

NON-KEY EXECUTIVE OFFICER REPORT

LONDON BOROUGH OF CAMDEN	WARDS: Kentish Town South
REPORT TITLE Budget for Regeneration strategy for the Kentish Town Regis Road Growth Area project.	
REPORT OF Director of Economy, Regeneration & Investment	
FOR SUBMISSION TO Executive Director Supporting Communities	DATE SUBMITTED TO DECISION MAKER 23 rd November 2023
SUMMARY OF REPORT <p>This report is requesting a budget to be allocated to resource the Regeneration Strategy for the Kentish Town Regis Road Growth Area project, enabling officers and external consultants to continue to fulfil the Council's obligations under the sale agreement relating to the Car Pound & Reuse Recycling Centre site on Regis Road NW5 and Holmes Road Depot site on 76 – 79 Holmes Road NW5.</p> <p>On completion of the sale contract with Yoo Capital (YC) the Council will receive a capital receipt and a contribution for costs; the full amount of the budget will be recoverable from these receipts.</p> <p>The report considers the risks and mitigations available.</p> <p>Local Government Act 1972 – Access to Information</p> <p>No documents have been used in the preparation of this report.</p> <p>Contact Officer: David Burns, Director of Economy, Regeneration and Investment 5 Pancras Square London N1C 4AG Tel: 020 7974 6908 David.Burns@camden.gov.uk</p> <p>Gavin Sexton Area Regeneration Manager Supporting Communities 5 Pancras Square, N1C 4AG. Tel: 020 7974 3231 Gavin.Sexton@camden.gov.uk</p>	

RECOMMENDATIONS

THAT the Executive Director, Supporting Communities agrees:

1. To approve the budget of £808,000 from Corporate resources to fund the Regeneration Strategy for the Kentish Town Regis Road Growth Area including meeting the requirements of the Conditional Land Sale Agreement, over the next 5 years to 2027/8.
2. To approve the total budget with re-profiling between years as required to achieve the programme dates.

Signed:

A handwritten signature in black ink, appearing to read 'Dan', with a long, sweeping horizontal line extending to the right.

Date: 22nd November 2023

1. Context and Background

- 1.1 The Area Regeneration Team is managing the employment-led Regeneration Strategy in the Regis Road Growth Area in Kentish Town.
- 1.2 The Local Plan 2017 designated the Regis Road Growth Area and the Kentish Town Planning Framework, adopted as Supplementary Planning Guidance in 2020, set out the vision and development objectives for the area. Comprehensive redevelopment is expected to deliver a substantial increase in homes and jobs, as well as reconnecting local communities.
- 1.3 The Regeneration Strategy involves the conditional sale of 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.
- 1.4 The key milestones in the process so far can be summarised as:
 - November 2022 Cabinet – agreed the regeneration strategy to ensure the Council is taking a pro-active and holistic approach to the growth area, creating a catalyst for the regeneration. This included approval to:
 - *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... 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*
 - March 2023 – Single Member Decision – approving the Council entering into the conditional land sale agreement with the authority to dispose of the two Council sites (subject to planning) including the heads of terms.
 - April 2023 - The matter was heard at a special meeting of the Culture and Environment Scrutiny Committee – approving the original decisions of the Cabinet Member, with the decision taking effect from the date of the meeting .
 - April 2023 – Executive Director approval (in consultation with the Cabinet Member for New Homes, Jobs and Community Investment) to the final terms of the conditional land sale agreement.
- 1.5 Within the November Cabinet report a budget of £800,000 was proposed for resource and consultancy funding to progress the Regeneration Strategy, as set out in the approved recommendation.

2. PROPOSALS AND REASONS

- 2.1 This report is asking for the approval of the allocation of funding to enable the delivery of the programme and terms of the Conditional Land Sale Agreement (CLSA).
- 2.2 As the first key step in implementing the Strategy, Camden has exchanged on the CLSA with Yoo Capital (YC) for the Holmes Road Depot and Car Regis Road Recycling centre & Car Pound sites.
- 2.3 Within the terms of the CLSA, YC is required to develop a masterplan vision for the Growth Area and secure planning permission for a Phase 1 scheme which is consistent with the vision. The Phase 1 scheme must include proposals for seamless re-provision of the homes and facilities which currently exist on the two Council sites.
- 2.4 The Council is required to work with YC to satisfy the conditions precedent in the CLSA and achieve vacant possession. This report is requesting a budget to be set aside to ensure there are adequate resources for the Council to carry out its requirements within the CLSA. See Appendix A (restricted) for a summary of the detailed assumptions of the Council's work streams which reflect the obligations in the CLSA and the provisional budget profiling.

3. WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?

- 3.1 An initial budget estimate of £800k was contained in the Cabinet report to resource the programme. There is a risk that the initial budget may not be sufficient as projecting costs at today's prices over the next [5] years in a regeneration context may need updating. This will be mitigated through monitoring on a quarterly basis and any potential unforeseen expenditure will be considered. Any additional budget request will be brought back through the appropriate channels for approval.
- 3.2 The note contained in confidential Part II (Appendix A) includes consideration of how other budget risks which relate to the CLSA will be managed and mitigated.
- 3.3 There will be a separate budget request brought forward through the appropriate channels for approval of the costs associated with the vacant possession of the residential homes. This will include the leaseholder buy-backs, home loss and disturbance payments for tenants and associated fees.

4. CONSULTATION

- 4.1 In accordance with the delegation authority approved by Cabinet (SC/2022/53) the Executive Director Supporting Communities has consulted 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, and their comments are incorporated in the report.

5. LEGAL COMMENTS of the BOROUGH SOLICITOR

5.1 Legal Services have been consulted and their comments are incorporated in the report.

6. FINANCE COMMENTS of the EXECUTIVE DIRECTOR CORPORATE SERVICES

6.1 Finance Services have been consulted and their comments are incorporated in the report.

7. ENVIRONMENTAL IMPLICATIONS

7.1 The main subject of the call-in to the Council's scrutiny panel was in relation to the sustainability and environmental considerations relating to potential future demolition of the Holmes Road Depot. Key points to note include that the decision does not automatically lead to demolition and any proposals brought forward will be subject to consideration against planning policy.

8. CONCLUSION

8.1 The Council is required to work with YC to enable the contract to be unconditional and achieve vacant possession. The detailed assumptions behind the Council's work streams which reflect the obligations in the CLSA are provided in Appendix A. The provisional expenditure estimates for each activity year by year is itemised in Appendix Table A.1.

8.2 These are summarised as:

Table 1 – Expenditure profile

	2023/24	2024/24	2025/26	2026/27	2027/28	Totals
Totals	£138,250	£222,500	£162,500	£152,500	£132,500	£808,250

8.3 Therefore, this report recommends:

- (i) To approve the budget of £808,000 from Corporate resources to fund the Regeneration Strategy for the Kentish Town Regis Road Growth Area including meeting the requirements of the Conditional Land Sale Agreement, over the next 5 years to 2027/8.
- (ii) To approve the total budget with re-profiling between years as required to achieve the programme dates

10. APPENDICES

Appendix A –Part II Appendix (RESTRICTED)

REPORT ENDS