidance the Council is satisfied that there is a compelling need in the public interest for compulsory powers to be sought in order to secure the redevelopment and improvement of the Order Land as part of Phase 2 to deliver economic, social and environmental improvements to the Order Land and the surrounding area. The Council has therefore made the Order and would ask the Secretary of State to confirm the Order.

7. ADDITIONAL INFORMATION

Council Contacts

- 7.1. Anyone who considers that they are affected by the Order can contact Osama Shoush, Strategic Lead (email: osama.shoush@southwark.gov.uk), telephone 0207 525 5000 during normal office hours or make an appointment to visit him at The Council Offices, 160 Tooley Street. London SE1 2QH.

The Order, Order Map and Statement of Reasons

- 7.2. A copy of the Order, Order Map and this Statement of Reasons can be inspected at
- a. The Reception Desk, Southwark Council Offices, 160 Tooley Street, London SE1 2QH between 9 a.m. and 5 p.m. on Mondays to Fridays (excepting bank holidays); and
 - b. Peckham Library, 122 Peckham Hill Street, London SE15 5JR on Mondays to Fridays (excluding Bank Holidays) between 9 am to 8 pm and on Wednesdays between 10 am to 8 pm.
- 7.3. This Statement of Reasons for making the Order is not intended to discharge the Council's statutory obligations under the Compulsory Purchase (Inquiries Procedure) Rules 2007 in the event of a public local inquiry being held.
- 7.4. In the event of a Public Inquiry, further supporting material, plans and documents will be put in evidence. A list of these, together with the addresses at which they can be inspected, will be notified to the public in accordance with the relevant Rules.

RELEVANT DOCUMENTS FOR THE INQUIRY

Number of document	Title of Document
-----------------------------------	--------------------------

- | | |
|----|--|
| 1. | Ministry of Housing, Communities and Local Government - Guidance on the Compulsory Purchase Process (January 2025) |
| 2. | Cabinet Report and Decisions |

Date Report/Decision	of	Title Report/Decision	of	Issued by
13 July 2021		Tustin Estate Low Rise Delivery Programme		Cabinet
16 September 2024		Tustin Estate Phase 2 Compulsory Purchase Order		Cabinet
7 January 2025		Tustin Estate Phase 2 Compulsory Purchase Order		Cabinet

- | | |
|----|---|
| 3. | Town and Country Planning Act 1990, Section 226 |
|----|---|

Copies of the documents referred to above can be made available in electronic and or hard copy format following a request to Osama Shoush, Strategic Lead, Southwark Council, 160 Tooley Street, London SE1 2QH (email: osama.shoush@southwark.gov.uk, telephone 0207 525 5000)