

Barratt Metropolitan Limited Liability Partnership

**London Borough of Barnet (West Hendon Regeneration
Area) Compulsory Purchase Order No 1 2014**

Proof of Evidence

Mr Matt Calladine

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PLANNING INSPECTORATE REF: APP/NPCU/CPO/N5090/74016

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1. Introduction

Personal details

- 1.1 My name is Matt Calladine. I am the Head of Development for Barratt London and have been employed by Barratt since January 2012. I have overall responsibility for all Barratt London development schemes in central and west London, currently totalling 18. Last year Barratt London delivered 1,655 new homes in the capital.
- 1.2 I have 24 years' experience in delivering housing and regeneration schemes with Barratt and other national developers and house builders.
- 1.3 In addition to being responsible for the West Hendon Scheme I am presently managing the delivery of a large number of residential and regeneration projects across London, with examples including:
- Great West Quarter, Brentford
 - Hounslow town centre regeneration
 - Stonegrove Edgware
- 1.4 Prior to joining Barratt in 2012 I spent 6 years employed by Redrow Homes. I held the dual post of Regeneration Projects Director as well as Technical and Planning Director covering the south Midlands. Prior to working for Redrow, I spent 6 years as the Head of Technical and Planning at Persimmon Homes Thames Valley and subsequently City Developments.

Role in relation to proposed Scheme

- 1.5 I am a member of the Barratt Metropolitan Limited Liability Partnership working group and am providing evidence on behalf of both Barratt and Metropolitan.
- 1.6 My responsibility in regard to the Scheme covers all development issues, including all planning and land assembly matters.

2. Scope of Evidence

2.1 In my evidence I will

- I. Describe the structure of the Developer and its arrangements with the Council
- II. Describe the experience of the Developer
- III. Describe the Scheme and the project phasing
- IV. Confirm the Developer's commitment to delivery
- V. Respond to objections relating to the areas covered within this evidence

3. The Developer

- 3.1 The Scheme is being and will continue to be delivered by the Council's development partner, Barratt Metropolitan Limited Liability Partnership, (the Developer), a consortium of Metropolitan and Barratt.
- 3.2 BDW Trading Ltd & Barratt Developments PLC (formerly known as Barratt Homes Ltd until 30 November 2007) trading as Barratt London ("Barratt") is one of the UK's leading housebuilders, building homes and new communities across the UK. It was established in 1958 and listed on the London Stock Exchange in 1968 and is a constituent of the FTSE 100 Index.
- 3.3 Barratt London is the business unit responsible for delivering Barratt's London schemes. It is the only national housebuilder with a major presence in the London market. Barratt London's development portfolio includes large regeneration schemes, high-rise residential towers and the conversion of redundant office buildings to provide high-quality residential accommodation, as well as small high-value niche developments. The portfolio includes both mixed use and residential led schemes.
- 3.4 Barratt has a broad range of regeneration experience and is used to working collaboratively with partners from both the public and private sectors. It has worked with successive government agencies and councils across London and the UK to transform derelict sites into quality homes and associated community facilities.
- 3.5 Barratt's recent experience includes working with the Council on delivering the Stonegrove estate regeneration providing 937 residential units, a church and a community centre. The Great West Quarter scheme involves 897 residential units, hotels, offices and retail space. In Bromley-by-Bow Barratt have also worked with the LDA on the redevelopment of St Andrews Hospital to deliver 964 new homes, a new health centre and community building. In Lewisham town centre, Barratt are building a new leisure centre for Lewisham Council together with 788 new homes. Other current developments include the delivery of 465 new homes and a new Sainsbury's store overlooking the River Thames in Fulham, a development of 129 apartments in Westminster, and a 27-storey tower at Aldgate.

3.6 Barratt is committed to quality design and utilises award winning architects to create well-designed buildings that positively enhance the built environment. Barratt schemes have secured multiple awards including:

- In June 2013, Barratt was named Sustainable Developer of the Year at the What House Awards 2012, in addition to Sustainable Housebuilder of the Year at the Housebuilder Awards 2012.
- In June 2014 site managers working for Barratt won 90 awards for quality workmanship in the NHBC Pride in the Job Quality Awards. This is the tenth consecutive year Barratt has won more quality awards than any other housebuilder. The Pride in the Job Awards are the industry's most prestigious national awards for building the best quality new homes in Britain.
- In March 2014, Barratt was confirmed as meriting the maximum five star official rating after 32,137 new home buyers took part in the annual Home Builders Federation customer satisfaction survey. This is the fifth year running that Barratt has won a five star rating for customer satisfaction – the only major national housebuilder ever to do so.

Other awards include:

- Evening Standard New Homes Awards 2014 – Best Large Development, Trumpington Meadows, Cambridge
- Housing Design Awards 2013: Derwenthorpe – Completed Project winner and Edgware Evolution South – Project winner
- Scottish Home Awards 2014 – Housing Development of the Year, Castlewell, Ellon
- First Time Buyer Readers' Awards 2014 – Best Large Development, Hanham Hall, Bristol
- 2014 RESI Awards – Large Developer of the Year
- Civic Trust Awards 2014 – Yorkshire & Humberside winner
- Housebuilder Awards 2013: Winner – Best customer satisfaction initiative: Barratt Residential Asset Management (Barratt London). Highly commended – Best design for four storeys or more (joint): Ontario Point, Maple Quays

3.7 Metropolitan is the brand name for Metropolitan Housing Trust Limited (MHT) and Metropolitan Support Trust (MST). Metropolitan is a leading registered provider of integrated housing services, care & support and community regeneration. It manages over 36,000 affordable homes for rent and sale to those with greatest housing need, along with a range of care and support services. Metropolitan is investing in the West

Hendon Regeneration Project via its wholly owned subsidiary Metropolitan Living Limited.

- 3.8 Metropolitan provides a diverse range of service to over 80,000 customers across London, the East of England and the East Midlands. It is a member of the g15, which represents London's 15 largest housing associations. The g15 houses one in ten Londoners and builds a quarter of London's new homes.
- 3.9 The Developer's member organisations have significant track records of delivering similar large scale residential projects, and have teams of in house experts covering development, finance, project management and construction working on this project, as well as external consultants covering design, planning, community engagement and site assembly.
- 3.10 The Developer has already delivered the Pilot and Lakeside phases (which I shall refer to as phases 1 and 2 respectively in my evidence) of the Regeneration Project and is in the process of constructing phase 3a of the Scheme which will deliver 216 units. Accordingly, the Developer is well placed to continue and is committed to deliver and complete the whole of the West Hendon Regeneration Project.

4. Arrangements between the Developer and the Council

Scheme Background

- 4.1 The Decent Homes Programme outlined in the evidence of Mr Shipway at paragraph 3.8 (page 5) required local authorities to ensure that their housing stock offers residents the opportunity of a decent home and promotes social cohesion, well-being and self-dependence.
- 4.2 The Council identified the homes within the Estate as failing to meet those requirements, and after consideration of various options decided that proposals to regenerate the Estate (with a new local town square, improved transport links and improvements to the area surrounding the Welsh Harp Reservoir SSSI) would be the best way to achieve the delivery of those requirements.
- 4.3 In 2002 (following a competitive tendering exercise advertised in the Official Journal of the European Community in November 2001) the Council selected the West Hendon Consortium (Metropolitan Housing Trust, Lovell Partnerships and Bellhouse Joseph) as its development partner to undertake regeneration proposals for West Hendon.
- 4.4 On 31 May 2005, the Council approved a decision authorising Barratt Homes Limited as a development partner (replacing Lovell Partnerships and Bellhouse Joseph) alongside Metropolitan Housing Trust to form Barratt Metropolitan LLP.
- 4.5 The Council and the Developer entered into a Principal Development Agreement dated 11 August 2006 ("the PDA"). In 2006 the PDA secured an initial investment of approximately £450 million, this commitment has increased as the project has progressed.

The 2008 Permission

- 4.6 On 20 March 2008, the Council granted planning permission (planning ref: W13230A/07) for a standalone 'Pilot Phase 1' as part of the regeneration proposals. Outline planning permission (planning ref: W13987/04) for the comprehensive regeneration of the Estate was granted on 1 July 2008 ("the 2008 Permission"), with

reserved matters approval (planning ref: H/04103/08) for Phase 2 known as 'Lakeside' granted on 22 December 2008. 194 residential units have been completed pursuant to those permissions.

- 4.7 Whilst both the Council and the Developer remained committed to delivering the aims of the Regeneration Project, the changing economic climate was starting to impact on the proposals. The Developer also further considered the practicalities of delivering the development as approved under the 2008 Permission, which highlighted difficulties in decanting and re-providing homes within the scheme phasing. A number of market focused and construction deliverability factors led to the Developer and the Council agreeing that further development under the 2008 Permission was not possible.

The Scheme & the PDA

- 4.8 In consultation with the Council, the Developer prepared revised Masterplan proposals, and from autumn 2011 the Council and the Developer held pre-application discussions to revise the Masterplan with a view to securing a suitable and viable development proposal for the Estate and wider West Hendon area. The Developer subsequently submitted the part-detailed part-outline planning application ref: H/01054/13 ("**CDB.01**") for the Scheme in March 2013.
- 4.9 On 19 November 2013, the Council and Developer entered into an agreement pursuant to section 106 of the Town and Country Planning Act 1990 (the "s106 Agreement" "**CDB.36**"), in respect of the Scheme. Planning Permission for the Scheme ("the 2013 permission") was granted on 20 November 2013 ("**CDB.37**").
- 4.10 The PDA was varied on 5 February 2014 to reflect the revised masterplan for the Scheme and changes to its commercial aspects. The Council and Developer also entered into a CPO Indemnity Agreement ("CPOIA") on 5 February 2014, under which the Developer undertook to indemnify the Council in respect of costs incurred in promoting, making and securing the compulsory acquisition of the Order Land and the compensation payments arising from those acquisitions.
- 4.11 The CPOIA will also indemnify the Council in respect of costs related to the making and promotion of up to three additional Orders, again including land acquisition costs, required to deliver the Scheme.

- 4.12 The PDA sets out the arrangements between the Council and the Developer in relation to the Scheme, including respective responsibilities, notifications and approvals, land transfers and financial arrangements. The evidence of Mr Cowie at paragraph 2.40-2.51 at pages 11 & 12 provides further detail.
- 4.13 The PDA contains a number of overarching pre-conditions relating to the Scheme overall, such as the receipt of planning permission. Following satisfaction of these pre-conditions, the PDA was deemed unconditional in July 2014. The Scheme is now subject only to individual phase conditions.
- 4.14 The Regeneration Project, and particularly the 2013 permission, is divided into a number of phases for the purposes of decanting, construction and delivery. In addition, for the purpose of land transfers from the Council to the Developer, the PDA adopts these phases which are linked to the planning permission for the Scheme (**CDB.37**). Land for each phase can be drawn down by the Developer serving a notice on the Council but the Developer is only able to serve the notice when specified phase conditions have been satisfied.
- 4.15 Phase conditions include matters such as infrastructure, planning, design and other approvals. Responsibility for satisfying the conditions is divided up between the Developer and the Council.
- 4.16 The conditions also include a 'viability test' which requires an assessment of the viability of the subject phase to be undertaken, and an agreed level of return demonstrated, before the phase commences. The Developer can opt to waive this viability test and deliver a phase even if the PDA viability test is not met. Whilst the Scheme is divided into phases for the purposes of planning and delivery as set out above, the Developer considers the overall scheme viable and has therefore opted to take forward phase 3 despite this phase alone not meeting the PDA viability test.
- 4.17 Phase 3 involves the provision of a significant amount of infrastructure and also the delivery of the majority of the Scheme's affordable housing and provision of this physical and social infrastructure is key to meeting the Council's objectives in regenerating the area. The PDA obliges the Developer to complete phase 3 before moving to subsequent phases.

- 4.18 As outlined in paragraph 6.6 at page 16 the Developer considers later phases of the Scheme will meet the viability test within the PDA and it is not possible to deliver these phases without first completing phase 3. Consequently the Developer is committed to meeting the phase conditions and delivering the Scheme as there is a huge commercial incentive to reach the later phases.
- 4.19 The phase conditions require the Developer to secure detailed planning consent for phase 3b and 3c. As outlined in paragraph 7.26 at page 21 do not foresee any difficulty in meeting this condition.
- 4.20 The conditions also require vacant possession of the land to be available for construction. Whilst the Council and Developer remain committed to assembling the site by agreement the Order is necessary to ensure this condition is met within a reasonable timescale.
- 4.21 It is necessary for the Council and Developer to agree certain details such as the detailed project programme and overage. Similar matters have been agreed to enable the delivery of phases 1, 2 & 3a, and consequently I see no reason why these details will not be agreed for the remainder of phase 3 or subsequent phases.
- 4.22 The phase conditions are designed to ensure that delivery of any phase does not commence until the necessary background work is complete and required consents are in place. This is to ensure that there remains no impediment to delivery once construction of each phase commences.
- 4.23 The Developer is confident that satisfying the phase conditions in the PDA presents no impediment to completing phase 3 or to delivering the remainder of the Scheme. The Developer and Council have already satisfied comparable conditions relating to the phases which are complete and those parts of phase 3a presently under construction.

5. Scheme description

- 5.1 The Order facilitates the completion of phase 3 of the Scheme by assembling the land interests and rights necessary to complete phase 3a and deliver 3b and 3c. Full details of the Scheme are set out in the evidence of Mr Heyns at sections 4 & 5 (Pages 33-93) the Scheme is summarised in paragraph 5.3 on page 12.
- 5.2 Detail of the phased delivery of the Regeneration Project is considered further at section 6 (pages 15 & 16) of this evidence. By way of summary the Regeneration Project is delivered in 6 phases. Phases 1 and 2 have been delivered in accordance with the 2008 Permission as outlined at paragraph 4.6 (page 8) and the Scheme (via the 2013 Permission) will deliver phase 3 to 6. These phases incorporate a number of sub phases.
- 5.3 The Scheme will provide a catalyst for the wider regeneration of the West Hendon area. The primary aims of the Council in promoting the Scheme and Masterplan are outlined in paragraph 4.2 at page 17 of **CDA.11** and summarised as follows:
- Creation of 2,000 new homes of a variety of types and tenures
 - Creating linkages through from the estate to West Hendon Broadway and Welsh Harp reservoir
 - New education & community facilities as well as retail and commercial space
 - Appropriate landscaping, open space and parking provision
 - Appropriate phasing of the development to allow for the decant and rehousing of the Estate's secure tenants and home owners within the new development
 - Highways improvements linked to the Scheme.
- 5.4 The Scheme has been split into a number of delivery phases to ensure that the regeneration is sustainable and deliverable. Completion of all phases is necessary to ensure the Developer makes a commercial return on its investment. The CPO will enable the completion of phase 3, construction of which commenced in January 2014.
- 5.5 The Developer and Council achieved vacant possession of the land required to enable the completion of phase 1, 2 and the construction of Phase 3a without the need for compulsory purchase powers as outlined at paragraphs 7.2-1.8 (page 17). It
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is likely that phases 4, 5 and 6 will require further Compulsory Purchase Orders to enable site assembly although the Council and Developer remain committed to acquiring land interests by agreement if possible.

- 5.6 Completion of phase 3 is key to delivery of the whole Scheme as it links the phases which are already completed into the wider area. It also provides significant new infrastructure which is vital to the delivery of the later phases of the Scheme and the wider regeneration of the West Hendon area. Phase 3 falls within the central area of the Regeneration Project and will create a new sense of place by reconnecting the Broadway to the Welsh Harp through a new civic space and reconfigured York Park. The transformation created by phase 3 provides the foundations for the reintegration of the estate with the wider area and impetus for the wider regeneration of West Hendon.
- 5.7 The majority of the properties fronting The Broadway will not be physically affected, with selective demolition taking place as necessary in order to create links between the Scheme and the adjoining area. This approach allows the majority of the Broadway to regenerate naturally. The commercial space will evolve in response to improved commercial conditions creating a more integrated and successful Broadway in retail terms. Consequently the extent of the proposed acquisition strikes a balance between the need to link the areas and encourage wider regeneration, whilst allowing much of the Broadway to regenerate through the market as a consequence of the wider benefits resulting from the Scheme.
- 5.8 Ramsey Close (although originally included within the 2008 permission) is also now excluded from the Scheme as identified in the revised masterplan at pages 28 & 29 within the evidence of Mr Heyns. Ramsey Close is not within the revised masterplan or the hybrid planning consent. Instead the residents of Ramsey Close will benefit from the new infrastructure and betterment resulting from the wider regeneration without needing to move from their homes.
- 5.9 Without the completion of all of the phases of the Scheme the wider benefits of the comprehensive regeneration will not be realised and instead isolated pockets of redevelopment would remain within an area of decay and deprivation. The evidence of Mr Cowie in paragraphs 7.28 & 7.29 at page 24 and Mr Watling in paragraphs 8.1-8.4 at page 22 demonstrates that the market alone could not assemble the land interests required to complete phase 3, and therefore compulsory