

**The London Borough of Merton (Eastfields No. 1)
Compulsory Purchase Order 2022
(APP/PCU/CPOP/T5720/3303017)**

**The London Borough of Merton (High Path No. 1)
Compulsory Purchase Order 2022
(APP/PCU/CPOP/T5720/3303018)**

**The London Borough of Merton (Ravensbury No. 1)
Compulsory Purchase Order 2022
(APP/PCU/CPOP/T5720/3303020)**

Summary Proof of Evidence of Clarke Vallance

dated 26 January 2024

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1 Introduction

1.1 Qualifications and experience

1.1.1 I, Clarke Vallance am a Director for Savills (**Savills**). In my role I provide advice on compensation relating to properties acquired pursuant to confirmed compulsory purchase orders as well as those deemed to be under the threat of compulsory acquisition. I advise developers and acquiring authorities as well as those affected by compulsory purchase. The majority of my work relates to properties situated within Greater London.

1.1.2 This summary proof of evidence is made in support of the London Borough of Merton (High Path No 1) Compulsory Purchase Order 2022 (the **High Path CPO**), the London Borough of Merton (Eastfields No 1) Compulsory Purchase Order 2022 (the **Eastfields CPO**) and the London Borough of Merton (Ravensbury No 1) Compulsory Purchase Order 2022 (the **Ravensbury CPO**) (referred to collectively as the **CPOs**) in connection with the wider Merton Estates Regeneration Programme (also referred to in this summary proof of evidence as the **Scheme**).

1.2 Involvement with the Scheme

I have been working on the Merton Estates Regeneration Programme as part of my role at Savills since 2014, advising on land assembly strategy, overcoming opposition, estimating total compensation, estimating timetable for achieving vacant possession, liaising and engaging with owners and objectors, seeking to resolve disputes and negotiating settlements of compensation for the acquisition of land and rights.

2 The CPOs

2.1 Introduction

2.1.1 As noted above, this summary proof of evidence relates to the CPOs. The Order Land pursuant to the CPOs include:

- (1) Phase 1 of the Eastfields Estate;
- (2) Phases 2 and 3 of the High Path Estate; and
- (3) Phases 2 to 4 of the Ravensbury Estate.

2.1.2 I understand Clarion and the Council intend to seek further compulsory purchase orders in respect of Eastfields Phases 2 to 4 and High Path Phases 4-7B in the future prior to commencement of those phases as and when it is necessary to acquire all remaining interests.

2.2 The Eastfields CPO

The land broadly comprises all property interests situated within the south-eastern side of the Estate (**Eastfields Phase 1**) that are not owned by Clarion. The interest are predominantly flats and houses together with some small areas of unregistered land.

2.3 The High Path CPO

2.3.1 The land broadly comprises all property interests situated within the north-western corner of the Estate, near to the South Wimbledon Underground Station (**High Path Phase 3**), Lovell House and surrounding land on Abbey Road on the eastern periphery of the Estate on Abbey Road and the flats and houses on each side of the southern end of Pincott Road near to its junction with High Path on the southern periphery of the Estate (**High Path Phase 2**) that are not owned by Clarion.

2.3.2 The interests are predominantly flats and houses together with the rights to oversail some neighbouring properties with a crane. The Schedule to the High Path CPO also identifies the acquisition of some Rights to Light enjoyed by properties in close proximity to the High Path CPO.

2.4 The Ravensbury CPO

The land broadly comprises all interests situated within the north-western corner of the Estate (**Ravensbury Phases 2 to 4**) that are not owned by Clarion. The

property interests are predominantly houses together with some flats and a small sliver of unregistered land.

3 Attempts to acquire the land and existing rights by voluntary agreement

3.1 Efforts to acquire property interests by agreement

- 3.1.1 Clarion had been actively buying flats and houses within each of the Estates prior to my involvement. I understand some of the earliest buy-backs took place in April 2013. The intensity of the buy-back programme increased significantly following the launch of "Clarion's Offer" in May 2015.
- 3.1.2 Mr Sargeant and Ms McConnell have confirmed to me that all owners of property within the Order Lands have been provided with a copy of Clarion's Offer document and all have been invited to engage with Clarion regarding the acquisition of their property.
- 3.1.3 Ms McConnell has confirmed to me that all owners that have granted access for a survey have been made a formal offer by Clarion. The formal offers have been made on the same basis as if they had been taken compulsorily and include unblighted market value, compensation for disturbance and or reinvestment, any relevant statutory loss payments together with compensation to cover the cost of the owner's reasonable professional fees.
- 3.1.4 Clarion's Offer also includes provisions for a resident homeowner to acquire a new replacement home within their neighbourhood. These provisions are far more financially beneficial to resident homeowners than the statutory basis of compensation.
- 3.1.5 In my opinion Clarion's Offer coupled with the resources they have put in place in order to properly engage with owners regarding the acquisition of their properties is the reason Clarion has managed to acquire so many homes already and why the number of objections received from residents is comparatively low.

3.2 Efforts to acquire rights of light

- 3.2.1 In addition to acquiring freehold and leasehold interests, Clarion has sought to acquire rights to light which may be impacted by the proposed redevelopment of the Order Lands.
- 3.2.2 Whilst Savills have led on these negotiations, given the technical nature of the rights to be acquired, Mark Kidd Bsc (Hons) of Delva Patman Redler (formerly of Avison Young) was instructed to undertake rights to light technical modelling.
- 3.2.3 I worked closely with Mr Kidd (and other members of his team) to understand the nature of light loss that is expected to be experienced

by the remaining property interests. I undertook a significant exercise compiling additional information about the properties to estimate the diminution in value (if any) the Scheme is likely have on each specific property interest.

- 3.2.4 The owners of some properties with Rights to Light acquisitions identified in the CPOs have been wary of the computer modelling exercises and appear minded to wait and see how they are affected 'in real life', comforted by the fact that they will have several years to settle their claim for compensation. They will also be in a position to refer the matter to the Upper Tribunal (Lands Chamber) in circumstances where disputed compensation cannot be agreed.

4 **Acquiring the remaining interests**

- 4.1 Clarion and the Council have dedicated very significant resources and efforts trying to acquire the properties by agreement. The measures put in place together with the commitments made to the property owners by way of Clarion's Offer fully accords with the provisions of the Compensation Code.
- 4.2 Clarion's Offer is strong and very attractive to homeowners who wish to remain in the neighbourhood without imposing unreasonable additional financial pressures and strains. This vastly exceeds to provisions of the Compensation Code.
- 4.3 It has been difficult to motivate the owners of Rights to Light to engage with the process and enter into an agreement with Clarion to release their interest where the compensation payable is only a modest sum. It has also been difficult to convince the owners of the more affected properties that the sum offered fairly represents the likely diminution in value when they find it hard to visualise the impact on their Rights to Light as well as the improvements to the area that will be brought about by the Scheme.
- 4.4 In my opinion Clarion and the Council have met and in many respects (in particular the treatment of resident homeowners) exceeded what is set out in the Guidance on Compulsory Purchase and the Crichel Down Rules.
- 4.5 In my opinion many of the remaining owners are not going to be persuaded with compensation payments that accord with the compensation code, rather they are either not at all motivated by financial incentives or they are seeking such significant sums that cannot be justified in the context of a regeneration scheme in the public interest.
- 4.6 In my opinion it is unlikely that Clarion and the Council will be able to acquire all the remaining interests needed by agreement, let alone in a timely manner.

5 **Response to objectors**

I have set out my responses to the objections received in respect of the CPOs where I have been directly involved in negotiations and discussions at Section 6 of my Proof of Evidence.

6 **Conclusion**

Whilst negotiations have proved successful the use of compulsory purchase powers to acquire all outstanding interests is now necessary because it is unlikely that we will be able to reach agreement with the remaining owners within an acceptable timescale without the CPOs.