The London Borough of Barnet (Granville Road Estate Pramsheds and Beech Court) Compulsory Purchase Order 2018

Proof of Evidence of Helen Phillips

On behalf of the London Borough of Barnet as Acquiring Authority

Dealing with matters relating to: Acquisition Strategy

26 June 2018

Document reference: AA/HP1.1

1. **Introduction**
   1. My name is Helen Phillips and I am the Regeneration Officer for the Granville Road Estate Regeneration Scheme. I am employed by Re – a provider of regeneration services to London Borough of Barnet. I have provided assistance to regeneration and affordable housing in Barnet since December 2012.
   2. I hold a BA (Hons) Contemporary Studies; post graduate Diploma in Housing and an ILM in Leadership and Management. I have 20 years of experience in social and affordable housing specialising in leasehold management, resident liaison and housing development.
   3. My current role involves ensuring that the Council's regeneration objectives for the Estate are met and that our development partners meet the obligations set out in the Development Agreement. I am also the liaison contact for all registered providers in Barnet assisting in the delivery of the Housing Strategy for Barnet.
   4. My role specific to Granville Road Estate has been to provide project management support and negotiating on the acquisitions of the Pramsheds. I have been working on this project for 18 months.
2. **Scope of evidence**
   1. In my evidence I will: -
      1. Demonstrate the need for the acquisition of all relevant land and interests in the Order Land
      2. Provide an overview of the Guidance on negotiations and reasonable steps to acquire
      3. Describe the negotiations with partners who have an interest in the Order Land
      4. Describe the interests in the Order Land that have been acquired by the Council
      5. Set out the details of the Council’s negotiations to acquire the interests in the Order Land
      6. Summarise the Council’s response to the objections to the Order
3. **The Need for the inclusion of the land and Interests within the Order.**
   1. The need to acquire all the land in the Order arises from the Council’s policy objectives that seek the comprehensive redevelopment of the Estate.
   2. Full details of the details of the interests included in the Order are set out in the Order Schedule (CD4). They are also shown on the Order Map (CD5). The Order Map identifies by plot numbers of the interests to be acquired and where the interests are located.
   3. The Order Land comprises of part of The Estate and consists of: -
   * Beech Court – A three storey brick block of 21 flats in the North -Western corner of the Estate.
   * Nant Court Pramsheds – On land directly east of Nant Court. Nant Court Pramshed comprises of 41 separate Pramsheds.
   * Granville Point Pramsheds – On land directly South East of Granville Point. Granville Point comprises of 60 separate Pramsheds.
   * Harpenmead Point Pramsheds – On land directly North West of Harpenmead Point. Harpenmead Point comprises of 60 separate Pramsheds.
   * Templewood Point Pramsheds – On land directly North of Templewood Point. Templewood Point comprises of 60 separate Pramsheds.
   1. The Order Land is 0.0983 hectares and was assessed using London Borough of Barnet GIS Webmap Editor as shown on the Order Map (CD5)
   2. The Council owns the freehold interest in all of the Order Land. There are a significant number of third party interests identified in the Order Schedules. As described in this proof of evidence, The Council has endeavoured to acquire the land interests necessary to deliver the regeneration of the Estate by negotiation.
   3. A land referencing company, Terraquest was appointed by the Developer to research Land Ownership and to undertake a land referencing of the Order Land. This was to comprehensively identify interests in the Order Land.
   4. However, the Council considers that it is unlikely that all the necessary interests will be able to be acquired by agreement, within a reasonable timescale. Consequently, the confirmation of this Order is necessary to ensure the delivery of the Phase 2 Scheme.
   5. The Council are responsible for the acquisition of the Pramsheds and the tenants’ interests at Beech Court, and New Granville LLP are responsible for acquiring the leaseholder’s properties at Beech Court.
4. **Negotiations to acquire the interests in the Order Land**
   1. The MHCLG’s Guidance on Compulsory purchase process and the Crichel Down Rules (‘the Guidance’) was originally published in 2015 and updated in 2018 (CD30).
   2. In preparing and making the Order, the Council have taken the Guidance fully into account.

Human Rights

* 1. The Council has evaluated the interference with the rights of those with interests in the Order Land that confirmation of the Order will result in, and considers that this is justified in the public interest. This is explained in Nicola Bird's proof of evidence (AA/NB1.1). Part of the justification is that compensation will be payable in respect of the interests acquired. The value of that compensation is to be derived in accordance with the compensation code.
  2. Offers were made to the Pramshed leaseholders in an attempt to reach an agreement with leaseholders to acquire their Pramsheds in advance of the Order being made. Thirty replacement Pramsheds as part of the Phase 2 Scheme have been made available. Parties have been offered spaces in the replacement Pramsheds on a ‘first come first served’ basis as an alternative to a compensation payment in respect of the market value of their existing Pramshed. 28 of the 30 replacement Pramsheds have been provisionally allocated to these leaseholders to date.
  3. Offers of £3500 including compensation to cover both the value and disturbance costs of acquisition have been made to those leaseholders who have not requested a replacement Pramshed. The Council considers that this is a reasonable offer and accords with the advice in paragraph 3 of the Guidance (CD30, page 7).

Progress on acquisition of the interests at Beech Court

* 1. There is a total of 21 flats within Beech Court, five of which were leasehold interests and 16 were secure tenancies.
  2. The developer has acquired all the five leasehold residential interests in Beech Court by private treaty. Details are set out in Ross Williams’ proof of evidence (AA/RW1.1)
  3. All 16 tenancies have now ended.
  4. The Council’s housing provider, Barnet Homes arranged for guardians to occupy the Beech Court flats. Two companies were instructed to place guardians; Ad Hoc Property Management Limited (Ad Hoc) and Umbrella Property Care (Umbrella). Umbrella went into administration and their guardians have since been evicted. There are currently 4 guardians in situ managed by Ad Hoc. 28 days’ notice is required to terminate the guardians’ occupation of these properties.

Progress on acquisition of the interest in the Pramsheds

* 1. There is a total of 221 Pramsheds across the four Pramshed locations on the Estate which are required to be demolished.
  2. 48 of the Pramsheds were included in the leases of leaseholders on the estate and 8 Pramsheds were included in a ‘right to use’ lease. This equates to a total of 56 Pramsheds for which the Council have been in negotiations with the leaseholder.
  3. The remaining 165 Pramsheds were used by residents of the Estate without a right to a Pramshed stated in their lease or tenancy agreement. These tenants and leaseholders had no express or implied legal interest in the Pramsheds. All 165 Pramsheds are now vacant.
  4. During 2014 the Council identified those Pramsheds that where included in the lease agreement for leaseholders on the Estate.
  5. Initially, the Council valued the Pramsheds at Granville Point, Harpenmead Point and Templewood Point at £750. Nant Court Pramsheds were in a better state of repair and were valued at £1000. In addition to the valuation an additional amount of £500 to cover legal and surveying costs was offered or the offer to accept an alternative within the agreement plus £500 to cover legal and surveying costs. The valuations were carried out by Will Maby, Senior Surveyor at GL Hearn for New Granville LLP and Charles Maxlow-Tomlinson BSc (Hons) MRICS at Capita for the Council. The valuation report is attached AA/HP3.1.
  6. On 14th July 2014 the Council issued a letter explaining the Phase 2 Scheme and the offer above to Nant Court (AA/HP3.2) and Granville Point, Templewood Point and Harpenmead Point (AA/HP3.3).
  7. On 24th September 2014 the Council repeated the contents of the 14th July 2014 letter to Nant Court (AA/HP3.4) and Granville Point, Templewood Point and Harpenmead Point (AA/HP3.5)
  8. Planning permission for the scheme was then refused, and the acquisition negotiations were placed on hold until after the planning appeal, which was allowed on 8th August 2016 (CD20) Negotiations re-commenced in August 2016.
  9. A further valuation was completed by Arshad Ahmed LLB B.Sc. MRICS on the Pramsheds on behalf of the Council. This valuation of £3500, taking into consideration the market value of the Pramsheds and was inclusive of surveying and legal costs, regardless of location, to incentivise parties to sell their Pramshed.
  10. On 13th January 2017 a further letter (AA/HP3.6) was sent to parties with anticipated interests in the Pramsheds confirming that Planning Permission had been granted. The letter confirmed the Council’s preference to avoid compulsory purchase and provided details of the new increased offer. The Council repeated the offer of a replacement Pramshed as an alternative, noting there were only a limited number of replacement Pramsheds available.
  11. On 16th March 2017 a further letter was sent to parties with known interests in the Pramsheds repeated its offer to acquire The Pramshed interest or to provide a replacement (AA/HP3.7).
  12. The Council also identified leaseholders with a ‘right to use’ a Pramshed included in their lease agreement. On 28th March 2017 a letter was sent to these parties (AA/HP3.8).
  13. On 11th May 2017 a letter was sent to those parties that owned their Pramshed who had not yet responded repeating the offer (AA/HP3.9).
  14. On 11th May 2017 a letter was sent to ‘right to use’ parties reconfirming the offer (AA/HP3.10).
  15. On 19th June 2017 a letter was sent to parties who ‘own or have the right to use’ the Pramsheds who had not responded to previous letters reconfirming the offer (AP/HP3.11)
  16. On 4th July 2017 a letter was sent to residents of the Estate on the scheme explaining the appointment of Terraquest as a land referencing agent, The Council encouraged leaseholders of Pramsheds to contact The Council regarding The Councils offer to acquire the Pramsheds or provide a replacement (AA/HP3.12).
  17. During the remainder of 2017 and 2018 the Council repeatedly corresponded by phone or email with parties who had an interest in the Pramsheds and had responded to letters. The negotiation schedule shows the negotiations up until 21st June 2018 (AA/HP3.13).
  18. Details of the negotiations are set out in the schedule (AA/HP3.13) The following table summarises the Pramshed acquisitions to date (21st June 2018):

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | No. of leasehold Pramsheds | No. of right to use leasehold | Pramsheds acquired for cash | Pramsheds acquired for replacement | Agreed but not under contract | Not yet agreed |
| Templewood Point | 9 | 0 | 3 | 5 | 1 | 0 |
| Harpenmead Point | 10 | 1 | 5 | 1 | 4 | 1 |
| Granville Point | 15 | 0 | 5 | 3 | 7 | 0 |
| Nant Court | 14 | 7 | 7 | 2 | 10 | 2 |
| Total | 48 | 8 | 20 | 11 | 22 | 3 |

1. **Objections to the Order and the Council's response** 
   1. The Secretary of State has received two objections against the confirmation of the Order.

Objector 1

* 1. The Council's communication with Objector 1, Dr Kim Murphy since the Order was made has been collated in Objector 1- Schedule of Communication (AA/HP3.14).
  2. Objector 1 was concerned with the temporary and permanent replacement storage proposals. The objector’s concerns, and the Council’s response to these, are set out below:
     1. Any agreement must be properly documented and legally binding with a definite time frame.

The Council met with the Objector on 13.3.18 and agreed the legal document for the replacement Pramshed will be re drafted with the details regarding size and timeframe (AA/HP3.15).

* + 1. The provision of a temporary shed for 24 months is unreasonable.

The Council believes its offer of a temporary storage shed whilst the new one is built and made available is appropriate, and that the temporary shed will be suitable in terms of size, location and security. The specification of the temporary shed is exhibited with this proof (AA/HP3.25). The temporary shed will be available for the period from when the existing Pramshed is demolished until the replacement is ready for use. The temporary shed will be located on or near the location indicated on the plan at exhibit AA/HP3.16

* + 1. The loss of the Pramshed would negatively impact its (property) market value.

The Objector was offered a cash settlement or a replacement Pramshed and has opted for a temporary and then permanent replacement Pramshed. The permanent replacement Pramshed is of a broadly similar size to the existing Pramshed (see 5.6.6 below), and has improved security and weather proofing. These are further described in Jo McCafferty evidence (AA/JM1.1 in Section 4.2).

* + 1. The Council met with Objector 1 to explain the offer and discuss the objection, and issued new contract documents (AA/HP3.15) and letter on 16 March 2018 (AA/HP3.17) regarding a temporary shed. The Council responded formally to the Objector on 21st March 2018 (AA/HP3.18).
  1. Given the mitigation and interim measures, the Council does not consider objector 1's objection should be sustained and that the interference with Objector 1’s human rights is justified in the public interest.

Objector 2

* 1. The Councils communication with Objector 2, Wimal, Irine, Indika and Kalana Patabendige since the Order was made has been collated in the Objector 2 – Schedule of communication in AA/HP3.19.
  2. Objector 2 was concerned with the Council's use of terminology and its communication and negotiation strategy, and considered that the Order breaches the objector's human rights. The objector considered the provision of the temporary replacement storage facility was inadequate. The objector’s concerns, and the Council’s response to these, are set out below:
     1. Objection to the use of the word ‘Pramsheds’ as it devalues the storeroom and property.

The Council has historically referred to the storage units as “Pramsheds”.  In an effort to keep the documentation consistent and to avoid confusing other parties who accept the term 'Pramshed', this term is used throughout any legal documentation produced by Barnet Council and in the Order.  The documentation for acquisition (contract) has been specifically amended to refer to Storeroom and not Pramshed. (AA/HP3.20)

* + 1. Objection to 11.4 of Statement of Reasons regarding communication by telephone

The Statement of Reasons describes the Council's Estate wide negotiations, and telephone conversations were had with several parties. However, whilst telephone conversations were not held with this objector, communications were held via email and letters.

* + 1. (a,b & c) The Council did not make reasonable attempts to negotiate before the Order was made.

The Council did enter into negotiations before the Order was made, and believes that in doing so it discharged its responsibilities under the Guidance (CD30, para 2 and 34) to take reasonable steps to acquire land interests by agreement.

The following table summarises the negotiations with the Objector before the Order was made.

|  |  |  |
| --- | --- | --- |
| **Date** | **Communication** | **Detail** |
| 14.7.14 | Letter from The Council | Offer of £1000 or replacement shed. |
| 13.1.17 | Letter from the Council | Offer of £3500 or replacement shed |
| 7.3.17 | Letter from the Council | Offer of £3500 or replacement shed |
| 19.3.17 | Email from Objector | Not a Pramshed but a storeroom  Do not wish to sell and prefer replacement of the same size |
| 20.3.17 | Email from The Council | Pramsheds are generic term and will confirm details in lease.  Replacements will be like for like in size  Location plan of new Pramsheds  New Pramsheds design. |
| 29.3.17 | Email from Objector | confirming they want a replacement |
| 30.3.17 | Email from The Council | Confirmed lease states storeroom.  Advised referred to legal team to progress. |
| 31.5.17 | Contract | Draft contract issued by HBPL |
| 7.7.17 | Letter from HBPL | Letter to chase return of Contract |
| 19.7.17 | Contract | Revised contract issued by HBPL |
| 30.7.17 | Email from Objector | Requested size of storeroom.  Advised current size is 2.05m x 0.86m x 2.13m |
| 14.8.17 | Letter from HBPL | Chasing Contract |
| 16.9.17 | Email from Objector attaching letter dated 15.9.17 and email 30.7.17 | Advised Storeroom not Pramshed.  New shed in replacement for current shed.  Requesting a temporary shed |
| 20.9.17 | Email from The Council | Holding Response. |
| 27.9.17 | Letter from HBPL & Contract | Responding to points in letter from Objector dated 15.9.17 and 30.7.17 and enclosing contract amended further to Objector’s comments. |
| 16.10.17 | Email from Objector | Requested response to letter of 15.9.17 and email 30.7.17  Stated it was not necessary to CPO The Pramsheds as the Council own 85% of the Nant Court Pramsheds. |
| 16.10.17 | Email from the Council | Advised HBPL responded on 27.9.17.  Advised the Council would have to make a CPO Order if leaseholders do not sign their interest to The Council. |
| 16.10.17 | Letter from HBPL | Included  Copy of letter issued by HBPL on 27.9.17  Contract with lease  Transfer document  Vacant possession form  Lender consent form |
| 16.10.17 (received on 17.10.17) | Letter from Objectors (crossed with HBPL letter of same date) | Objectors requesting amendments to typo in contract and that exchange takes place simultaneously. |
| 26.10.17 | Letter from HBPL | Corrected spelling of name, confirmed temporary shed would be available. |
| 23.11.17 | Letter from Objector to HBPL | Contract stated Pramshed not storeroom.  Confirms current storeroom (2.5m x0.86m x 2.13m)  Location to be confirmed. |
| 29.11.17 | Letter from Objector to The Council | Not replied to previous letters.  Temporary shed |
| 30.11.17 | Email from The Council | Attached copy of response sent on 16.10.17 and advised temporary sheds are being designed. |
| 18.12.17 | Email from The Council | Temporary Shed details, including link to example of a shed. |
| 30.12.17 | Email from the Objector to The Council | Not replied to previous letters.  Temporary shed to be same size as current shed. Advised current shed is (2.5m x 0.86m x 2.13m) |
| 4.1.18 | Letter from HBPL & Contract | Confirmed contract has already been provided with ‘store room’ not Pramshed as description.  Agreed new Shed would be similar dimensions  Contract re issued. |
| 8.1.18 | Email from the Council | Confirmed HBPL have written on 4.1.18 and sent previous letters on 27.9.17,16.10.17, 26.10.17 responding to the Objectors letters.  Confirmed the Council has also contacted via email on 16.10.17,30.11.17 and 18.11.17.  Offered to send copies if required. |
| 25.1.18 | Order made |  |

* + 1. (d) Uncertainty when the replacement shed would be available.

On 3rd April 2018 the objector was issued with a letter confirming the temporary storage will be in place for approximately 7 months upon which the Objector would be provided with a permanent new build replacement shed (AA/HP3.21).

* + 1. Legally binding agreement must include the following: -

*A- Size.* The Council have included the dimensions of the replacement Pramshed in the draft Contract (paragraph 5 of the special conditions) (AA/HP3.20).

*B- Construction.* The Council had included the construction materials in previous Contract issued to the Objector on 13.2.18, this was removed in the final draft in error and has since been re inserted.

*C – Location.* The Council have included the location in the draft Contract. A site map has been issued to the Objector.

*D – Site Plan to be included in the lease.* The draft lease is an annex to the draft Contract and the Council confirms the site plan will be included in the final version.

*E - Temporary Storage.* The Council have included the use of temporary storage in the draft Contract.

* + 1. Statement of Reasons is questionable.

*A - Condition of storerooms at Nant Court not considered.*

The condition of the store rooms/ Pramsheds was considered when the storerooms were valued. Paragraph 3.19 of Statement of Reasons states that the Nant Court Pramsheds were repaired in 2012.

*B – Dimensions of Storerooms are incorrect.*

The Pramsheds measurements are as per the Statement of Reasons, The Objector has reported their storeroom as 250cm length x 86cm width x 213cm height. On 21st March 2018 Arshad Ahmed LLB BSc MRICS measured the Pramshed of number 26 Nant Court Pramshed which is in the same Pramshed block as 24 Nant Court (block 21 -35 Nant Court), Pramshed 26 Nant Court GIA measurements are 200cm length x 85cm width x 216cm height.

The Council have provided details of the build specification and the Contract specifies the new store rooms/ Pramsheds will be 180cm length x 84cm width x 250cm height.

*C – Build Specification of new Sheds.*

The build specification was issued to the Objector on 20.3.17. The Contract confirms the build specification. Further details regarding the build specification can be seen in Jo McCafferty’s evidence AA/JM1.1 in section 4.2

*D –* Loss of Storage and current car parking is sufficient.

The Council has offered the objector a replacement Pramshed at the rear of Nant Court. Please refer to AA/HP3.22 for the location map of these replacement Pramsheds. The Phase 2 Scheme will provide free parking for existing residents living on the Estate and parking areas will be designated exclusively for existing residents AA/HP3.23 shows the plan for the Parking Strategy.

Nicola Birds evidence AA/NB 1.1 addresses the Objector's Human Rights objection.

E – Letter in 2014 not received and have not been offered £3500.

The table in 5.6.3 describes letters and the Objectors response to these. The Objector was offered either £3500 or a replacement Pramshed and notified the Council they would prefer a replacement Pramshed on 19.3.17.

* + 1. The Acquiring Authority has not negotiated and is not interested as the CPO is financed by a private developer.

The table in response in 5.6.3 summarises the negotiations with the Objector. Compulsory acquisition and payment of compensation is not the Council's preferred option. Compulsory acquisition is a route of last resort, and the Council would rather acquire the Pramsheds by agreement. However, if no agreement can be reached the Council believes that there is a compelling public interest in delivering the Phase 2 Scheme which justifies compulsory acquisition of the Pramsheds.

* + 1. Legal Documents have spelling mistakes on the names.

The Council has apologised, corrected and a new draft Contract has been issued.

* 1. The Council emailed the Objector on 6.3.18 offering to meet and to discuss the objection, the Objector responded to this request on 20.3.18 stating they did not want to meet and advised has instructed a Solicitor to complete the negotiations in replacement of the Pramshed. This Solicitor has yet to take instructions from the Objector.
  2. The Council formally responded to objector 2 on 6 March 2018 (AA/HP3.24).
  3. The Council has continued to negotiate with Objector 1 and Objector 2 as per the Guidance (paragraph 17 and 34). This is evidenced in AA/HP3.14 and AA/HP3.19.

1. **Conclusion** 
   1. In conclusion:
      1. I have explained how the Council's offers of compensation meets the statutory requirements and has been prepared to mitigate the impact of the Phase 2 Scheme on residents.
      2. I have demonstrated that the Council has undertaken reasonable negotiations to acquire in advance of the order, as required by section 2 of the Guidance.
      3. I have set out Council's response to the objections that have been made to the Order.
      4. I do not consider the objections can be sustained, and I do not consider that they justify refusing to confirm the Order.

**Declaration**

I believe that the facts stated in this proof of evidence are true.

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Helen Phillips

26 June 2018