

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)

Proof of Evidence of Brian Ham

dated 26 January 2024

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1 INTRODUCTION

1.1 Qualifications and experience

1.1.1 I, Brian Ham, am the Project Director of the Merton Regeneration Programme for Clarion Housing Group (**Clarion**). I have been in this role since 1st March 2023. In my role I have the lead responsibility for the successful execution of the Merton Estates Regeneration Programme. I previously worked in similar leadership roles at Knowsley Metropolitan Borough Council as Deputy Director of Planning and Development, at Newcastle City Council as Executive Director of Enterprise Environment and Culture, and at Home Group as Executive Director of Development. Accordingly, I have extensive experience in housing, estate and city-level regeneration and in new housing development and have worked in the sector for over 20 years. I have a BA in Geography from the University of Liverpool and an MPhil in Town Planning from the Bartlett School of Architecture and Planning at University College London.

1.1.2 This 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**) (together, the **CPOs**) in connection with the wider Merton Estates Regeneration Programme (also referred to in this Proof of Evidence as the **Scheme**).

1.1.3 The facts and matters set out in this Proof of Evidence are within my own knowledge. The facts set out below are true to the best of my knowledge and belief. Where reference is made to facts which are outside my knowledge, I set out the source of my information and I believe such information to be true.

1.1.4 I have been assisted by other professional advisors and officers of the Council with the preparation of this Proof of Evidence, some of whom will also provide evidence to the inquiry.

1.2 Involvement with the Scheme

1.2.1 I have been working on the Scheme in my role at Clarion since March 2023. My role involves:

- (a) Accountability for the creation and implementation of the project business strategy and business plan;

- (b) Responsibility for the management and product delivery within the project;
- (c) Responsibility for the overall project reporting and governance;
- (d) Responsibility for the project's effective risk management and mitigation;
- (e) Responsibility for cost, program and quality from a client perspective;
- (f) Oversight and awareness of the resident re-housing activities, delivered by the Director of Regeneration;
- (g) Projecting and forecasting performance and ensure execution strategy is robust; and
- (h) Delivering environmental and socially sustainable projects.

1.2.2 Throughout my time working on the Scheme, I have been working alongside James McGinlay, Paul McGarry and Tara Butler at the London Borough of Merton (the **Council**), with Iona McConnell and Paul Quinn at Clarion and with our specialist team of consultants, including Clarke Vallance from Savills and Mark Kidd now of DPR.

1.3 **Scope of evidence**

1.3.1 I set out the following in my evidence:

- (a) Clarion's duties in respect of the Estates (Section 2);
- (b) The evolution of the Scheme and engagement (Section 3);
- (c) An overview of the Scheme (Section 4);
- (d) An overview of the CPOs (Section 5);
- (e) Improvements to be delivered by the Scheme (Section 6);
- (f) The Scheme's contribution to the economic, social and environmental well-being of the Council's area, as well as an assessment of the contribution of Eastfields Phase 1, High Path Phases 2 and 3, and Ravensbury Phases 2 to 4 (Section 7);
- (g) Current Status of the Scheme (Section 8);
- (h) Clarion's Experience (Section 9); and
- (i) Deliverability of the Scheme (Section 10).

2 **CLARION'S DUTIES IN RESPECT OF THE ESTATES**

2.1 **Introduction**

2.1.1 In this Section I explain Clarion's duties in terms of the management of the homes on the Estates and its contractual commitments.

2.2 **Duties owed to the Regulator**

2.2.1 Clarion's duties to the Regulator in terms of managing its housing stock are set out in the Regulatory Standards which are published by the Regulator of Social Housing, in particular the Home Standard (CD 12.8). Clarion is compliant with the Regulatory Standards and carries out a self-assessment to evidence its compliance on an annual basis, including compliance with the Home Standard. This self-assessment is reviewed by the Group Audit and Risk Committee and the Group Board each year, most recently in May 2023. In terms of external assurance, the latest 'In Depth Assessment' was published in May 2023 by the Regulator of Social Housing where Clarion was assessed as being "G1", which is the highest regulatory rating for Governance and as "V2", which is a compliant rating for Financial Viability.

2.3 **Decent Homes Programme**

2.3.1 Delivering decent homes is a commitment in the national strategy for neighbourhood renewal and has a key role to play in the levelling-up agenda. Delivery needs to be part of a holistic approach to regeneration, which is about more than just homes but the wider regeneration objectives of improving health and education outcomes, renewing failing housing markets, tackling fuel poverty and delivering mixed sustainable communities.

2.3.2 The Estates in question are a great example of what can be achieved when taking a more holistic approach to strategic asset management and where a narrow component replacement programme will not resolve the long-term challenges these Estates present, foremost for our residents, but also financially for Clarion as a business.

2.3.3 The inherent construction challenges make simple repairs disproportionately expensive and the attrition of unsuitable external fabric measures not suitable, which together with the broader challenges that we now face to bring our homes and neighbourhoods up to a net zero carbon standard and mitigate the impact of climate change through nature and biodiversity, further supports the need for comprehensive regeneration.

- 2.3.4 In addition to the investment they have made into new development in Merton which I outline in later paragraphs, Clarion has invested £170.82m into the legacy stock in Merton since the time of the stock transfer delivering the Decent Homes Programme.

2.4 **Stock Transfer Agreement**

- 2.4.1 When Clarion acquired the Council's housing stock in 2010, it took on an obligation to improve all stock to at least the Decent Homes (Merton) Standard by 2015. However, the initial stock condition surveys revealed that it might be more beneficial and sustainable to replace some of the homes, so this option began to be explored in detail, assessing which Estates could be viably improved, and which might benefit from wholesale regeneration. This was discussed in detail with the Council and both parties agreed that the Estates subject to the CPOs should be more fully assessed for comprehensive regeneration. This work took place over subsequent years with both parties concluding this was the better approach, as I outline below.

- 2.4.2 A formal agreement was concluded that the Decent Homes (Merton) Standard would not be met whilst the regeneration was pursued, although there has been ongoing significant investment to ensure the homes subject to regeneration remain habitable.

2.5 **Conclusion**

- 2.5.1 A robust exercise was conducted in partnership with the Council to determine the best long-term solution for improving the quality and quantity of residential accommodation, taking into account the Stock Transfer Agreement, local housing need, our obligations under the Decent Homes Programme (CD 6.9), and national, regional and local planning targets for new homes in the London Borough of Merton. This concluded that the best outcome was the comprehensive regeneration of the High Path Estate and the Eastfields Estate and the partial regeneration of the Ravensbury Estate, providing over 1,200 replacement homes and an additional 2,000 new homes.

3 THE EVOLUTION OF THE SCHEME AND ENGAGEMENT

3.1 Introduction

3.1.1 I set out in this Section the evolution of the Scheme, including an overview of:

- (a) The options considered by Clarion having regard to its duties (outlined in Section 2 above) and why the option of regeneration of the Estates was pursued;
- (b) Engagement with the Council; and
- (c) Engagement with residents and stakeholders.

3.2 Options considered

3.2.1 The Proof of Evidence from Michael Robbins (CD 13.12) explains the general condition of the Estates and the surveys undertaken.

3.2.2 The stock was assessed considering:

- (a) Capacity of existing stock to meet current and future housing needs (with particular regard to overcrowding, the growth in number of older people, demand for adapted properties etc.);
- (b) Condition of the existing stock and historic / projected maintenance issues and costs;
- (c) Community safety and reported crime; and
- (d) Indices of deprivation, including areas in decline.

3.2.3 This work was augmented by further reviews based on the deliverability of potential programmes on each of the estates, including:

- (a) Scope for increasing the number of new homes;
- (b) Access and site constraints;
- (c) Income generation potential and future sales values and demand;
- (d) Contribution to future housing supply; and
- (e) Proximity to transport and other infrastructure.

3.2.4 These two work streams were then combined and clearly identified Eastfields, High Path and Ravensbury as the three estates with the most regeneration potential.

3.2.5 A 'Case for Regeneration' was subsequently produced for each Estate by Savills and was published in final form in 2016 (CD 8.20 to 8.22). This over-arching report drew upon a series of specialist reports:

- (a) Structural Engineers reports on the existing stock (CD 9.1 (High Path), CD 9.5 (Eastfields) and CD 9.7 and 9.8 (Ravensbury));
- (b) Dwelling Condition Appraisals;
- (c) Accessibility Audit and Appraisals;
- (d) Asbestos Surveys;
- (e) Housing Needs Studies (CD 10.1 (High Path), CD 10.2 (Eastfields) and CD 10.3 (Ravensbury));
- (f) Socio-Economic Analysis Reports (CD 8.25 (High Path), CD 8.24 (Eastfields) and CD 8.23 (Ravensbury));
- (g) Urban Design Review Studies (CD 8.8 (High Path), CD 8.16 (Eastfields) and CD 8.12 (Ravensbury));
- (h) Visual Impact Studies; and
- (i) Environmental Desk Studies.

3.2.6 The following paragraphs provide a summary of the conclusions of the 'Case for Regeneration' on the Estates based upon this extensive analysis.

3.2.7 **The Eastfields Estate**

- (a) The properties within the Eastfields Estate are in very poor condition and have a very poor thermal performance.
- (b) Whilst partial refurbishment and partial new build could have been an option, this was discounted due to a number of site-specific factors. Firstly, all the existing stock at the Eastfields Estate was built at the same time and is all broadly of the same condition so there are no parts of the existing Estate that would require less investment to keep as refurbished stock. Secondly, the layout and urban design of the existing Estate is poor so retaining any of the existing properties would not offer the best opportunity to deliver a high-quality residential development that

optimises the use of the land within the Estate. A partial regeneration would therefore not be “justified” or “effective” and would therefore not meet the soundness tests of the National Planning Policy Framework in force at the relevant date.

- (c) Three options were therefore considered for the whole of the Estate:
 - i Refurbishment to Decent Homes (Merton) Standard covering predominantly internal works, such as new kitchens, bathrooms, plumbing, electrics and insulation to improve the quality of the existing accommodation;
 - ii Refurbishment to an enhanced standard involving a programme of works covering both the internal improvements and external works (such as new building cladding and roofs to improve thermal performance); or
 - iii Full Redevelopment with demolition of all existing properties on the Estate and redevelopment of the site to deliver higher density, new, modern, energy efficient and high-quality homes, alongside a new community space, open space, landscaping and car parking.
- (d) The three options noted were considered against planning policy (national, regional and local), socio-economic factors, environmental and place-making factors, economic (i.e. viability) considerations, and feedback from public consultation. These points are covered in detail in the Savills report “Eastfields Case for Regeneration 2016” (CD 8.22) which concluded that:
 - i *Planning Policy Context.* The Council is faced with increasing housing targets. Whilst Options 1 and 2 offered the opportunity to improve the quality of the existing stock, such works would have had limited longevity; accordingly, Option 3, which would significantly improve the quality of stock via regeneration for a longer time period, whilst also boosting the overall volume of units, was considered to be preferable. Regeneration was therefore “justified” and “consistent with national policy”. Further, in helping to meet objectively assessed development requirements, a Local Plan which supports this approach would be “positively prepared”.
 - ii *Socio-economic factors.* The existing housing stock does not meet the housing needs of the current residents. Only Option 3 gives the opportunity to rebalance the mix of stock within the

Estate to better meet current affordable housing needs. Full regeneration is also considered to be the preferable option in terms of delivering wider socio-economic benefits including increased local spending and funding raised through Section 106 contributions, the Community Infrastructure Levy and the New Homes Bonus, as well as the potential for a new commercial / community facility within the Estate. Regeneration would therefore be “justified” and “consistent with national policy”.

- iii *Environmental and Placemaking Standards.* The primary issues identified were the poor urban design and energy performance of the existing stock. With regards to urban design, issues including dead frontage and removing non-overlooked areas cannot be achieved through Options 1 and 2 and could only be addressed through more comprehensive regeneration through Option 3. Whilst improvements could be achieved under Options 1 and 2 with regard to energy performance, these would be minimal in comparison to the levels that would be achieved through the construction of new properties built in accordance with modern building standards under Option 3 and furthermore, they would not be as cost effective in the longer term. Regeneration would therefore be “justified” and “consistent with national policy”.
 - iv *Economic Considerations.* Option 3 is the most rational and sustainable Option which will deliver the greatest regeneration benefits. It is therefore the most “effective” Option for delivering regeneration in a cost-effective way.
 - v *Public Consultation.* No clear preference for any Option emerged as a result of this work, however feedback from the residents that attended the last workshop suggested a marginal preference towards Option 3.
- (e) The Savills report concluded that Option 3 for the full regeneration of the Eastfields Estate was the most preferable when considered against reasonable alternatives.

3.2.8 The High Path Estate

- (a) Refurbishment of the existing units to at least Decent Homes (Merton) Standard would not require the demolition or redevelopment of any existing homes, but it would necessitate a significant and expensive programme of works, including new kitchens, bathrooms, doors, windows and other materials and

fittings such as insulation and plumbing. However, these improvements would not deliver wider sustainability and regeneration benefits.

- (b) The size of the High Path Estate and its accessible and strategic location offers an opportunity to more effectively meet current and future housing needs within Merton, and to make more efficient use of the land, as well as offering significant improvements to South Wimbledon as a place for the benefit of a wide range of people, beyond Clarion's current tenants.
- (c) Three options were therefore again considered for the whole of the Estate:
 - i Refurbishment to Decent Homes (Merton) Standard covering predominantly internal works, such as new kitchens, bathrooms, plumbing, electrics and insulation) to improve the quality of the existing accommodation;
 - ii Refurbishment to an Enhanced Standard involving a programme of works covering both internal improvements and external works (such as new building cladding and roofs to improve thermal performance); or
 - iii Full redevelopment with demolition of all existing properties on the Estate and redevelopment of the site to deliver higher density, new modern, energy efficient and high-quality homes, alongside commercial and community space, open space, landscaping and car parking.
- (d) These 3 options were considered against planning policy (national, regional and local), socio-economic factors, environmental and place-making factors, economic (i.e. viability) considerations, and feedback from public consultation. These points are covered in detail in the Savills report "High Path Case for Regeneration 2016" (CD 8.20) which concluded that:
 - i *Planning Policy Context.* The Council is faced with increasing housing targets. Whilst Options 1 and 2 offered the opportunity to improve the quality of the existing stock, such works would have had limited longevity; accordingly, Option 3, which would significantly improve the quality of stock via regeneration for a longer time period, whilst also boosting the overall volume of units, was considered to be preferable. Regeneration was therefore "justified" and "consistent with national policy". Further, in helping to meet objectively assessed development

requirements, a Local Plan which supports this approach would be “positively prepared”.

- ii *Socio-economic factors.* The existing housing stock does not meet the housing needs of the current residents with the assessment again highlighting overcrowding and an inefficient housing mix as particular issues. Only Option 3 gives the opportunity to rebalance the mix of stock within the Estate to better meet current affordable housing needs. Regeneration is also considered to have the potential to deliver significant benefits for South Wimbledon as a centre, through the introduction of up to 5,000 sqm of non-residential floorspace, attracting increased footfall to the area to the benefit of existing businesses as well as potential new occupants. Wider benefits would also arise through funding raised through section 106 contributions, the Community Infrastructure Levy and the New Homes Bonus. Regeneration would again therefore be “justified” and “consistent with national policy”.
 - iii *Environmental and Placemaking Standards.* The primary issues identified related to the layout and design of the existing Estate. Neither Option 1 or 2 offers the potential to make significant improvements to this, whilst Option 3, through a comprehensive redesign with these principles in mind, is capable of rectifying all issues, alongside significant improvements to energy performance of dwellings and the wider issue of sustainability. Regeneration was therefore “justified” and “consistent with national policy”.
 - iv *Economic Considerations.* Option 3 is again the most rational and sustainable Option which will deliver the greatest regeneration benefits. It is therefore the most “effective” Option for delivering regeneration in a cost-effective way.
 - v *Public Consultation.* Feedback from the consultation process marginally favoured Option 3, however in the final analysis all Options were ranked equally to avoid any misinterpretation.
- (e) The Savills report therefore again concluded that Option 3, the full regeneration of the High Path Estate was the most preferable when considered against reasonable alternatives.

3.2.9 **The Ravensbury Estate**

- (a) The fundamental problem identified on the Ravensbury Estate was the structural condition of some of the homes, particularly

those constructed through non-traditional prefabricated reinforced concrete, known as Orlit houses. Under the Housing Defects Act 1984 (now part of the Housing Act 1985), all Orlit houses are classed as defective.

- (b) In addition to the structural problems, the Orlit homes were deficient against the Decent Homes Programme, including damp and mould, lack of insulation, very old kitchens / bathrooms and overcrowding.
- (c) A 'do nothing' option was not considered due to the legal obligation to improve the housing stock under our commitments to the Regulator, under the Decent Homes Programme and under the Stock Transfer Agreement.
- (d) Three options were therefore again considered for the whole of the Estate:
 - i Refurbishment to Decent Homes (Merton) Standard covering predominantly internal works, such as new kitchens, bathrooms, plumbing, electrics and insulation) to improve the quality of the existing accommodation;
 - ii Refurbishment to the Enhanced Standard involving a programme of works covering both internal improvements and external works (such as new building cladding and roofs to improve thermal performance); or
 - iii Partial Redevelopment, retaining those homes which could be refurbished. A more wholesale redevelopment was not pursued due to the better structural condition of some of the stock and due to the number of leaseholders who had acquired properties under the 'Right to Buy' policy, which would have resulted in very high buy-back costs which would have impeded the viability and deliverability of the Scheme.
- (e) The three options noted above were considered against planning policy (national, regional and local), socio-economic factors, environmental and place-making factors, economic (i.e. viability) considerations, and feedback from public consultation. These points are covered in detail in the Savills report Ravensbury Case for Regeneration 2016 (CD 8.21) which concluded that:
 - i *Planning Policy Context.* Option 3 was considered to be the most appropriate in terms of delivering key policy objectives at

national, regional and local levels as it is the only Option that is able to deliver significant increases in the quality and quantity of residential accommodation, as well as improvements to the general environment of the Ravensbury Estate. Option 3 was therefore considered as “positively prepared”, “justified” and “consistent with national policy” (as discussed above), in particular the National Planning Policy Framework.

- ii *Socio-economic Factors.* Taking into account wider socio-economic factors, including housing need, socio-economic indicators including crime, poverty and deprivation as well as economic benefits through increased spending power, the analysis is clear that Option 3 is preferable to Options 1 and 2 and represents the most “justified” strategy that is “positively prepared” to meet objectively assessed development requirements.
 - iii *Environmental and Placemaking Factors.* The most pressing issues with the current Estate are the energy performance of the stock and the location within a functional floodplain. Other secondary issues were identified in relation to urban design. On this basis, Option 3 presents the most “justified” strategy in terms of environmental and placemaking factors.
 - iv *Economic Considerations.* Partial regeneration (Option 3) of the Estates would be the most economic and deliverable option having regard to ongoing financial modelling; therefore, this would be “justified” and “effective” and would therefore meet the soundness test of the National Planning Policy Framework.
 - v *Public Consultation.* It was difficult to correlate the feedback at public events to support or oppose a specific option. General feedback from the events indicated that people liked living on the Estate, however the condition of the properties, as well as their size, were becoming a key concern. There was no clear support for one option above any other and they were therefore ranked equally on this point.
- (f) The overall conclusion of the Savills report was that the partial regeneration of the Ravensbury Estate was the most preferable option when considered against reasonable alternatives.

3.3 Engagement with the Council

- 3.3.1 As previously noted, Clarion began considering regeneration-based alternatives for the housing stock in 2013, following the conclusion of

stock condition surveys which revealed the poor condition of the stock and the extent of over-crowding.

- 3.3.2 In 2014 the Council responded to these conclusions and began to explore the regeneration of the Estates with residents, the Mayor of London's office, Transport for London and other interested parties and towards the end of 2014 the Council and Clarion signed the 10 Commitments document (CD 8.1). The history of the Council's guidance over the regeneration strategy is addressed in full in Tara Butler's Proof of Evidence (CD 13.3) where she outlines the plan-led approach that has been taken throughout, centred around the production of the Development Plan Document to guide the regeneration of the three Estates and the Council's Estates Local Plan (CD 6.6), including her role in leading the work for the examination in public.
- 3.3.3 This successful plan-led approach has set the framework within which both parties continue to work and within which the CPOs are made.
- 3.3.4 Tara Butler's Proof of Evidence goes on to explain how she went on to recruit and manage experienced development management officers to process all planning applications, including leading section 106 negotiations and leading the planning policy team input into planning decisions, discharge of conditions etc., thereby ensuring all applications have been robustly considered within the framework established by the Estates Local Plan.

4 OVERVIEW OF THE SCHEME

4.1 Introduction

4.1.1 This Section of my Proof of Evidence describes the Merton Estates Regeneration Programme as a whole, with a particular focus on the parts of the Scheme that will be delivered pursuant to the CPOs. This Section explains why the Scheme is necessary in terms of the social, economic and environmental need to which it responds and the benefits that it will generate in relation to each of the Estates.

4.2 Description of the Scheme

4.2.1 The Scheme aims to transform the quality of housing on three former Council owned housing estates; raise the quantity of homes; overcome acute over-crowding problems; and provide exemplary Low Carbon homes which will comply with the UK commitments to 2050. Two of the Estates, High Path and Eastfields, are proposed to be comprehensively demolished and rebuilt at higher densities, whilst the third Estate, Ravensbury, is to be partially demolished and rebuilt.

4.2.2 It has been possible to kick-start the regeneration programme at High Path and Ravensbury Estates in advance of the compulsory purchase process and, on both Estates, Phase 1 has been completed. A small sub-phase 1A has likewise recently started on the Eastfields Estate on land outside that covered by the Eastfields CPO.

4.2.3 In total, subject to some marginal amendments to designs which will be necessary to incorporate the second staircase in buildings over 18m in accordance with recent Government statements, the plan is currently for up to 3,272 new homes to replace 1,266 homes (an additional 2,006). This however only tells part of the story as we will see an increase in the total number of bedrooms from 2,480 to 5,923 to overcome the over-crowding experienced on the estates; this is an additional 3,443 beds, of which an additional 425 will be for social rent.

4.2.4 Another benefit is that all new homes are being built to the Nationally Described Space Standards whereas currently many homes fall below the standard. The quality of the public realm also improves and all homes will have either a garden, balcony or terrace whereas currently 1 in 3 homes on the High Path and Eastfields Estates do not have these. There is the additional provision of commercial and employment space. Further, all new homes will be low carbon energy efficient homes compared to the current high energy consuming homes which leads to fuel poverty.

- 4.2.5 All residents who wish to stay on the Estates will be provided with a brand-new energy efficient home in line with the 10 Commitments Clarion pledged early on in the process and those who are over-crowded will be provided with appropriately sized homes. Instances of over-crowding were in some cases acute; for example, a 6-person family (2 adults and 4 children) who were in a 1 bed flat on the High Path Estate, have been rehoused in phase 1 into a 3 bed 6-person home.
- 4.2.6 Freeholders and leaseholders are compensated for their homes in excess of Open Market Value, plus various expenses are paid.

4.3 **The Need for the Scheme**

- 4.3.1 The Proof of Evidence of Michael Robbins (CD13.12) explains the condition of the Estates..
- 4.3.2 In addition, the Proof of Evidence of Tara Butler (CD 13.3) explains the housing need within the London Borough of Merton established through London-wide and Merton specific assessments and identifies a notable and pressing need for affordable housing. Her evidence concludes that the regeneration of the Eastfields, High Path and Ravensbury Estates will make a significant contribution to meeting new housing needs over the next 15 years in Merton.

5 OVERVIEW OF THE CPOs

5.1 Introduction

5.1.1 As noted above, this Proof of Evidence relates to three CPOs. The land comprised within each of the CPOs includes:

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

5.1.2 Note that the intention is to seek further compulsory purchase orders in respect of Eastfields Phases 2 and 3 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. These compulsory purchase orders are not being sought at present since they are due to be implemented too far into the future. However, work will be commenced on these in the near future.

5.2 Order Land – the Eastfields CPO

5.2.1 An area of existing housing and rights shown on the order map, and which are needed to allow the redevelopment of Phase 1 of new homes.

5.3 Order Land – the High Path CPO

5.3.1 Areas of existing housing and rights shown on the order maps on which Phase 2 and Phase 3 of the High Path Estate will be developed. Rights are also to be acquired, essentially to extinguish Rights to Light. This is covered in detail in the Proofs of Evidence of Clarke Vallance (CD13.14) and Mark Kidd (CD 13.7).

5.4 Order Land – the Ravensbury CPO

5.4.1 An area of existing housing and rights shown on the order maps on which Phases 2-4 will be developed. Rights are also to be acquired, essentially to extinguish Rights to Light. As stated above, this is covered in detail in the Proofs of Evidence of Clarke Vallance and Mark Kidd.

5.5 The making of the CPOs

5.5.1 Any form of comprehensive regeneration will often require a compulsory purchase order and the case began to be put together following the ‘in-principle’ decision by the Cabinet of the Council on 15

January 2018 (CD 5.2). By early 2022 the case had been prepared and the Cabinet passed a resolution on 21 March 2022 (CD 5.8) to formally make the CPOs. The Council made the CPOs pursuant to sections 226(1)(a) of the Town and Country Planning Act 1990 (CD 12.1), section 13 of the Local Government (Miscellaneous Provisions) Act 1976 (CD 12.3) and section 203 of the Housing and Planning Act 2016 (CD 12.4). The Council is the local planning authority and local highway authority for the land comprised within the CPOs and the CPOs will enable the Council to acquire all remaining interests in order to carry out the Scheme in relation to the applicable phases.

5.6 The purpose of the CPOs

5.6.1 The purpose of the CPOs is to secure the property and rights necessary to implement the relevant early phases of development at the Eastfields and High Path Estates, and the completion of regeneration at the Ravensbury Estate, which will continue the process of replacing 1,266 homes and delivery of 2,006 new homes together with a range of other benefits referred to later in my Proof of Evidence, to meet our obligations to the Council under the Stock Transfer Agreement, to the Regulator of Social Housing, and in accordance with national, regional and local planning policy.

6 IMPROVEMENTS TO BE DELIVERED BY THE SCHEME

6.1 I explain in this Section the improvements which will arise from each of the Estate regenerations pursuant to the Scheme, having regard to the planning permissions granted.

6.1.1 Improvements delivered by the Eastfields Regeneration

- (a) There are currently 466 homes on the Eastfields estate. Following the regeneration of the Estate there will be an additional 334 new homes, making 800 in total. There is currently a high level of overcrowding in the social housing on the Estate with many families living in 1 bed accommodation. The greatest growth will therefore be seen in the provision of new 2 bed homes, which will increase 10-fold, from just 33 to 331, in response to both assessed demand on the Estate and in the broader locality. In total 200 new social rent beds will be provided. Some 4 bed family homes are also provided, there being none available currently.
- (b) All homes on Eastfields Phase 1 will be built to an energy performance of at least EPC B rating which is significantly better than their current performance. In the Eastfields Phase 1 area, the current EPC performance is:
 - i 51% EPC C;
 - ii 47% EPC D;
 - iii 2% EPC E.
- (c) The vast majority of homes do not meet contemporary space standards, both internally and externally, and ceilings are 20cm lower than the new standards. New homes will therefore be larger on a like-for-like basis. The existing homes do not meet Lifetime Homes standards either, which the new ones will.
- (d) At the time of the Housing Needs Study (CD 10.2), the housing stock in the Eastfields Estate was 54% affordable housing with 31% x 1-bedroom, 25% x 2-bedroom, 41% x 3-bedroom and just 3% x 4-bedroom. However, the affordable homes have significantly fewer bedrooms than the privately owned homes; 71% of the private homes are 3-bedroom in size whilst 76% of the affordable is just 1-bedroom in size. Larger homes have been more attractive under 'Right to Buy' and therefore been

sold in greater numbers. As a consequence, 252 households lived in unsuitable and predominantly social housing.

- (e) The analysis further showed that 90% of new households forming in the area, based on demographic projections, would be unable to afford private housing. The demand for affordable housing therefore continues to grow.
- (f) Studies were also undertaken which pointed to the impact the new investment would have in the locality in terms of boosting local employment and training opportunities and to local businesses in the supply chain. Clarion places a strong emphasis through its Clarion Futures arm to ensuring that all contractors commit to providing local training and employment opportunities on all development activity.
- (g) The quality of the built environment will also improve as safe through-routes will open up and the area will become better connected into the locality. Sustainable Urban Drainage Systems will be introduced with local pocket parks, green and brown roofs will be incorporated and there will be a range of ecological improvements.
- (h) Phase 1, covered by the Eastfields CPO, is the first of three phases in the overall regeneration of the Eastfields Estate and will deliver 201 new homes (out of 800 eventually). It therefore delivers broadly pro-rata the first third quarter of the benefits for the Scheme. Crucially, it sets the tone in terms of design quality of both the new homes and the public realm, with a new street running through the development. We have recently committed to starting early on sub-Phase 1A on land outside of that covered by the Eastfields CPO, in order to kick-start the regeneration of the Eastfields Estate.

6.1.2 Improvements delivered by the High Path Regeneration

- (a) There are currently 608 homes on the High Path Estate. Following the regeneration of the Estate there will be an additional 1,660 new homes, making 2,269 in total, a growth of 350%. The High Path Estate is ideal as a location for growth of this magnitude as it is exceptionally well connected.
- (b) At the time of the Housing Needs Study (CD 10.1), the housing stock in the High Path Estate was 59% affordable housing with 32% x 1-bedroom, 46% x 2-bedroom, 21% x 3-bedroom, and just 0.3% 4-bedroom. Over half of the households, 357 in total,

lived in unsuitable housing, most commonly due to overcrowding.

- (c) Substantial growth is seen across all unit sizes but is again greatest in 2 bed homes, again reflecting the over-crowding currently seen with many families in 1 bed social rented accommodation. 224 new social rent beds will therefore be provided in new 2 and 3 bed homes. Additional 4 beds family homes are also provided, there only being 2 currently. This will provide over 2,800 additional new beds in total and make a significant contribution to the Council's housing growth.
- (d) Space standards are also poor in the majority of homes, with 2 and 3 bed apartments being 10% below the Nationally Described Space Standards and ceilings are 20cm lower than new standards. Private amenity space currently also falls well short of that which will be provided in the new dwellings. New homes will therefore be larger on a like-for-like basis. The existing homes do not meet Lifetime Homes standards either, which the new ones will.
- (e) The whole of the new High Path Estate will be powered by an all-electric green energy centre based on centralised heat pumps which will be located in High Path Phase 3. Procurement of an Energy Services Company has been undertaken and a decision on the preferred partner is imminent.
- (f) All homes in High Path Phases 2 and 3 will be built to EPC B. Homes in the areas subject to the High Path CPO are currently far worse than this:
 - i 68% EPC C;
 - ii 30% EPC D;
 - iii 2% EPC E.
- (g) Again, the vast majority (75%) of new households forming in the area would be unable to afford private housing, so the demand for affordable homes continues to grow.
- (h) The regeneration studies showed a significant local impact from the large growth in construction activity, together with the provision of new commercial space offering local job opportunities, reinforced by contractors committing to new local training and employment opportunities. Clarion is also

assessing a range of 'Meanwhile Use' opportunities to encourage new local business start-ups in renovated space, prior to the development of new retail and commercial space along the southern side of Merton High Street.

- (i) Overall, ranking the existing Estate using the 'Building for Life' tool-kit traffic system, two-thirds of the elements examined fall into the 'concern' or 'major concern' categories indicating that major change is required to improve the local environment.
- (j) The comprehensive remodelling and regeneration of the Estate allows it to become far better integrated into the locality, with new street patterns following those set by the Victorian streets to the north. A major new public park is also being introduced creating opportunities for play and leisure activities in the heart of the new estate. Significant improvements will also be seen to pedestrian and cycle movements east-west through the Estate.
- (k) High Path Phase 1 has been completed and has provided the first of the new homes, 134 in total.
- (l) High Path Phases 2 and 3 which are the subject of the High Path CPO will provide 487 homes, approximately one-fifth of the overall scheme for the High Path Estate, but will bring about a very significant change in the visual appearance of the Estate, given the demolition of one of the three tower blocks currently on site, Marsh Court. It will also facilitate the provision of a new multi-use games area. Part of High Path Phase 2 will also see new town houses built along Abbey Road, making a major improvement to the streetscape in this locality.
- (m) High Path Phase 3 will begin to radically change the appearance of the area around South Wimbledon tube station, will offer the first of the open market sale units, and will provide the first of the new retail and commercial space.
- (n) The impact of High Path Phases 2 and 3 cannot therefore just be measured by numbers alone; as important as these are they signal the beginning of the transformation of the High Path Estate. Whilst High Path Phase 1 has already made a significant contribution to the locality in terms of building quality and the public realm, High Path Phases 2 and 3 will provide a genuine step-change.

6.1.3 Improvements delivered by the Ravensbury Regeneration

- (a) Part of the Ravensbury Estate which is subject to regeneration is structurally unsound and defective; the homes are no longer fit-for-purpose and cannot be refurbished to an acceptable long-term standard.
- (b) Due to local environmental constraints, there is only a very small increase in the number of homes proposed, but with a better balance of accommodation to reflect housing needs, notably an increase in the number of 1-bedroom flats to accommodate an ageing local population and an increase in the number of 4 bed homes for growing families.
- (c) The number of homes on the Ravensbury Estate therefore increases only marginally from 192 to 200 with an increase of 12 social rent beds. There is a drop in the number of 3 bed homes but a sizable increase in the number of 4 bed family homes, reflecting local demand and current overcrowding.
- (d) Again, all homes will be built to an energy performance of at least EPC B. The current EPC rating of homes is currently poor:
 - i 35% EPC C;
 - ii 65% EPC D.
- (e) Socio-economic benefits are again being secured through local training and employment commitments from contractors.
- (f) Phase 1 on the Ravensbury Estate has been completed and seen very significant improvements in the quality of housing and of the local environment. Ravensbury Phases 2-4 which are the subject of the Ravensbury CPO will see the completion of the regeneration of the Estate providing the final 179 homes.

7 THE SCHEME'S CONTRIBUTION TO THE ECONOMIC, SOCIAL AND ENVIRONMENTAL WELL-BEING OF THE COUNCIL'S AREA

7.1 Broadly speaking the benefits of the Scheme have been assessed at the local estate level, but it is possible to draw some conclusions about the overall benefits to the Council's area more generally.

7.2 The most fundamental benefit is to the aggregate housing numbers. As Tara Butler's Proof of Evidence (CD 13.3) has concluded, the regeneration of the Eastfields, High Path and Ravensbury Estates will make a significant contribution to meeting housing needs over the next 15 years in Merton. This will improve affordability, reduce over-crowding, and provide the opportunity for more residents to stay in the Borough as their households develop and grow.

7.3 The importance of families living in warm, dry, energy efficient homes which are large enough for them should be clearly understood. It has an impact on children's education, as they will be able to do homework in a quiet warm bedroom, rather than struggling in an over-crowded and often noisy living room. It benefits the health of residents as the homes are warm and dry with good ventilation, minimising the risk of damp and mould. And it particularly benefits the elderly, who might otherwise suffer from fuel poverty and consequent ill-health. Reports have shown that nationally;

7.3.1 The NHS could save £2 billion by 2030 if all properties were insulated to EPC C;

7.3.2 650,000 cases of childhood asthma could be avoided by 2030 if children have warm or healthy homes;

7.3.3 Half a million adults and children could avoid developing mental health conditions associated with living in a cold home. This would result in reduced numbers of days of missed school and work whilst reducing patient numbers for conditions made worse by a cold home by 30%; and

7.3.4 And there would be an economic and social boost for areas with the most inefficient housing due to less money being wasted on heating.

7.4 Whilst these are national figures, it is perfectly reasonable to assume that local areas such as the Eastfields, High Path and Ravensbury Estates subject to the CPOs would proportionately benefit.

7.5 There are also significant environmental benefits as new accessible public space is created. In the case of the High Path Estate, a new public park will be developed which will be easily accessible to residents from a large area around South Wimbledon. In the Eastfields Estate, the new public spaces and play

areas will be easily accessible and provide greater access for residents of a broader area. In the Ravensbury Estate, linkages to public space along the wildlife-rich River Wandle are improved. Leisure space is improved, with new informal and formal play spaces throughout the Estates. And better overall places will be developed with improved connectivity and pedestrian and cycle movements, encouraging active travel and minimising car use leading to further health benefits to resident and to the wider community.

7.6 All three Estates will see improvements in biodiversity and increases in the number of trees.

7.7 Local job and training opportunities are also being provided and new commercial and community floorspace is being developed, leading to new opportunities for both existing residents and new ones. Clearly the commercial opportunities along the southern side of Merton High Street which are part of the High Path CPO will bring benefits to a larger residential community by strengthening retail and workspace opportunities and proving a vibrant heart to South Wimbledon.

8 CURRENT STATUS OF THE SCHEME

8.1 Introduction

The Scheme will be delivered in accordance with a phased construction programme. In this Section, I provide an overview of the status of the regeneration of each of the Estates, including works undertaken to date, with a particular focus on the delivery of the phases relevant to the CPOs.

8.2 The Eastfields Estate

8.2.1 Work has commenced very recently (late 2023) on 'sub-phase 1A', part of Phase 1. This is taking place entirely on land in Clarion's ownership and adjacent to the Estate and will provide 32 homes. Whilst outstanding interests remain to be acquired to deliver the remainder of Eastfields Phase 1 (please see Iona McConnell's Proof of Evidence (CD 13.10)), none of the occupiers or owners of these properties are objectors to the Eastfields CPO. Indeed, there are no longer any objections to this Eastfields CPO at all.

8.2.2 The remainder of Eastfields Phase 1 will be developed promptly after vacant possession has been secured, albeit in sub-phases to allow for final internal decants.

8.3 The High Path Estate

8.3.1 Work has completed on Phase 1 of the High Path Estate and provided 134 new homes. High Path Phase 2 will comprise 113 homes in two separate buildings, respectively replacing Lovell House and Marsh Court. Both of these existing buildings contain just one property on which we have been unable to secure vacant possession by negotiation. The Marsh Court replacement building will require a minor redesign as it has elements which are over 18m tall and will therefore need to comply with the Government's new requirements for a second staircase we expect the publication of the regulations early in 2024 and the design process will target an approval programme to tie-in with the likely date for the conclusion of the High Path CPO. The Lovell House replacement building will provide 8 town houses and can therefore be developed broadly as currently approved, subject to some minor amendments to comply with new Building Regulations.

8.3.2 Phase 3 will provide a further 374 homes, but the existing area can only be decanted and demolished following the completion of the Lovell House replacement in High Path Phase 2, as that provides houses for some residents currently in the High Path Phase 3 regeneration area.

8.4 The Ravensbury Estate

- 8.4.1 Phase 1 of the Ravensbury Estate has been completed and provided 21 new homes. Ravensbury Phase 2 which will provide 54 homes had been under construction for some time following the decant of residents into Ravensbury Phase 1 but has unfortunately been delayed part-way through the build programme due to the insolvency of the main contractor. A new contractor has now been mobilised with works recommencing after a delay, in January 2024. Ravensbury Phase 2 will be handed over in three sub-phases, with Ravensbury Phases 2B and 2C completing in December 2024, and Ravensbury Phase 2A completing in August 2025.
- 8.4.2 Ravensbury Phase 3 will be procured over the early part of 2024 so that the work can continue once decanted residents have moved into Ravensbury Phase 2. There are no objections in respect of Ravensbury Phases 2-3, and in Ravensbury Phase 4 there is only one outstanding objector. Ravensbury Phases 3 and 4 together will provide 179 homes.

9 CLARION'S EXPERIENCE

9.1 Introduction

9.1.1 In this Section I outline Clarion's experience both in terms of managing social housing stock as a registered provider, but also in respect of its experience in delivering estate regeneration and new development schemes.

9.2 Experience as a registered provider

9.2.1 Clarion's history can be traced back to the early 1900s and today is the UK's largest affordable housing landlord with over 125,000 homes and 350,000 residents. In the last financial year, it had a turnover of £1bn, liquidity of £1.02bn, had invested £605m in new and existing stock, and delivered 2,032 new homes, of which 78% were affordable. It has a development pipeline of almost 21,000 new homes which it will be developing over the coming years.

9.3 Experience delivering other regeneration and development schemes

9.3.1 Clarion's specialist residential development arm is called Latimer and was created to ensure that Clarion has an organisational capacity capable of building homes for all tenures. Latimer has nearly 300 specialist development professionals delivering complex projects in many parts of England, covering land assembly and acquisition, development management, project management, delivery, marketing and sales, design, innovation and sustainability. It works closely with its parent housing association to ensure homes are built which fundamentally meet local demand for affordable housing, subsidised by the surpluses made on homes for sale.

9.3.2 The Merton Estates Regeneration Programme is one of three major schemes around the country that warrant their own Project Director reflecting the priority placed on it.

9.3.3 Other significant national regeneration and development projects include:

- (a) A major brownfield regeneration site at Kirkstall in Leeds which will deliver over 1,500 new homes;
- (b) A new garden village on the outskirts of Colchester which will bring forward 9,000 new homes;

- (c) A joint venture with Countryside Properties at Ebbsfleet Garden City which will develop 2,600 new homes for Shared Ownership and Affordable Rent;
- (d) The regeneration of the former Rowntree factory in York into 585 new homes;
- (e) A joint venture with Bovis Homes developing 1,496 new homes at Sherford New Town in Plymouth;
- (f) The regeneration of the former Boddington Brewery site in Manchester developing 461 homes, of which 60% will be affordable;
- (g) Durand Close, London Borough of Sutton which began in 2002. A partnership with the London Borough of Sutton, the project delivered 675 homes, 72% (484) affordable across the main estate and 13 satellite sites;
- (h) Sherwood Close, London Borough of Ealing, in partnership with the Local Authority, this project replaces a failing, asbestos-ridden 1960s estate. Over 200 new homes have been delivered in two phases so far, the most recent 106, in March 2023;
- (i) Sutton Dwellings, Royal Borough of Kensington and Chelsea, were built in 1913 and represent some of the earliest purpose-built social housing in the UK. Four formerly derelict blocks are being stripped back to shell and remodelled to offer eighty-nine 1, 2, 3 and 4 bed roomed homes. A further circa 250 homes are being completely refurbished to the same high standard. This will remain a 100% affordable rented scheme; and
- (j) In the London Borough of Bromley, a number of sites are being advanced simultaneously. The nine storey Swanscombe House has been decanted and demolition is underway. It's a similar story at Spring Lodge and Bertha James Court where both sites have been decanted in readiness for redevelopment with 120 new 100% affordable homes. The decanting and redevelopment of a fourth site (Blacksmiths Lane) generating 125 new social rented homes has also recently been approved.

9.3.4 These 'top 10' Clarion schemes represent a total investment of almost £4bn, all of which is covered by the Group business plan, in addition to the proposed investment in the three Estates which are the subject of the CPOs.

9.3.5 In all of our regeneration and development activity we aim to be recognised as an industry leader by designing and constructing developments around 5 pillars of sustainability:

- (a) Social Value: generating economic growth in the communities we work in; having safe constructions sites run by considerate and responsible contractors; engaging with the community to understand their needs;
- (b) Healthy Places: creating inclusive communities that are safe and secure; creating stress-free environments both inside and out; avoiding isolated development, focussing on walkable communities to give everyone easy access to amenities;
- (c) Adaptable and Resilient: building to reduce the impacts of climate change to a minimum; creating places that are designed and built to minimise maintenance and costs; keeping abreast of future trends, innovation and learning from past projects;
- (d) Planet Friendly: creating places that are as good for wildlife as they are for people; reducing the impact on the planet from our construction activities; using materials and products that are ethically and responsibly sources; and
- (e) Energy and Carbon: End the installation of fossil fuel heating systems whilst lowering the carbon emissions of the homes we build by 75%; reducing the embodied carbon of our homes; significantly reducing the gap between designed and in-use performance.

9.3.6 Our goal is to not only be one of the country's biggest affordable housing developers, but to be the UK's most sustainable not-for-profit housebuilder; in 2023 we were awarded the Next Generation Benchmark Gold award (one of just three awarded), coming in third place as the UK's most sustainable housebuilder across all sectors.

9.4 **Conclusion**

9.4.1 Clarion has the financial capacity, the ambition, and the skills and organisational capacity to successfully deliver the regeneration programmes planned for the Estates and are fully committed to seeing them through.

10 DELIVERABILITY OF THE SCHEME

10.1 Introductions

10.1.1 I set out in this Section of my Proof of Evidence Clarion's commitment to fund and deliver the Scheme. As of the end of November 2023, Clarion had spent over £204m on the Scheme, notably relating to the acquisition of homes purchased in advance of the CPOs, the development of Phase 1 at the Ravensbury and High Path Estates, and design and other technical fees relating to each of the regeneration schemes, with a further £34.5m recently contracted on Eastfields Phase 1A and to complete Ravensbury Phase 2.

10.1.2 Specifically:

- (a) £40.6m has been spent to date in total on the Eastfields Estate, excluding the recently started development on Eastfields sub-phase 1A which will cost an additional £15.5m to develop. £30m has been spent on the voluntary acquisition of properties and on relocation costs across all phases and £10.6m on technical costs;
- (b) £76.9m has been spent on development costs to date on the High Path Estate including the completion of High Path Phase 1 (£52.2m), technical costs associated with High Path Phases 2 and 3 (£9.8m) and further technical costs associated with High Path Phases 4-7 (£14.9m). £66.7m has also been spent on voluntary acquisitions and relocation costs across all phases, making a total of £143.6m invested to date; and
- (c) On the Ravensbury Estate £16.6m has been spent to date on development with a further £19m committed to complete Ravensbury Phase 2. These costs include £2.3m spent on technical costs for Ravensbury Phases 3-4. A further £3.5m has been spent on acquisition costs across all three Phases. In total therefore £20.1m has been spent to date.

10.1.3 Clarion have not been waiting to see whether the CPOs will be confirmed. Such is the urgency for new homes on the Estates that Clarion have pushed ahead as far as they have been able to, in securing the vacant possession they require and in negotiating to acquire other rights. Almost £240m has now been spent or recently contractually committed to deliver the Scheme.

10.1.4 The aggregate cost of the regeneration of the Phases subject to the CPOs (excluding the Phases which are already completed) will total

£401.3m which has been fully budgeted for, and a total gross investment of £1.8bn has been budgeted for the completion of all Phases, netted down through income from the sales programmes. We now need to secure the final interests through the CPOs to complete the delivery of these early Phases.

10.2 Delivery

- 10.2.1 Clarion is obligated under the section 106 agreement (CD 7.22) pertaining to the Scheme to regularly provide a Financial Viability Assessment (**FVA**) for the individual estates and in aggregate across the whole programme. The latest report was completed by Savills in December 2022 and was subject to analysis and verification by the Council and their viability consultants, SQW, throughout 2023, as part of the negotiations around the Outline Planning Application for High Path Phases 4-7. The Council are therefore fully aware of the financial deficit forecast and, in these circumstances, have agreed to suspend the clawback arrangements.
- 10.2.2 The FVA was prepared in line with policy and guidance established in the National Planning Policy Framework, National Planning Policy Guidance, Greater London Authority's Affordable Housing and Viability SPD (2017), the Council's Development Viability SPD (2018), and the RICS Assessing Viability in Planning under the NPPF 2019 for England (2021).
- 10.2.3 A revision is likely to be drafted once the full design implications of the Government's requirements for second staircases is properly understood when they publish revised regulations in full, unless the regulations turn out to have a minimal impact.
- 10.2.4 The FVA is informed by;
- (a) Costs and values to date on completed phases;
 - (b) Costs locked into contracts for phases which are on-site;
 - (c) Estimates of likely values for those same phases; and
 - (d) Estimates of costs and values for future phases.
- 10.2.5 The Scheme is currently showing a significant deficit of £174.75m once allowances are made for Development Management and Finance costs and after allowing for all of the buy-back costs.

- 10.2.6 Essentially, the Ravensbury Estate makes a modest deficit, the Eastfields Estate makes a sizable deficit, and the High Path Estate makes a surplus.
- 10.2.7 In spite of the Scheme making an aggregate loss Clarion are fully committed to the delivery of Scheme, and specifically to delivering the phases subject to the CPOs, i.e. Eastfields Phase 1, High Path Phases 2-3 and Ravensbury Phases 2-4, as evidenced by the substantial costs incurred to date by the recent commitments to commence the build on Eastfields sub-phase 1A, and by the recommencement of Ravensbury Phase 2. The only obstacle to awarding development contracts on the remainder of Eastfields Phase 1 and High Path Phase 2 has been the need for these CPOs. The award of a construction contract for High Path Phase 3 would subsequently follow the completion of the High Path Phase 2 building on the site of Lovell House.
- 10.2.8 Quite simply, there is currently no alternative to pressing ahead with the Scheme, given Clarion's regulatory obligations, its obligations under the Stock Transfer Agreement and sunk costs to date.

10.3 **Board commitment**

- 10.3.1 Clarion has the relevant resources to carry out the Scheme and do not anticipate requiring external funding. A letter is attached at CD 8.32 from the Development Finance Director dated 25 January 2024 which concludes: "I can confirm that Clarion has adequate facilities to meet the funding requirements of the project with its existing funding arrangements."
- 10.3.2 On the 30 January 2024 and further to the resolution of the Board dated 30 September 2021 in respect of the Scheme, it is anticipated that the Board will:
- (a) note the deficit in respect of the delivery of High Path Phases 2 and 3, Eastfields Phase 1 and Ravensbury Phases 2 to 4;
 - (b) confirm Clarion's commitment to specifically deliver regeneration pursuant to High Path Phases 2 and 3, Eastfields Phase 1 and Ravensbury Phases 2 to 4 upon the confirmation of the necessary compulsory purchase orders to acquire outstanding interests to deliver these next phases of the Scheme; and
 - (c) reaffirm its commitment to deliver the Scheme.

10.3.3 If required, I will be in a position to confirm that the above board resolution was passed by the Board at the Public Inquiry.

11 CONCLUSION

- 11.1 As is explained above, I have been the Project Director for the Scheme since March 2023. My role is to ensure the successful delivery of the Scheme.
- 11.2 Clarion have dedicated a huge amount of resource to the Scheme to date and have the resources in place to afford delivery of the Scheme.
- 11.3 Clarion are fully committed to the successful implementation of the Scheme, one of their three national flagship schemes which will provide:
 - 11.3.1 Better homes;
 - 11.3.2 Larger homes;
 - 11.3.3 Warmer homes;
 - 11.3.4 More homes; and
 - 11.3.5 A vastly improved environment in which they will sit.

12 **STATEMENT OF TRUTH AND DECLARATION**

12.1 **Statement of Truth**

12.1.1 I confirm that I have made clear which facts and matters referred to in this report are within my own knowledge and which are not. Those that are within my own knowledge I confirm to be true. The opinions I have expressed represent my true and complete professional opinions on the matters to which they refer.

12.2 **Declaration**

12.2.1 I confirm that my report has drawn attention to all material facts which are relevant and have affected by professional opinion.

12.2.2 I confirm that I understand and have complied with my duty to the inquiry as an expert witness which overrides any duty to those instructing or paying me, that I have given my evidence impartially and objectively, and that I will continue to comply with that duty as required.

12.2.3 I confirm that I am not instructed under any conditional or other success based fee arrangement.

12.2.4 I confirm that I have no conflicts of interest.

12.2.5 I confirm that I am aware of and have complied with the requirements of the rules, protocols and directions of the inquiry.



Signed: Dated: 26 January 2024.....

BRIAN HAM