

<b>LONDON BOROUGH OF CAMDEN</b>	<b>WARDS:</b> Kentish Town South
<b>REPORT TITLE</b> Proposed Regeneration Strategy for the Kentish Town Regis Road Growth Area in accordance with the Kentish Town Planning Framework (SC/2022/53)	
<b>REPORT OF</b> Cabinet Member for New Homes, Jobs and Community Investment and Cabinet Member for Finance and Cost of Living	
<b>FOR SUBMISSION TO</b> Cabinet	<b>DATE</b> 16 <sup>th</sup> November 2022
<b>STRATEGIC CONTEXT</b>  We Make Camden is our joint vision for the borough, developed in partnership with our community. The regeneration of the Regis Road Growth Area contributes to the objectives set out by our communities through We Make Camden for: <ul style="list-style-type: none"> <li>• everyone in Camden to have a place they call home</li> <li>• Camden to be a green, clean, vibrant, accessible, and sustainable place with everyone empowered to contribute to tackling the climate emergency</li> <li>• Camden communities to support good health, wellbeing and connection for everyone</li> <li>• Camden's local economy to be strong, sustainable, and inclusive</li> </ul> The Way We Work is the Council's response to We Make Camden. The regeneration of the Regis Road Growth Area contributes to the commitments and ambitions in the way the Council works to support its citizens by building as many genuinely affordable homes as quickly as possible, and enable others (including developers and housing associations) to do the same. <p>Camden's Local Plan (2017) aims to create the conditions for growth to deliver the homes, jobs, infrastructure and facilities to support it, ensuring that growth delivers opportunities and benefits for our residents and businesses. It aims to deliver sustainable growth and highlights that the most significant growth will be delivered in growth areas such as Regis Road in Kentish Town designated for employment-led mixed-use redevelopment and intensification, aiming to deliver in the region of 1000 new homes, over 1500 additional jobs, new connections and open space.</p> Since the Local Plan was adopted, the need for new housing, especially affordable housing, has intensified and therefore creating more affordable homes is a key priority for the Council. With the quantity of new homes and affordable housing envisaged within the Regis Road Growth Area, it can significantly contribute towards delivering Camden's housing needs and We Make Camden objectives. The cost of living crisis has also magnified the significant economic and social disparities that exist within Camden, including the wards surrounding Regis Road. The employment-led regeneration of Regis Road will play an important role by	

working with the business community to deliver inclusive growth to benefit everyone, supporting our local economies, creating jobs and apprenticeships and increasing the number of affordable workspaces in the borough.

## **SUMMARY OF REPORT**

In 2017, the Regis Road industrial area was designated a Growth Area in the Camden Local Plan, creating a significant opportunity to deliver higher density employment provision as part of a comprehensive redevelopment scheme that will also deliver substantial increase in homes and jobs, as well as reconnecting local communities. Following extensive engagement, the Kentish Town Planning Framework was adopted in 2020; it expands on the Regis Road opportunity to create a richly layered and characterful place that is an exemplar mixed-use redevelopment with high quality homes that supports a diverse local community.

Since the Regis Road Growth Area designation in 2017, attempts to catalyse the delivery of regeneration have so far not progressed into firm proposals. This report sets out a proposed Regeneration Strategy to kickstart the regeneration of Regis Road based on the use of Council's land assets, including potential land disposal and potential use of compulsory purchase and land appropriation powers.

The report is coming to the Cabinet because the Council's Constitution reserves to the Cabinet the decision under the Directorate Authorisation Scheme to grant authority for the approval of the disposal of any freehold or leasehold land/or property and acquisition of land on a freehold or leasehold basis in accordance with the Constitution.

### **Local Government Act 1972 – Access to Information**

No documents that require listing were used in the preparation of this report.

#### **Contact Officer:**

David Burns

Director of Economy, Regeneration and Investment

Supporting Communities

5 Pancras Square, N1C 4AG

Tel: 0207 974 6908

[David.Burns@camden.gov.uk](mailto:David.Burns@camden.gov.uk)

## **RECOMMENDATIONS**

Cabinet is asked to:

1. Agree to the proposed Regeneration Strategy for Regis Road as set out in Section 2 of this report for the comprehensive regeneration of the Regis Road Growth Area to deliver the objectives of the Camden Local Plan (2017) and the Kentish Town Planning Framework (2020)

2. Delegate authority to the Executive Director Supporting Communities in consultation with the Executive Director Corporate Services and the Cabinet Members for New Homes, Jobs and Community Investment; Finance and Cost of Living; and Better Homes to take all steps required to progress and implement the Regeneration Strategy (save those referred to in Recommendation 3 below) to include:
  - Any decision in relation to the appropriation of land to facilitate regeneration
  - Allocation of funding for resource and specialist consultant advice required to progress and implement the Regeneration Strategy

The Leader of the Council is asked to:

3. Delegate authority to the Cabinet Member for New Homes, Jobs and Community Investment in consultation with the Executive Director Supporting Communities, the Executive Director Corporate Services, the Borough Solicitor and the Cabinet Members for Finance and Cost of Living; and Better Homes to take all decisions within the Regis Road Growth Area reasonably required to implement the Regeneration Strategy in relation to:
  - disposal of any existing Council owned land assets in accordance with all relevant statutory requirements including consultation requirements (this to include the disposal of the Council's land assets at Regis Road and Holmes Road to act as a catalyst to deliver regeneration)
  - exercise of the Council's 'in principle' power to compulsorily purchase land required to facilitate regeneration
  - acquisition of any land interests reasonably required to facilitate regeneration

Signed:



Gillian Marston, Executive Director Supporting Communities

Date: 2 November 2022

## 1 CONTEXT AND BACKGROUND

- 1.1. The Regis Road industrial area in Kentish Town was designated a Growth Area in the Camden Local Plan (2017) for comprehensive employment-led redevelopment to provide a new neighbourhood with a mix of uses including industry logistics, other employment uses, permanent self-contained homes, open space and community facilities. The area currently houses various low-density industry and business uses in several different land ownerships including the Council-owned Recycling Centre and Car Pound site.
- 1.2. The Kentish Town Planning Framework, adopted as Supplementary Planning Document (SPD) in 2020, sets out the vision for an innovative new mixed-use neighbourhood covering both the Regis Road Growth Area and the adjacent Murphy's site. Combined, the sites make Kentish Town one of the borough's largest areas of potential growth with key aspirations for employment-led development; a strong local economy to help deliver Camden's Science, Technology, Engineering, Arts and Maths (STEAM) objectives (for young people accessing career opportunities in creative, digital and scientific industries) and apprenticeships; and to deliver potentially 2,000 new homes. With existing creative businesses in the area, there is opportunity to build on the framework to develop and support a 'Creative Quarter' at Kentish Town.
- 1.3. Guidance provided in the framework has been developed through significant public consultation and based on adopted policy in the Camden Local Plan, Kentish Town Neighbourhood Plan and Dartmouth Park Neighbourhood Plan. Policy and guidance seek a comprehensive masterplan-led approach to redevelopment at Regis Road Growth Area to achieve the optimal quantum and quality of development. Hence, a piecemeal approach to redevelopment is resisted and a single planning application covering the whole Growth Area is envisaged in the framework.
- 1.4. Multiple private land ownerships within the Regis Road Growth Area (see Appendix 1: Plan 1) add complexity to the comprehensive delivery approach, with landowner collaboration and land assembly likely to be required.
- 1.5. Exploration to support the comprehensive delivery approach to regeneration (as summarised in Appendix 2) has involved the Greater London Authority (GLA) Industrial Intensification Programme and the Mayor's Land Fund, engagement with key landowners, developer interest and the potential role of Camden's land assets: the Regis Road Recycling Centre and Car Pound site and the Holmes Road Depot site (see Appendix 1: Plan 2).

## 2 PROPOSAL AND REASONS

- 2.1. A range of options for regeneration has been explored and, whilst there have been promising discussions, none of the options explored has so far brought forward a comprehensive masterplan or planning application. The proposal is therefore to progress a **Regeneration Strategy** involving Camden's land

assets on Regis Road and Holmes Road, as an enabler and catalyst for the regeneration that will bring forward the benefits envisaged in the Planning Framework and the Neighbourhood Plan.

- 2.2. The Regeneration Strategy's objectives for utilising the Camden assets are to:
  - enable and catalyse the comprehensive regeneration of the Regis Road Growth Area;
  - enable the comprehensive delivery and masterplan-led approach to deliver the objectives of the Kentish Town Planning Framework – to create a new innovative mixed-use neighbourhood of up to 1,000 new homes including affordable homes, employment space and jobs, open space and connections with surrounding communities such as Gospel Oak;
  - enable 'seamless' re-provision of the Recycling Centre and other Council service provision as necessary to support the Regeneration Strategy;
  - support land assembly and coordination within and between land parcels and ownerships; and
  - to deliver 'best consideration' capital receipt in the event of land disposal.
- 2.3. The strategic case and economic opportunity described in the Planning Framework is clear that there are significant benefits available to the Council and local residents through redevelopment and intensification of land use in the Regis Road area, in terms of creating affordable housing, jobs and social infrastructure as well as also delivering financial benefit through Community Infrastructure Levy (CIL), business rates and Council Tax.
- 2.4. Regeneration could be achieved potentially through a conditional land sale agreement, where the Council's land is disposed to a private sector developer to take on the planning and development risks. Sitting alongside disposal, the Council could also agree to use its land powers – compulsory purchase and land appropriation, and potentially acquisitions by agreement if necessary – with costs covered by the developer to enable a comprehensive approach to be delivered in the longer term.
- 2.5. Any disposal of the Council's land for redevelopment would require 'seamless' service re-provision, maintaining continuity of service while enabling redevelopment. Of particular importance is the Regis Road Recycling Centre; the Regeneration Strategy will ensure that this facility continues to operate.
- 2.6. In any disposal of the Council's land, the Council will retain the freehold and agree an arrangement with the purchaser to ensure the Council's re-provision requirements are met.
- 2.7. A key consideration is the existing 21 council and 4 leasehold flats on the Holmes Road Depot site. The Council is committed to ensuring that existing residents benefit from the Regeneration Strategy. Initial engagement with these residents has begun on the strategy. If Cabinet agrees this Strategy, the Council will need to prepare a programme of residents' engagement to enable discussions on opportunities and options with tenants and leaseholders.

- 2.8. In parallel with progressing this Strategy, it is proposed that the Council will continue to engage with landowners to support a coordinated approach, and to also continue dialogue with the GLA regarding the Mayor's Land Fund and how it may help to facilitate and unlock delivery.
- 2.9. If Cabinet agrees this Strategy and grants delegations to progress and implement the strategy, the following main workstreams of the strategy need to be progressed before any future decisions:
- A masterplan and delivery proposal through collaboration and/or partnership with landowners and potential developers including consideration of the enabling role of Council's land assets;
  - A service repositioning strategy enabling efficient optimal long-term service provision;
  - Engagement programme with residents of the existing homes on the Holmes Road Depot site and the wider stakeholder community; and
  - The case to use the Council's compulsory purchase and land appropriation powers and acquisitions if considered necessary to enable regeneration.
- 2.10. If Cabinet decides to agree this Strategy and grant delegations, the Council is not obliged to follow through on the decision including the disposal of land.

### **3 OPTIONS APPRAISAL**

- 3.1. Delivery options open to the Council have been considered in relation to the level of public sector intervention required to enable regeneration, taking into account the policy requirement for a comprehensive approach and complexity of landownership at Regis Road.
- 3.2. **Recommended option 1 – Adopt the Regeneration Strategy including use of Council land on Regis Road and Holmes Road as enabler and catalyst:** The Council, with its land interest at Regis Road and Holmes Road, is well positioned to facilitate comprehensive redevelopment in collaboration with a developer and/or other key landowners. This option would clearly demonstrate the Council's commitment to delivering regeneration at Regis Road, with the aim of encouraging the landowners to follow suit, and, by using land assembly powers if required, a coordinated masterplan can be delivered.
- 3.3. **Option 2 – 'Do nothing':** Without further direct action nor resource input by the Council, it would be left to market forces and the private sector to deliver regeneration. Evidence from the earlier work with the GLA recommended against this option, indicating that redevelopment is unlikely to come forward in a coordinated manner for comprehensive delivery, with risk to the Council of failure to deliver the new homes, jobs and reconnected neighbourhood as envisaged in the Planning Framework.
- 3.4. **Option 3 – Private sector landowner-led masterplan:** If the landowners were to work together to bring forward a regeneration proposal acceptable to the Council, the Council could work with the landowners in a supporting role. This could include enabling further planning tools such as a masterplan SPD

or design code to add to the Planning Framework. This option is not ruled out by progressing with option 1, should landowners make appropriate progress.

- 3.5. **Option 4 – Public sector-led land assembly:** The Council could exercise its compulsory purchase powers to acquire all necessary land in the Growth Area to deliver comprehensive redevelopment. This direct delivery option was not recommended by the earlier work with the GLA as it would expose the Council to high levels of cost and risk. The GLA had made concerted efforts to acquire land to support land assembly which have so far not led to any acquisition.
- 3.6. Option 1 is recommended. The proposed Regeneration Strategy is predicated on this option which takes on the important role that disposal of Council-owned sites for delivery by third parties can play in supporting new affordable homes to be built in Camden without need for initial investment by the Council to develop new homes.

#### **4 WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?**

- 4.1. Regis Road and Holmes Road are home to several different council services. Discussions are taking place with the services currently accommodated on the two sites, to clarify potential requirements towards consolidating a service re-provision strategy for Regis Road which will ensure continuity of service.
- 4.2. The **Recycling Centre** on Regis Road is clearly valued by the local community. Operated by the North London Waste Authority (NLWA) on behalf of Camden, it is safeguarded in planning policy and the North London Waste Plan. Any discussion on changes to the facility will require the NLWA's cooperation, including the potential value enhancer in relocating the facility elsewhere in Regis Road and release more space for alternative uses. The default assumption is re-provision within the Growth Area.
- 4.3. The Regis Road site also houses the **Car Pound** and an office and welfare facility for parking wardens. Discussions are ongoing with the service to assess and clarify potential re-provision requirements.
- 4.4. **Holmes Road Depot** houses workshops, maintenance/storage areas, and offices for the Council's housing management and repair services, highways, CCTV suite and environmental services, including parking for fleet vehicles and a local depot for Veolia. It is essential that the workshops and maintenance/storage areas are re-provided as they are crucial to running the repairs service. Re-providing the CCTV facility for crime/safety monitoring is also crucial. However, the parking CCTV facility for monitoring parking can potentially be consolidated off-site and this will be considered further.
- 4.5. The office space is currently being considered as part of the Council's corporate property asset review with possibility of releasing office space elsewhere. Holmes Road Depot could potentially be used as swing space or replacement space for elsewhere in the borough. Re-provision of the same floor space could offer a commercial lettings opportunity in future should it no longer be needed.

- 4.6. Veolia holds a lease on part of the Holmes Road Depot that is coterminous with their service contract with the Council with a break clause. Ongoing dialogue with the service will establish the continuing need for depot space in the borough as part of any future contract. The default is that it will be re-provided as part of any redevelopment.
- 4.7. The Holmes Road site has Council owned and leasehold housing. Initial engagement has begun with residents and letters have been sent to all households to inform them about this Cabinet report. If Cabinet agrees this Regeneration Strategy, a thorough programme of engagement will be prepared to be carried out with these residents to discuss opportunities and options ahead of any future decision making.
- 4.8. Risks related to delivery of key regeneration objectives of the Local Plan and Planning Framework will be managed by setting the necessary pre-conditions in any deal for the Council owned sites to facilitate comprehensive redevelopment and undertaking a robust pre-application and planning process to ensure a policy compliant and viable scheme.
- 4.9. Risks related to commercial arrangements and obligations on the Council regarding land disposal and re-provision will be addressed by the regeneration and property teams working closely together to ensure due diligence and that the Council's property interests are transacted at best consideration reasonably obtainable based on first class property and other expert advice to achieve the best outcomes for the Council.
- 4.10. Risks related to the impact on the provision and continuity of council services and on existing homes and the wider council estate and how they are being, or will be, addressed are as outlined in sections 4.1 to 4.7.

## **5 CONSULTATION/ENGAGEMENT**

- 5.1. Extensive engagement has taken place on the Planning Framework with considerable community support for the opportunity for redevelopment and the vision and objectives set out in the framework.
- 5.2. Engagement has also taken place with landowners and this forms part of an ongoing dialogue. For redevelopment to take place, a planning application, or applications, will be submitted and, in advance of any submission, extensive local engagement will be required as the redevelopment proposals evolve.
- 5.3. Residents of the 25 flats on Holmes Road within the scope of the proposed Regeneration Strategy have been informed by letter of the Cabinet report. If the proposed strategy is agreed, an engagement programme will be prepared to be carried out with residents to discuss opportunities and options.
- 5.4. An initial Equalities Impact Assessment (EIA) has been produced and is attached as Appendix 3. If the Strategy is agreed and progressed, the EIA will be updated to consider impacts further to support future decisions.



## **6 LEGAL IMPLICATIONS**

- 6.1. In considering the recommendations, the Cabinet must have due regard to the impact those decisions will have upon the Council's statutory duty with regard to equalities as set out in Section 149 of the Equalities Act 2010. In summary these legal obligations require the Council and Cabinet, when exercising its functions, to have 'due regard' to the need to: (1) Eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act; (2) to advance equality of opportunity between people who share a relevant protected characteristic and those who do not; (3) Foster good relations between people who share a relevant protected characteristic and those who do not (which involves tackling prejudice and promoting understanding). Under the Duty, the relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion, sex and sexual orientation. In respect of the first need (1) only, the protected characteristics of marriage and civil partnership are also relevant.
- 6.2. In the recommendations on delegations of authority, this authority includes decisions to dispose or acquire assets or to exercise compulsory purchase or land appropriation powers. All such decisions shall be based on formal reports in the Council's standard "Non Key Executive Decision" or "Single Member Decision" making format (as applicable to the recommendations) which will incorporate further advice on legal compliance with exercise of statutory requirements including s123(2) Local Government Act 1972 (in relation to disposal of land including duties around best consideration), Public Contracts Regulations 2015 (and successor legislation), Acquisition of Land Act 1981 (in relation to exercise CPO powers), powers in the Local Government Act 1972 and the Housing and Planning Act 2016 (in relation to appropriation of land) and relevant consultation requirements including the duty in s105 Housing Act 1985 to consult secure tenants accordingly.

## **7 RESOURCE IMPLICATIONS**

- 7.1. The proposed Regeneration Strategy could result in a capital receipt from land disposal alongside a number of additional costs, most notably the cost of re-providing services and housing and the project costs. There may also be a relatively minor loss of rental income while the housing is re-provided. While the project is still at an early stage, the capital receipt should entirely cover the costs of re-provision and the project costs. As the re-provision proposals are developed in more detail, more detailed cost estimates will be produced and budgets set up to provide funding.
- 7.2. Besides transferring risks to a developer, the recommended option 1 also avoids increasing the Council's Capital Financing Requirement (CFR), that is, how much it needs to borrow. As agreed by Cabinet in September 2022, on some Community Investment Programme housing regeneration schemes, the Council is taking the approach of seeking upfront capital receipts to keep its borrowing within prudent levels.

- 7.3. While this approach does reduce the direct control the Council has over the redevelopment (unlike option 4), it still exercises control through the Local Plan and the Kentish Town Planning Framework. Furthermore, as the sites are not primarily residential, the land disposal option is appropriate.
- 7.4. The size of the capital receipt will depend on, among other things, the details of the scheme that comes forward and the future macro-economic environment. Section 4.9 outlines how the Council will ensure it obtains best consideration for the disposal of the site.
- 7.5. The regeneration of the Council's land assets and the wider Regis Road Growth Area should bring other financial benefits in the longer term. The intensification of the site should result in more business premises with higher rateable values and therefore in a net increase in the business rates base. Similarly, the residential element will grow the Council Tax base. Together, they will provide more funding for Council services.
- 7.6. Staff time is currently being covered from core budgets. A budget of £800k is likely to be needed for resource to undertake the required resident engagement, as well as external legal, valuation and technical advice, including potentially funding a consultant project team, to develop the proposals – some of these costs should be recoverable from any capital receipt. In the short term however, this budget will need to be identified from the council's existing revenue resources. This initial outlay is needed to properly resource the programme and manage the risks set out in section 4 to ensure successful outcomes.

## **8 ENVIRONMENTAL IMPLICATIONS**

- 8.1 A key objective of the Kentish Town Planning Framework is sustainable, innovative development that delivers a Zero Emissions Neighbourhood. Regeneration at Regis Road offers the opportunity to address the key issues of energy use, air pollution, resource efficiency and climate resilience, to deliver a sustainable neighbourhood with net positive environmental impact.

## **9 TIMETABLE FOR IMPLEMENTATION**

- 9.1. The aim is to progress the proposed Regeneration Strategy (refer to section 2.9 which outlines the main workstreams) towards future decision making in 2023, bearing in mind the potential timeline involved in the engagement process with existing residents and other local stakeholders.

## **10 APPENDICES**

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| Appendix 1 – | Site plans of Regis Road Growth Area landownerships  |
| Appendix 2 – | Summary of exploration to support the comprehensive delivery approach to Regis Road regeneration |
| Appendix 3 – | Equalities Impact Assessment   |

**REPORT ENDS**